

By the Committee on Finance and Tax; and 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; amending s. 193.122, F.S.; specifying
5 deadlines for value adjustment boards to hear
6 petitions and issue the second tax roll certification;
7 providing applicability; amending s. 193.1554, F.S.;
8 requiring a property appraiser to provide a specified
9 notice to nonhomestead residential property owners who
10 were determined to not be entitled for a certain
11 property assessment limitation; providing a specified
12 timeframe for such property owners to pay taxes,
13 penalties, and interest; prohibiting the assessment of
14 a penalty or interest for property assessment
15 limitations granted as a result of a clerical mistake
16 or an omission by the property appraiser; amending s.
17 193.1555, F.S.; requiring a property appraiser to
18 provide a specified notice to certain residential and
19 nonresidential property owners who were determined to
20 not be entitled for a certain property assessment
21 limitation; providing a specified timeframe for such
22 property owners to pay taxes, penalties, and interest;
23 prohibiting the assessment of a penalty or interest
24 for property assessment limitations granted as a
25 result of a clerical mistake or an omission by the
26 property appraiser; amending s. 194.011, F.S.;
27 specifying procedures for filing petitions to the
28 value adjustment board; amending s. 194.014, F.S.;
29 revising the entities authorized to determine under
30 certain circumstances that a petitioner owes ad
31 valorem taxes or is owed a refund of overpaid taxes;
32 revising the rate at which interest accrues on unpaid

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33 and overpaid ad valorem taxes; defining the term "bank
34 prime loan rate"; amending s. 194.015, F.S.;
35 authorizing the school board and county commission to
36 audit certain expenses of the value adjustment board;
37 amending s. 194.032, F.S.; requiring a property
38 appraiser to notify a petitioner when a property
39 record card is available online; authorizing a
40 property appraiser to reschedule a hearing relating to
41 an assessment; requiring a petitioner or a property
42 appraiser to show good cause to reschedule such
43 hearing; defining the term "good cause"; requiring the
44 clerk to provide notice to a petitioner of a
45 rescheduled hearing within a certain time; amending s.
46 194.034, F.S.; revising the entities that may
47 represent a taxpayer before the value adjustment
48 board; amending s. 197.3632, F.S.; extending the dates
49 for certain counties to hold public hearings and
50 certify non-ad valorem assessment rolls; reenacting
51 and amending s. 1011.62, F.S.; revising the time
52 period for requirements and calculations applicable to
53 the levy and adjustment of the Prior Period Funding
54 Adjustment Millage before and after certification of
55 the district's final taxable value; providing
56 effective dates.

57
58 Be It Enacted by the Legislature of the State of Florida:

59
60 Section 1. Paragraph (f) of subsection (2) of section
61 192.0105, Florida Statutes, is amended to read:

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62 192.0105 Taxpayer rights.—There is created a Florida
63 Taxpayer's Bill of Rights for property taxes and assessments to
64 guarantee that the rights, privacy, and property of the
65 taxpayers of this state are adequately safeguarded and protected
66 during tax levy, assessment, collection, and enforcement
67 processes administered under the revenue laws of this state. The
68 Taxpayer's Bill of Rights compiles, in one document, brief but
69 comprehensive statements that summarize the rights and
70 obligations of the property appraisers, tax collectors, clerks
71 of the court, local governing boards, the Department of Revenue,
72 and taxpayers. Additional rights afforded to payors of taxes and
73 assessments imposed under the revenue laws of this state are
74 provided in s. 213.015. The rights afforded taxpayers to assure
75 that their privacy and property are safeguarded and protected
76 during tax levy, assessment, and collection are available only
77 insofar as they are implemented in other parts of the Florida
78 Statutes or rules of the Department of Revenue. The rights so
79 guaranteed to state taxpayers in the Florida Statutes and the
80 departmental rules include:

81 (2) THE RIGHT TO DUE PROCESS.—

82 (f) The right, in value adjustment board proceedings, to
83 have all evidence presented and considered at a public hearing
84 at the scheduled time, to be represented by a person specified
85 in s. 194.034(1)(a) ~~an attorney or agent~~, to have witnesses
86 sworn and cross-examined, and to examine property appraisers or
87 evaluators employed by the board who present testimony (see ss.
88 194.034(1)(a) and (c) and (4), and 194.035(2)).

89 Section 2. Effective July 1, 2017, subsection (3) of
90 section 193.122, Florida Statutes, is amended to read:

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91 193.122 Certificates of value adjustment board and property
92 appraiser; extensions on the assessment rolls.—

93 (3) When the tax rolls have been extended pursuant to s.
94 197.323, the second certification of the value adjustment board
95 shall reflect all changes made by the board together with any
96 adjustments or changes made by the property appraiser. The value
97 adjustment board must hear all petitions and issue its second
98 certification by June 1 following the year in which the taxes
99 were assessed. If the number of petitions filed increases by
100 more than 10 percent over the prior year, the June 1 deadline is
101 extended to December 1. Upon the value adjustment board's second
102 ~~such~~ certification, the property appraiser shall recertify the
103 tax rolls with all changes to the tax collector and shall
104 provide public notice of the date and fact of recertification
105 pursuant to subsection (2).

106 Section 3. The amendments to s. 193.122, Florida Statutes,
107 made by this act first apply to the 2017 tax roll.

108 Section 4. Subsection (10) of section 193.1554, Florida
109 Statutes, is amended to read:

110 193.1554 Assessment of nonhomestead residential property.—

111 (10) If the property appraiser determines that for any year
112 or years within the prior 10 years a person or entity who was
113 not entitled to the property assessment limitation granted under
114 this section was granted the property assessment limitation, the
115 property appraiser making such determination shall serve upon
116 the owner a notice of intent to record in the public records of
117 the county a notice of tax lien against any property owned by
118 that person or entity in the county, and such property must be
119 identified in the notice of tax lien. Such property that is

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120 situated in this state is subject to the unpaid taxes, plus a
121 penalty of 50 percent of the unpaid taxes for each year and 15
122 percent interest per annum. Before a lien may be filed, the
123 person or entity so notified must be given 30 days to pay the
124 taxes and any applicable penalties and interest. If the property
125 appraiser improperly grants the property assessment limitation
126 as a result of a clerical mistake or an omission, the person or
127 entity improperly receiving the property assessment limitation
128 may not be assessed a penalty or interest.

129 Section 5. Subsection (10) of section 193.1555, Florida
130 Statutes, is amended to read:

131 193.1555 Assessment of certain residential and
132 nonresidential real property.—

133 (10) If the property appraiser determines that for any year
134 or years within the prior 10 years a person or entity who was
135 not entitled to the property assessment limitation granted under
136 this section was granted the property assessment limitation, the
137 property appraiser making such determination shall serve upon
138 the owner a notice of intent to record in the public records of
139 the county a notice of tax lien against any property owned by
140 that person or entity in the county, and such property must be
141 identified in the notice of tax lien. Such property that is
142 situated in this state is subject to the unpaid taxes, plus a
143 penalty of 50 percent of the unpaid taxes for each year and 15
144 percent interest per annum. Before a lien may be filed, the
145 person or entity so notified must be given 30 days to pay the
146 taxes and any applicable penalties and interest. If the property
147 appraiser improperly grants the property assessment limitation
148 as a result of a clerical mistake or an omission, the person or

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149 entity improperly receiving the property assessment limitation
150 may not be assessed a penalty or interest.

151 Section 6. Subsection (3) of section 194.011, Florida
152 Statutes, is amended to read:

153 194.011 Assessment notice; objections to assessments.—

154 (3) A petition to the value adjustment board must be in
155 substantially the form prescribed by the department.
156 Notwithstanding s. 195.022, a county officer may not refuse to
157 accept a form provided by the department for this purpose if the
158 taxpayer chooses to use it. A petition to the value adjustment
159 board must be signed by the taxpayer or accompanied by the
160 taxpayer's written authorization for representation by a person
161 specified in s. 194.034(1)(a). A written authorization is valid
162 for 1 tax year, and a new written authorization by the taxpayer
163 is required for each subsequent tax year. A petition must also
164 ~~shall~~ describe the property by parcel number and shall be filed
165 as follows:

166 (a) The clerk of the value adjustment board and the
167 property appraiser shall have available and shall distribute
168 forms prescribed by the Department of Revenue on which the
169 petition shall be made. Such petition shall be sworn to by the
170 petitioner.

171 (b) The completed petition shall be filed with the clerk of
172 the value adjustment board of the county, who shall acknowledge
173 receipt thereof and promptly furnish a copy thereof to the
174 property appraiser.

175 (c) The petition shall state the approximate time
176 anticipated by the taxpayer to present and argue his or her
177 petition before the board.

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178 (d) The petition may be filed, as to valuation issues, at
179 any time during the taxable year on or before the 25th day
180 following the mailing of notice by the property appraiser as
181 provided in subsection (1). With respect to an issue involving
182 the denial of an exemption, an agricultural or high-water
183 recharge classification application, an application for
184 classification as historic property used for commercial or
185 certain nonprofit purposes, or a deferral, the petition must be
186 filed at any time during the taxable year on or before the 30th
187 day following the mailing of the notice by the property
188 appraiser under s. 193.461, s. 193.503, s. 193.625, s. 196.173,
189 or s. 196.193 or notice by the tax collector under s. 197.2425.

190 (e) A condominium association, cooperative association, or
191 any homeowners' association as defined in s. 723.075, with
192 approval of its board of administration or directors, may file
193 with the value adjustment board a single joint petition on
194 behalf of any association members who own parcels of property
195 which the property appraiser determines are substantially
196 similar with respect to location, proximity to amenities, number
197 of rooms, living area, and condition. The condominium
198 association, cooperative association, or homeowners' association
199 as defined in s. 723.075 shall provide the unit owners with
200 notice of its intent to petition the value adjustment board and
201 shall provide at least 20 days for a unit owner to elect, in
202 writing, that his or her unit not be included in the petition.

203 (f) An owner of contiguous, undeveloped parcels may file
204 with the value adjustment board a single joint petition if the
205 property appraiser determines such parcels are substantially
206 similar in nature.

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

211 (h) The individual, agent, or legal entity that signs the
212 petition becomes an agent of the taxpayer for the purpose of
213 serving process to obtain personal jurisdiction over the
214 taxpayer for the entire value adjustment board proceedings,
215 including any appeals of a board decision by the property
216 appraiser pursuant to s. 194.036.

217 Section 7. Subsection (2) of section 194.014, Florida
218 Statutes, is amended to read:

219 194.014 Partial payment of ad valorem taxes; proceedings
220 before value adjustment board.—

221 (2) If the value adjustment board or the property appraiser
222 determines that the petitioner owes ad valorem taxes in excess
223 of the amount paid, the unpaid amount accrues interest at an
224 annual percentage rate equal to the bank prime loan rate on July
225 1, or the first business day thereafter if July 1 is a Saturday,
226 Sunday, or legal holiday, of the tax ~~the rate of 12 percent per~~
227 year, beginning on ~~from~~ the date the taxes became delinquent
228 pursuant to s. 197.333 until the unpaid amount is paid. If the
229 value adjustment board or the property appraiser determines that
230 a refund is due, the overpaid amount accrues interest at an
231 annual percentage rate equal to the bank prime loan rate on July
232 1, or the first business day thereafter if July 1 is a Saturday,
233 Sunday, or legal holiday, of the tax ~~the rate of 12 percent per~~
234 year, beginning on ~~from~~ the date the taxes became delinquent
235 pursuant to s. 197.333 until a refund is paid. Interest on an

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236 overpayment related to a petition shall be funded
237 proportionately by each taxing authority that was overpaid.
238 Interest does not accrue on amounts paid in excess of 100
239 percent of the current taxes due as provided on the tax notice
240 issued pursuant to s. 197.322. As used in this subsection, the
241 term "bank prime loan rate" means the average predominant prime
242 rate quoted by commercial banks to large businesses as published
243 by the Board of Governors of the Federal Reserve System.

244 Section 8. Section 194.015, Florida Statutes, is amended to
245 read:

246 194.015 Value adjustment board. ~~There is hereby created~~ A
247 value adjustment board is created for each county, which shall
248 consist of two members of the governing body of the county as
249 elected from the membership of the board of the ~~said~~ governing
250 body, one of whom shall be elected chairperson, and one member
251 of the school board as elected from the membership of the school
252 board, and two citizen members, one of whom shall be appointed
253 by the governing body of the county and must own homestead
254 property within the county and one of whom must be appointed by
255 the school board and must own a business occupying commercial
256 space located within the school district. A citizen member may
257 not be a member or an employee of any taxing authority, and may
258 not be a person who represents property owners in any
259 administrative or judicial review of property taxes. The members
260 of the board may be temporarily replaced by other members of the
261 respective boards on appointment by their respective
262 chairpersons. Any three members shall constitute a quorum of the
263 board, except that each quorum must include at least one member
264 of said governing board, at least one member of the school

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265 board, and at least one citizen member and no meeting of the
266 board shall take place unless a quorum is present. Members of
267 the board may receive such per diem compensation as is allowed
268 by law for state employees if both bodies elect to allow such
269 compensation. The clerk of the governing body of the county
270 shall be the clerk of the value adjustment board. The board
271 shall appoint private counsel who has practiced law for over 5
272 years and who shall receive such compensation as may be
273 established by the board. The private counsel may not represent
274 the property appraiser, the tax collector, any taxing authority,
275 or any property owner in any administrative or judicial review
276 of property taxes. A ~~No~~ meeting of the board may not ~~shall~~ take
277 place unless counsel to the board is present. Two-fifths of the
278 expenses of the board shall be borne by the ~~district~~ school
279 board and three-fifths by the ~~district~~ county commission. The
280 school board and the county commission may audit the expenses
281 related to the value adjustment board process.

282 Section 9. Paragraph (a) of subsection (2) of section
283 194.032, Florida Statutes, is amended to read:

284 194.032 Hearing purposes; timetable.—

285 (2) (a) The clerk of the governing body of the county shall
286 prepare a schedule of appearances before the board based on
287 petitions timely filed with him or her. The clerk shall notify
288 each petitioner of the scheduled time of his or her appearance
289 at least 25 calendar days before the day of the scheduled
290 appearance. The notice must indicate whether the petition has
291 been scheduled to be heard at a particular time or during a
292 block of time. If the petition has been scheduled to be heard
293 within a block of time, the beginning and ending of that block

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294 of time must be indicated on the notice; however, as provided in
295 paragraph (b), a petitioner may not be required to wait for more
296 than a reasonable time, not to exceed 2 hours, after the
297 beginning of the block of time. If the petitioner checked the
298 appropriate box on the petition form to request a copy of the
299 property record card containing relevant information used in
300 computing the current assessment, the property appraiser must
301 provide the copy to the petitioner upon receipt of the petition
302 from the clerk regardless of whether the petitioner initiates
303 evidence exchange, unless the property record card is available
304 online from the property appraiser, in which case the property
305 appraiser must notify the petitioner that the property record
306 card is available online. ~~Upon receipt of the notice, The~~
307 ~~petitioner or the property appraiser may reschedule the hearing~~
308 ~~a single time for good cause by submitting to the clerk a~~
309 ~~written request to reschedule, at least 5 calendar days before~~
310 ~~the day of the originally scheduled hearing.~~ As used in this
311 paragraph, the term "good cause" means circumstances beyond the
312 control of the person seeking to reschedule the hearing which
313 reasonably prevent him or her from having adequate
314 representation at the hearing. If the hearing is rescheduled by
315 the petitioner, the clerk shall notify the petitioner of the
316 rescheduled date and time for his or her appearance at least 15
317 calendar days before the date of the rescheduled appearance.

318 Section 10. Paragraph (a) of subsection (1) of section
319 194.034, Florida Statutes, is amended to read:

320 194.034 Hearing procedures; rules.—

321 (1) (a) Petitioners before the board may be represented by
322 a corporate representative of the taxpayer, an attorney who is a

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323 member of The Florida Bar, a real estate appraiser or a real
324 estate broker licensed under chapter 475, or a certified public
325 accountant licensed under chapter 473, retained by the taxpayer,
326 or an individual with power of attorney to act on behalf of the
327 taxpayer who receives no compensation, ~~agent~~ and such person may
328 present testimony and other evidence. The property appraiser or
329 his or her authorized representatives may be represented by an
330 attorney in defending the property appraiser's assessment or
331 opposing an exemption and may present testimony and other
332 evidence. The property appraiser, each petitioner, and all
333 witnesses shall be required, upon the request of either party,
334 to testify under oath as administered by the chairperson of the
335 board. Hearings shall be conducted in the manner prescribed by
336 rules of the department, which rules shall include the right of
337 cross-examination of any witness.

338 Section 11. Paragraph (a) of subsection (4) and paragraph
339 (a) of subsection (5) of section 197.3632, Florida Statutes, is
340 amended to read:

341 197.3632 Uniform method for the levy, collection, and
342 enforcement of non-ad valorem assessments.—

343 (4) (a) A local government shall adopt a non-ad valorem
344 assessment roll at a public hearing held between January 1 and
345 September 15, or between January 1 and September 25 in any
346 county as defined in s. 125.011(1), if:

347 1. The non-ad valorem assessment is levied for the first
348 time;

349 2. The non-ad valorem assessment is increased beyond the
350 maximum rate authorized by law or judicial decree at the time of
351 initial imposition;

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352 3. The local government's boundaries have changed, unless
353 all newly affected property owners have provided written consent
354 for such assessment to the local governing board; or

355 4. There is a change in the purpose for such assessment or
356 in the use of the revenue generated by such assessment.

357 (5) (a) By September 15 of each year, or by September 25 in
358 any county as defined in s. 125.011(1), the chair of the local
359 governing board or his or her designee shall certify a non-ad
360 valorem assessment roll on compatible electronic medium to the
361 tax collector. The local government shall post the non-ad
362 valorem assessment for each parcel on the roll. The tax
363 collector shall not accept any such roll that is not certified
364 on compatible electronic medium and that does not contain the
365 posting of the non-ad valorem assessment for each parcel. It is
366 the responsibility of the local governing board that such roll
367 be free of errors and omissions. Alterations to such roll may be
368 made by the chair or his or her designee up to 10 days before
369 certification. If the tax collector discovers errors or
370 omissions on such roll, he or she may request the local
371 governing board to file a corrected roll or a correction of the
372 amount of any assessment.

373 Section 12. Effective June 30, 2016, notwithstanding the
374 expiration date in section 9 of chapter 2015-222, Laws of
375 Florida, and notwithstanding the amendment made by section 16 of
376 SB 1040, 2016 Regular Session, paragraph (e) of subsection (4)
377 of section 1011.62, Florida Statutes, as amended by section 7 of
378 chapter 2015-222, Laws of Florida, is reenacted and amended to
379 read:

380 1011.62 Funds for operation of schools.—If the annual

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381 allocation from the Florida Education Finance Program to each
382 district for operation of schools is not determined in the
383 annual appropriations act or the substantive bill implementing
384 the annual appropriations act, it shall be determined as
385 follows:

386 (4) COMPUTATION OF DISTRICT REQUIRED LOCAL EFFORT.—The
387 Legislature shall prescribe the aggregate required local effort
388 for all school districts collectively as an item in the General
389 Appropriations Act for each fiscal year. The amount that each
390 district shall provide annually toward the cost of the Florida
391 Education Finance Program for kindergarten through grade 12
392 programs shall be calculated as follows:

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

394 1. ~~There shall be~~ An additional millage ~~to be~~ known as the
395 Prior Period Funding Adjustment Millage shall be levied by a
396 school district if the prior period unrealized required local
397 effort funds are greater than zero. The Commissioner of
398 Education shall calculate the amount of the prior period
399 unrealized required local effort funds as specified in
400 subparagraph 2. and the millage required to generate that amount
401 as specified in this subparagraph. The Prior Period Funding
402 Adjustment Millage shall be the quotient of the prior period
403 unrealized required local effort funds divided by the current
404 year taxable value certified to the Commissioner of Education
405 pursuant to sub-subparagraph (a)1.a. This levy shall be in
406 addition to the required local effort millage certified pursuant
407 to this subsection. Such millage shall not affect the
408 calculation of the current year's required local effort, and the
409 funds generated by such levy shall not be included in the

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410 district's Florida Education Finance Program allocation for that
411 fiscal year. For purposes of the millage to be included on the
412 Notice of Proposed Taxes, the Commissioner of Education shall
413 adjust the required local effort millage computed pursuant to
414 paragraph (a) as adjusted by paragraph (b) for the current year
415 for any district that levies a Prior Period Funding Adjustment
416 Millage to include all Prior Period Funding Adjustment Millage.
417 For the purpose of this paragraph, ~~there shall be~~ a Prior Period
418 Funding Adjustment Millage shall be levied for each year
419 certified by the Department of Revenue pursuant to sub-
420 subparagraph (a)2.a. since the previous year certification and
421 for which the calculation in sub-subparagraph 2.b. is greater
422 than zero.

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

424 (I) "Prior year" means a year certified under sub-
425 subparagraph (a)2.a.

426 (II) "Preliminary taxable value" means:

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

430 (B) If the prior year is the 2008-2009 fiscal year or
431 earlier, the taxable value certified pursuant to the final
432 calculation as specified in former paragraph (b) as that
433 paragraph existed in the prior year.

434 (III) "Final taxable value" means the district's taxable
435 value as certified by the property appraiser pursuant to s.
436 193.122(2) or (3), if applicable. This is the certification that
437 reflects all final administrative actions of the value
438 adjustment board.

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439 b. For purposes of this subsection and with respect to each
440 year certified pursuant to sub-subparagraph (a)2.a., if the
441 district's prior year preliminary taxable value is greater than
442 the district's prior year final taxable value, the prior period
443 unrealized required local effort funds are the difference
444 between the district's prior year preliminary taxable value and
445 the district's prior year final taxable value, multiplied by the
446 prior year district required local effort millage. If the
447 district's prior year preliminary taxable value is less than the
448 district's prior year final taxable value, the prior period
449 unrealized required local effort funds are zero.

450 c. ~~For the 2015-2016 fiscal year only,~~ If a district's
451 prior period unrealized required local effort funds and prior
452 period district required local effort millage cannot be
453 determined because such district's final taxable value has not
454 yet been certified pursuant to s. 193.122(2) or (3), ~~for the~~
455 ~~2015 tax levy,~~ the Prior Period Funding Adjustment Millage for
456 such fiscal year shall be levied, if not previously levied, ~~in~~
457 ~~2015~~ in an amount equal to 75 percent of such district's most
458 recent unrealized required local effort for which a Prior Period
459 Funding Adjustment Millage was determined as provided in this
460 section. Upon certification of the final taxable value in
461 accordance with s. 193.122(2) or (3) for a the 2012, 2013, or
462 2014 tax rolls for which a 75 percent Prior Period Funding
463 Adjustment Millage was levied ~~in accordance with s. 193.122(2)~~
464 ~~or (3),~~ the next Prior Period Funding Adjustment Millage ~~levied~~
465 ~~in 2015 and 2016~~ shall be adjusted to include any shortfall or
466 surplus in the prior period unrealized required local effort
467 funds that would have been levied ~~in 2014 or 2015,~~ had the

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468 district's final taxable value been certified pursuant to s.
469 193.122(2) or (3) ~~for the 2014 or 2015 tax levy~~. If this
470 adjustment is made for a surplus, the reduction in prior period
471 millage may not exceed the prior period funding adjustment
472 millage calculated pursuant to subparagraph 1. and sub-
473 subparagraphs a. and b., or pursuant to this sub-subparagraph,
474 whichever is applicable, and any additional reduction shall be
475 carried forward to the subsequent fiscal year.

476 Section 13. Except as otherwise expressly provided in this
477 act, this act shall take effect July 1, 2016.