

By Senator Flores

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1 A bill to be entitled
2 An act relating to ad valorem taxation; amending s.
3 192.0105, F.S.; conforming a provision to changes made
4 by the act; creating s. 193.1148, F.S.; requiring a
5 property appraiser to notify the Department of Revenue
6 if the recertified just value of an assessment roll is
7 less than the initial just value of an assessment roll
8 by a specified amount; requiring the department, if
9 such excess occurs for a specified period, to review
10 and make certain written findings regarding certain
11 processes used by the property appraiser and value
12 adjustment board; requiring the property appraiser and
13 value adjustment board to cooperate with the
14 department during its conduct of a review; amending s.
15 193.122, F.S.; establishing deadlines for value
16 adjustment boards to hear petitions and issue the
17 second tax roll certification; providing
18 applicability; amending s. 194.011, F.S.; specifying
19 procedures for filing petitions to the value
20 adjustment board; amending s. 194.014, F.S.; revising
21 the entities authorized to determine under certain
22 circumstances that a petitioner owes ad valorem taxes
23 or is owed a refund of overpaid taxes; revising the
24 rate at which interest accrues on unpaid and overpaid
25 ad valorem taxes; defining the term "bank prime loan
26 rate"; amending s. 194.015, F.S.; authorizing the
27 school board and county commission to audit certain
28 expenses of the value adjustment board; amending s.
29 194.032, F.S.; requiring a property appraiser to

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30 notify a petitioner when a property record card is
31 available online; authorizing a property appraiser to
32 reschedule a hearing relating to an assessment;
33 requiring a petitioner or a property appraiser to show
34 good cause to reschedule such hearing; defining the
35 term "good cause"; requiring the clerk to provide
36 notice to a petitioner of a rescheduled hearing within
37 a certain time; amending s. 194.034, F.S.; revising
38 the entities that may represent a taxpayer before the
39 value adjustment board; amending s. 1011.62, F.S.;
40 revising the time period for requirements and
41 calculations applicable to the levy and adjustment of
42 the Prior Period Funding Adjustment Millage before and
43 after certification of the district's final taxable
44 value; providing effective dates.

45
46 Be It Enacted by the Legislature of the State of Florida:

47
48 Section 1. Paragraph (f) of subsection (2) of section
49 192.0105, Florida Statutes, is amended to read:

50 192.0105 Taxpayer rights.—There is created a Florida
51 Taxpayer's Bill of Rights for property taxes and assessments to
52 guarantee that the rights, privacy, and property of the
53 taxpayers of this state are adequately safeguarded and protected
54 during tax levy, assessment, collection, and enforcement
55 processes administered under the revenue laws of this state. The
56 Taxpayer's Bill of Rights compiles, in one document, brief but
57 comprehensive statements that summarize the rights and
58 obligations of the property appraisers, tax collectors, clerks

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59 of the court, local governing boards, the Department of Revenue,
60 and taxpayers. Additional rights afforded to payors of taxes and
61 assessments imposed under the revenue laws of this state are
62 provided in s. 213.015. The rights afforded taxpayers to assure
63 that their privacy and property are safeguarded and protected
64 during tax levy, assessment, and collection are available only
65 insofar as they are implemented in other parts of the Florida
66 Statutes or rules of the Department of Revenue. The rights so
67 guaranteed to state taxpayers in the Florida Statutes and the
68 departmental rules include:

69 (2) THE RIGHT TO DUE PROCESS.—

70 (f) The right, in value adjustment board proceedings, to
71 have all evidence presented and considered at a public hearing
72 at the scheduled time, to be represented by a person specified
73 in s. 194.034(1)(a) an attorney or agent, to have witnesses
74 sworn and cross-examined, and to examine property appraisers or
75 evaluators employed by the board who present testimony (see ss.
76 194.034(1)(a) and (c) and (4), and 194.035(2)).

77 Section 2. Section 193.1148, Florida Statutes, is created
78 to read:

79 193.1148 Initial just value of the assessment roll.—

80 (1) Within 10 days after the recertification of the
81 assessment roll by the property appraiser under s. 193.122(3),
82 the property appraiser shall provide written notification to the
83 department if the recertified just value of the assessment roll
84 is less than the initial just value submitted to the department
85 pursuant to s. 193.1142 by more than 2 percent. If the 2 percent
86 threshold is exceeded for 3 consecutive years, the department
87 shall:

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88 (a) Review the process used by the property appraiser in
89 deriving the initial just values of the assessment rolls, and
90 make written findings regarding whether the property appraiser
91 complied with s. 193.011 and professionally accepted appraisal
92 practices; and

93 (b) Review the process used by the value adjustment board
94 in changing and determining the final tax roll for the 3-year
95 period specified in the notification or period specified in the
96 request, and make written findings regarding whether the value
97 adjustment board complied with chapter 194 and accepted
98 standards in determining property values.

99 (2) The property appraiser and value adjustment board shall
100 cooperate with the department during its conduct of a review and
101 make all matters and records bearing on the review available to
102 the department upon request.

103 Section 3. Effective July 1, 2017, subsection (3) of
104 section 193.122, Florida Statutes, is amended to read:

105 193.122 Certificates of value adjustment board and property
106 appraiser; extensions on the assessment rolls.—

107 (3) When the tax rolls have been extended pursuant to s.
108 197.323, the second certification of the value adjustment board
109 shall reflect all changes made by the board together with any
110 adjustments or changes made by the property appraiser. The value
111 adjustment board must hear all petitions and issue its second
112 certification by June 1 following the year in which the taxes
113 were assessed. If the number of petitions filed increases by
114 more than 10 percent over the prior year, the June 1 deadline is
115 extended to December 1. Upon the value adjustment board's second
116 ~~such~~ certification, the property appraiser shall recertify the

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117 tax rolls with all changes to the tax collector and shall
118 provide public notice of the date and fact of recertification
119 pursuant to subsection (2).

120 Section 4. The amendment to section 193.122, Florida
121 Statutes, made by this act first applies to the 2017 tax roll.

122 Section 5. Subsection (3) of section 194.011, Florida
123 Statutes, is amended to read:

124 194.011 Assessment notice; objections to assessments.—

125 (3) A petition to the value adjustment board must be in
126 substantially the form prescribed by the department.
127 Notwithstanding s. 195.022, a county officer may not refuse to
128 accept a form provided by the department for this purpose if the
129 taxpayer chooses to use it. A petition to the value adjustment
130 board must be signed by the taxpayer or accompanied by the
131 taxpayer's written authorization for representation by a person
132 specified in s. 194.034(1)(a). A written authorization is valid
133 for 1 tax year, and a new written authorization by the taxpayer
134 is required for each subsequent tax year. A petition must also
135 ~~shall~~ describe the property by parcel number and shall be filed
136 as follows:

137 (a) The clerk of the value adjustment board and the
138 property appraiser shall have available and shall distribute
139 forms prescribed by the Department of Revenue on which the
140 petition shall be made. Such petition shall be sworn to by the
141 petitioner.

142 (b) The completed petition shall be filed with the clerk of
143 the value adjustment board of the county, who shall acknowledge
144 receipt thereof and promptly furnish a copy thereof to the
145 property appraiser.

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146 (c) The petition shall state the approximate time
147 anticipated by the taxpayer to present and argue his or her
148 petition before the board.

149 (d) The petition may be filed, as to valuation issues, at
150 any time during the taxable year on or before the 25th day
151 following the mailing of notice by the property appraiser as
152 provided in subsection (1). With respect to an issue involving
153 the denial of an exemption, an agricultural or high-water
154 recharge classification application, an application for
155 classification as historic property used for commercial or
156 certain nonprofit purposes, or a deferral, the petition must be
157 filed at any time during the taxable year on or before the 30th
158 day following the mailing of the notice by the property
159 appraiser under s. 193.461, s. 193.503, s. 193.625, s. 196.173,
160 or s. 196.193 or notice by the tax collector under s. 197.2425.

161 (e) A condominium association, cooperative association, or
162 any homeowners' association as defined in s. 723.075, with
163 approval of its board of administration or directors, may file
164 with the value adjustment board a single joint petition on
165 behalf of any association members who own parcels of property
166 which the property appraiser determines are substantially
167 similar with respect to location, proximity to amenities, number
168 of rooms, living area, and condition. The condominium
169 association, cooperative association, or homeowners' association
170 as defined in s. 723.075 shall provide the unit owners with
171 notice of its intent to petition the value adjustment board and
172 shall provide at least 20 days for a unit owner to elect, in
173 writing, that his or her unit not be included in the petition.

174 (f) An owner of contiguous, undeveloped parcels may file

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175 with the value adjustment board a single joint petition if the
176 property appraiser determines such parcels are substantially
177 similar in nature.

178 (g) An owner of multiple tangible personal property
179 accounts may file with the value adjustment board a single joint
180 petition if the property appraiser determines that the tangible
181 personal property accounts are substantially similar in nature.

182 (h) The individual, agent, or legal entity that signs the
183 petition becomes an agent of the taxpayer for the purpose of
184 serving process to obtain personal jurisdiction over the
185 taxpayer for the entire value adjustment board proceedings,
186 including any appeals of a board decision by the property
187 appraiser pursuant to s. 194.036.

188 Section 6. Subsection (2) of section 194.014, Florida
189 Statutes, is amended to read:

190 194.014 Partial payment of ad valorem taxes; proceedings
191 before value adjustment board.—

192 (2) If the value adjustment board or the property appraiser
193 determines that the petitioner owes ad valorem taxes in excess
194 of the amount paid, the unpaid amount accrues interest at an
195 annual percentage rate equal to the bank prime loan rate on July
196 1, or the first business day thereafter if July 1 is a Saturday,
197 Sunday, or legal holiday, of the tax ~~the rate of 12 percent per~~
198 year, beginning on ~~from~~ the date the taxes became delinquent
199 pursuant to s. 197.333 until the unpaid amount is paid. If the
200 value adjustment board or the property appraiser determines that
201 a refund is due, the overpaid amount accrues interest at an
202 annual percentage rate equal to the bank prime loan rate on July
203 1, or the first business day thereafter if July 1 is a Saturday,

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204 Sunday, or legal holiday, of the tax ~~the rate of 12 percent per~~
205 year, beginning on ~~from~~ the date the taxes became delinquent
206 pursuant to s. 197.333 until a refund is paid. Interest on
207 overpayments shall be funded proportionately by each taxing
208 authority in the county. Interest does not accrue on amounts
209 paid in excess of 100 percent of the current taxes due as
210 provided on the tax notice issued pursuant to s. 197.322. As
211 used in this subsection, the term "bank prime loan rate" means
212 the average predominant prime rate quoted by commercial banks to
213 large businesses as published by the Board of Governors of the
214 Federal Reserve System.

215 Section 7. Section 194.015, Florida Statutes, is amended to
216 read:

217 194.015 Value adjustment board. ~~There is hereby created A~~
218 value adjustment board is created for each county, which shall
219 consist of two members of the governing body of the county as
220 elected from the membership of the board of the ~~said~~ governing
221 body, one of whom shall be elected chairperson, and one member
222 of the school board as elected from the membership of the school
223 board, and two citizen members, one of whom shall be appointed
224 by the governing body of the county and must own homestead
225 property within the county and one of whom must be appointed by
226 the school board and must own a business occupying commercial
227 space located within the school district. A citizen member may
228 not be a member or an employee of any taxing authority, and may
229 not be a person who represents property owners in any
230 administrative or judicial review of property taxes. The members
231 of the board may be temporarily replaced by other members of the
232 respective boards on appointment by their respective

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233 chairpersons. Any three members shall constitute a quorum of the
234 board, except that each quorum must include at least one member
235 of said governing board, at least one member of the school
236 board, and at least one citizen member and no meeting of the
237 board shall take place unless a quorum is present. Members of
238 the board may receive such per diem compensation as is allowed
239 by law for state employees if both bodies elect to allow such
240 compensation. The clerk of the governing body of the county
241 shall be the clerk of the value adjustment board. The board
242 shall appoint private counsel who has practiced law for over 5
243 years and who shall receive such compensation as may be
244 established by the board. The private counsel may not represent
245 the property appraiser, the tax collector, any taxing authority,
246 or any property owner in any administrative or judicial review
247 of property taxes. A ~~No~~ meeting of the board may not shall take
248 place unless counsel to the board is present. Two-fifths of the
249 expenses of the board shall be borne by the ~~district~~ school
250 board and three-fifths by the ~~district~~ county commission. The
251 school board and the county commission may audit the expenses
252 related to the value adjustment board process.

253 Section 8. Paragraph (a) of subsection (2) of section
254 194.032, Florida Statutes, is amended to read:

255 194.032 Hearing purposes; timetable.-

256 (2) (a) The clerk of the governing body of the county shall
257 prepare a schedule of appearances before the board based on
258 petitions timely filed with him or her. The clerk shall notify
259 each petitioner of the scheduled time of his or her appearance
260 at least 25 calendar days before the day of the scheduled
261 appearance. The notice must indicate whether the petition has

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262 been scheduled to be heard at a particular time or during a
263 block of time. If the petition has been scheduled to be heard
264 within a block of time, the beginning and ending of that block
265 of time must be indicated on the notice; however, as provided in
266 paragraph (b), a petitioner may not be required to wait for more
267 than a reasonable time, not to exceed 2 hours, after the
268 beginning of the block of time. If the petitioner checked the
269 appropriate box on the petition form to request a copy of the
270 property record card containing relevant information used in
271 computing the current assessment, the property appraiser must
272 provide the copy to the petitioner upon receipt of the petition
273 from the clerk regardless of whether the petitioner initiates
274 evidence exchange, unless the property record card is available
275 online from the property appraiser, in which case the property
276 appraiser must notify the petitioner that the property record
277 card is available online. ~~Upon receipt of the notice,~~ The
278 petitioner or the property appraiser may reschedule the hearing
279 a single time for good cause ~~by submitting to the clerk a~~
280 ~~written request to reschedule, at least 5 calendar days before~~
281 ~~the day of the originally scheduled hearing.~~ As used in this
282 paragraph, the term "good cause" means circumstances beyond the
283 control of the person seeking to reschedule the hearing which
284 reasonably prevent him or her from having adequate
285 representation at the hearing. If the hearing is rescheduled by
286 the petitioner, the clerk shall notify the petitioner of the
287 rescheduled date and time for his or her appearance at least 15
288 calendar days before the date of the rescheduled appearance.

289 Section 9. Paragraph (a) of subsection (1) of section
290 194.034, Florida Statutes, is amended to read:

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291 194.034 Hearing procedures; rules.—

292 (1) (a) Petitioners before the board may be represented by a
293 corporate representative of the taxpayer, an attorney who is a
294 member of The Florida Bar, a real estate appraiser or a real
295 estate broker licensed under chapter 475, or a certified public
296 accountant licensed under chapter 473, retained by the taxpayer,
297 or an individual with power of attorney to act on behalf of the
298 taxpayer who receives no compensation, ~~agent~~ and such person may
299 present testimony and other evidence. The property appraiser or
300 his or her authorized representatives may be represented by an
301 attorney in defending the property appraiser's assessment or
302 opposing an exemption and may present testimony and other
303 evidence. The property appraiser, each petitioner, and all
304 witnesses shall be required, upon the request of either party,
305 to testify under oath as administered by the chairperson of the
306 board. Hearings shall be conducted in the manner prescribed by
307 rules of the department, which rules shall include the right of
308 cross-examination of any witness.

309 Section 10. Paragraph (e) of subsection (4) of section
310 1011.62, Florida Statutes, is amended to read:

311 1011.62 Funds for operation of schools.—If the annual
312 allocation from the Florida Education Finance Program to each
313 district for operation of schools is not determined in the
314 annual appropriations act or the substantive bill implementing
315 the annual appropriations act, it shall be determined as
316 follows:

317 (4) COMPUTATION OF DISTRICT REQUIRED LOCAL EFFORT.—The
318 Legislature shall prescribe the aggregate required local effort
319 for all school districts collectively as an item in the General

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320 Appropriations Act for each fiscal year. The amount that each
321 district shall provide annually toward the cost of the Florida
322 Education Finance Program for kindergarten through grade 12
323 programs shall be calculated as follows:

324 (e) *Prior period funding adjustment millage.*—

325 1. ~~There shall be~~ An additional millage ~~to be~~ known as the
326 Prior Period Funding Adjustment Millage shall be levied by a
327 school district if the prior period unrealized required local
328 effort funds are greater than zero. The Commissioner of
329 Education shall calculate the amount of the prior period
330 unrealized required local effort funds as specified in
331 subparagraph 2. and the millage required to generate that amount
332 as specified in this subparagraph. The Prior Period Funding
333 Adjustment Millage shall be the quotient of the prior period
334 unrealized required local effort funds divided by the current
335 year taxable value certified to the Commissioner of Education
336 pursuant to sub-subparagraph (a)1.a. This levy shall be in
337 addition to the required local effort millage certified pursuant
338 to this subsection. Such millage shall not affect the
339 calculation of the current year's required local effort, and the
340 funds generated by such levy shall not be included in the
341 district's Florida Education Finance Program allocation for that
342 fiscal year. For purposes of the millage to be included on the
343 Notice of Proposed Taxes, the Commissioner of Education shall
344 adjust the required local effort millage computed pursuant to
345 paragraph (a) as adjusted by paragraph (b) for the current year
346 for any district that levies a Prior Period Funding Adjustment
347 Millage to include all Prior Period Funding Adjustment Millage.
348 For the purpose of this paragraph, ~~there shall be~~ a Prior Period

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349 Funding Adjustment Millage shall be levied for each year
350 certified by the Department of Revenue pursuant to sub-
351 subparagraph (a)2.a. since the previous year certification and
352 for which the calculation in sub-subparagraph 2.b. is greater
353 than zero.

354 2.a. As used in this subparagraph, the term:

355 (I) "Prior year" means a year certified under sub-
356 subparagraph (a)2.a.

357 (II) "Preliminary taxable value" means:

358 (A) If the prior year is the 2009-2010 fiscal year or
359 later, the taxable value certified to the Commissioner of
360 Education pursuant to sub-subparagraph (a)1.a.

361 (B) If the prior year is the 2008-2009 fiscal year or
362 earlier, the taxable value certified pursuant to the final
363 calculation as specified in former paragraph (b) as that
364 paragraph existed in the prior year.

365 (III) "Final taxable value" means the district's taxable
366 value as certified by the property appraiser pursuant to s.
367 193.122(2) or (3), if applicable. This is the certification that
368 reflects all final administrative actions of the value
369 adjustment board.

370 b. For purposes of this subsection and with respect to each
371 year certified pursuant to sub-subparagraph (a)2.a., if the
372 district's prior year preliminary taxable value is greater than
373 the district's prior year final taxable value, the prior period
374 unrealized required local effort funds are the difference
375 between the district's prior year preliminary taxable value and
376 the district's prior year final taxable value, multiplied by the
377 prior year district required local effort millage. If the

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378 district's prior year preliminary taxable value is less than the
379 district's prior year final taxable value, the prior period
380 unrealized required local effort funds are zero.

381 c. For the 2016-2017 ~~2015-2016~~ fiscal year only, if a
382 district's prior period unrealized required local effort funds
383 and prior period district required local effort millage cannot
384 be determined because such district's final taxable value has
385 not yet been certified pursuant to s. 193.122(2) or (3), for the
386 2016 ~~2015~~ tax levy, the Prior Period Funding Adjustment Millage
387 for such fiscal year shall be levied, if not previously levied,
388 in 2016 ~~2015~~ in an amount equal to 75 percent of such district's
389 most recent unrealized required local effort for which a Prior
390 Period Funding Adjustment Millage was determined as provided in
391 this section. Upon certification of the final taxable value for
392 the ~~2012, 2013, or~~ 2014 and 2015 tax rolls in accordance with s.
393 193.122(2) or (3), the Prior Period Funding Adjustment Millage
394 levied in ~~2015 and~~ 2016 and 2017 shall be adjusted to include
395 any shortfall or surplus in the prior period unrealized required
396 local effort funds that would have been levied in ~~2014 or~~ 2015
397 or 2016, had the district's final taxable value been certified
398 pursuant to s. 193.122(2) or (3) for the ~~2014 or~~ 2015 or 2016
399 tax levy. If this adjustment is made for a surplus, the
400 reduction in prior period millage may not exceed the prior
401 period funding adjustment millage calculated pursuant to
402 subparagraph 1. and sub-subparagraphs a. and b. and any
403 additional reduction shall be carried forward to the subsequent
404 fiscal year.

405 Section 11. Except as otherwise expressly provided in this
406 act, this act shall take effect July 1, 2016.