

By Senator Brandes

24-01172-18

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Senate Joint Resolution

A joint resolution proposing amendments to Sections 3 and 4 of Article VII and the creation of a new section in Article XII of the State Constitution to authorize the Legislature, by general law, to exempt certain permanently installed standby generators from the tangible personal property tax and prohibit the consideration of such generators in determining the assessed value of real property, and to provide an effective date.

Be It Resolved by the Legislature of the State of Florida:

That the following amendments to Sections 3 and 4 of Article VII and the creation of a new section in Article XII of the State Constitution are agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII

FINANCE AND TAXATION

SECTION 3. Taxes; exemptions.—

(a) All property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation. A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are used predominantly for educational, literary, scientific, religious or charitable purposes may be

24-01172-18

2018974\_\_

30 exempted by general law from taxation.

31 (b) There shall be exempt from taxation, cumulatively, to  
32 every head of a family residing in this state, household goods  
33 and personal effects to the value fixed by general law, not less  
34 than one thousand dollars, and to every widow or widower or  
35 person who is blind or totally and permanently disabled,  
36 property to the value fixed by general law not less than five  
37 hundred dollars.

38 (c) Any county or municipality may, for the purpose of its  
39 respective tax levy and subject to the provisions of this  
40 subsection and general law, grant community and economic  
41 development ad valorem tax exemptions to new businesses and  
42 expansions of existing businesses, as defined by general law.  
43 Such an exemption may be granted only by ordinance of the county  
44 or municipality, and only after the electors of the county or  
45 municipality voting on such question in a referendum authorize  
46 the county or municipality to adopt such ordinances. An  
47 exemption so granted shall apply to improvements to real  
48 property made by or for the use of a new business and  
49 improvements to real property related to the expansion of an  
50 existing business and shall also apply to tangible personal  
51 property of such new business and tangible personal property  
52 related to the expansion of an existing business. The amount or  
53 limits of the amount of such exemption shall be specified by  
54 general law. The period of time for which such exemption may be  
55 granted to a new business or expansion of an existing business  
56 shall be determined by general law. The authority to grant such  
57 exemption shall expire ten years from the date of approval by  
58 the electors of the county or municipality, and may be renewable

24-01172-18

2018974\_\_

59 by referendum as provided by general law.

60 (d) Any county or municipality may, for the purpose of its  
61 respective tax levy and subject to the provisions of this  
62 subsection and general law, grant historic preservation ad  
63 valorem tax exemptions to owners of historic properties. This  
64 exemption may be granted only by ordinance of the county or  
65 municipality. The amount or limits of the amount of this  
66 exemption and the requirements for eligible properties must be  
67 specified by general law. The period of time for which this  
68 exemption may be granted to a property owner shall be determined  
69 by general law.

70 (e) By general law and subject to conditions specified  
71 therein:

72 (1) Twenty-five thousand dollars of the assessed value of  
73 property subject to tangible personal property tax shall be  
74 exempt from ad valorem taxation.

75 (2) The assessed value of solar devices or renewable energy  
76 source devices subject to tangible personal property tax may be  
77 exempt from ad valorem taxation, subject to limitations provided  
78 by general law.

79 (3) A permanently installed standby generator that is  
80 subject to tangible personal property tax may be exempted from  
81 ad valorem taxation if the generator is intended for use when  
82 electric service is interrupted.

83 (f) There shall be granted an ad valorem tax exemption for  
84 real property dedicated in perpetuity for conservation purposes,  
85 including real property encumbered by perpetual conservation  
86 easements or by other perpetual conservation protections, as  
87 defined by general law.

24-01172-18

2018974\_\_

88 (g) By general law and subject to the conditions specified  
89 therein, each person who receives a homestead exemption as  
90 provided in section 6 of this article; who was a member of the  
91 United States military or military reserves, the United States  
92 Coast Guard or its reserves, or the Florida National Guard; and  
93 who was deployed during the preceding calendar year on active  
94 duty outside the continental United States, Alaska, or Hawaii in  
95 support of military operations designated by the legislature  
96 shall receive an additional exemption equal to a percentage of  
97 the taxable value of his or her homestead property. The  
98 applicable percentage shall be calculated as the number of days  
99 during the preceding calendar year the person was deployed on  
100 active duty outside the continental United States, Alaska, or  
101 Hawaii in support of military operations designated by the  
102 legislature divided by the number of days in that year.

103 SECTION 4. Taxation; assessments.—By general law  
104 regulations shall be prescribed which shall secure a just  
105 valuation of all property for ad valorem taxation, provided:

106 (a) Agricultural land, land producing high water recharge  
107 to Florida's aquifers, or land used exclusively for  
108 noncommercial recreational purposes may be classified by general  
109 law and assessed solely on the basis of character or use.

110 (b) As provided by general law and subject to conditions,  
111 limitations, and reasonable definitions specified therein, land  
112 used for conservation purposes shall be classified by general  
113 law and assessed solely on the basis of character or use.

114 (c) Pursuant to general law tangible personal property held  
115 for sale as stock in trade and livestock may be valued for  
116 taxation at a specified percentage of its value, may be

24-01172-18

2018974\_\_

117 classified for tax purposes, or may be exempted from taxation.

118 (d) All persons entitled to a homestead exemption under  
119 Section 6 of this Article shall have their homestead assessed at  
120 just value as of January 1 of the year following the effective  
121 date of this amendment. This assessment shall change only as  
122 provided in this subsection.

123 (1) Assessments subject to this subsection shall be changed  
124 annually on January 1st of each year; but those changes in  
125 assessments shall not exceed the lower of the following:

126 a. Three percent (3%) of the assessment for the prior year.

127 b. The percent change in the Consumer Price Index for all  
128 urban consumers, U.S. City Average, all items 1967=100, or  
129 successor reports for the preceding calendar year as initially  
130 reported by the United States Department of Labor, Bureau of  
131 Labor Statistics.

132 (2) No assessment shall exceed just value.

133 (3) After any change of ownership, as provided by general  
134 law, homestead property shall be assessed at just value as of  
135 January 1 of the following year, unless the provisions of  
136 paragraph (8) apply. Thereafter, the homestead shall be assessed  
137 as provided in this subsection.

138 (4) New homestead property shall be assessed at just value  
139 as of January 1st of the year following the establishment of the  
140 homestead, unless the provisions of paragraph (8) apply. That  
141 assessment shall only change as provided in this subsection.

142 (5) Changes, additions, reductions, or improvements to  
143 homestead property shall be assessed as provided for by general  
144 law; provided, however, after the adjustment for any change,  
145 addition, reduction, or improvement, the property shall be

24-01172-18

2018974\_\_

146 assessed as provided in this subsection.

147 (6) In the event of a termination of homestead status, the  
148 property shall be assessed as provided by general law.

149 (7) The provisions of this amendment are severable. If any  
150 of the provisions of this amendment shall be held  
151 unconstitutional by any court of competent jurisdiction, the  
152 decision of such court shall not affect or impair any remaining  
153 provisions of this amendment.

154 (8)a. A person who establishes a new homestead as of  
155 January 1, 2009, or January 1 of any subsequent year and who has  
156 received a homestead exemption pursuant to Section 6 of this  
157 Article as of January 1 of either of the two years immediately  
158 preceding the establishment of the new homestead is entitled to  
159 have the new homestead assessed at less than just value. If this  
160 revision is approved in January of 2008, a person who  
161 establishes a new homestead as of January 1, 2008, is entitled  
162 to have the new homestead assessed at less than just value only  
163 if that person received a homestead exemption on January 1,  
164 2007. The assessed value of the newly established homestead  
165 shall be determined as follows:

166 1. If the just value of the new homestead is greater than  
167 or equal to the just value of the prior homestead as of January  
168 1 of the year in which the prior homestead was abandoned, the  
169 assessed value of the new homestead shall be the just value of  
170 the new homestead minus an amount equal to the lesser of  
171 \$500,000 or the difference between the just value and the  
172 assessed value of the prior homestead as of January 1 of the  
173 year in which the prior homestead was abandoned. Thereafter, the  
174 homestead shall be assessed as provided in this subsection.

24-01172-18

2018974\_\_

175           2. If the just value of the new homestead is less than the  
176 just value of the prior homestead as of January 1 of the year in  
177 which the prior homestead was abandoned, the assessed value of  
178 the new homestead shall be equal to the just value of the new  
179 homestead divided by the just value of the prior homestead and  
180 multiplied by the assessed value of the prior homestead.  
181 However, if the difference between the just value of the new  
182 homestead and the assessed value of the new homestead calculated  
183 pursuant to this sub-subparagraph is greater than \$500,000, the  
184 assessed value of the new homestead shall be increased so that  
185 the difference between the just value and the assessed value  
186 equals \$500,000. Thereafter, the homestead shall be assessed as  
187 provided in this subsection.

188           b. By general law and subject to conditions specified  
189 therein, the legislature shall provide for application of this  
190 paragraph to property owned by more than one person.

191           (e) The legislature may, by general law, for assessment  
192 purposes and subject to the provisions of this subsection, allow  
193 counties and municipalities to authorize by ordinance that  
194 historic property may be assessed solely on the basis of  
195 character or use. Such character or use assessment shall apply  
196 only to the jurisdiction adopting the ordinance. The  
197 requirements for eligible properties must be specified by  
198 general law.

199           (f) A county may, in the manner prescribed by general law,  
200 provide for a reduction in the assessed value of homestead  
201 property to the extent of any increase in the assessed value of  
202 that property which results from the construction or  
203 reconstruction of the property for the purpose of providing

24-01172-18

2018974\_\_

204 living quarters for one or more natural or adoptive grandparents  
205 or parents of the owner of the property or of the owner's spouse  
206 if at least one of the grandparents or parents for whom the  
207 living quarters are provided is 62 years of age or older. Such a  
208 reduction may not exceed the lesser of the following:

209 (1) The increase in assessed value resulting from  
210 construction or reconstruction of the property.

211 (2) Twenty percent of the total assessed value of the  
212 property as improved.

213 (g) For all levies other than school district levies,  
214 assessments of residential real property, as defined by general  
215 law, which contains nine units or fewer and which is not subject  
216 to the assessment limitations set forth in subsections (a)  
217 through (d) shall change only as provided in this subsection.

218 (1) Assessments subject to this subsection shall be changed  
219 annually on the date of assessment provided by law; but those  
220 changes in assessments shall not exceed ten percent (10%) of the  
221 assessment for the prior year.

222 (2) No assessment shall exceed just value.

223 (3) After a change of ownership or control, as defined by  
224 general law, including any change of ownership of a legal entity  
225 that owns the property, such property shall be assessed at just  
226 value as of the next assessment date. Thereafter, such property  
227 shall be assessed as provided in this subsection.

228 (4) Changes, additions, reductions, or improvements to such  
229 property shall be assessed as provided for by general law;  
230 however, after the adjustment for any change, addition,  
231 reduction, or improvement, the property shall be assessed as  
232 provided in this subsection.

24-01172-18

2018974\_\_

233 (h) For all levies other than school district levies,  
234 assessments of real property that is not subject to the  
235 assessment limitations set forth in subsections (a) through (d)  
236 and (g) shall change only as provided in this subsection.

237 (1) Assessments subject to this subsection shall be changed  
238 annually on the date of assessment provided by law; but those  
239 changes in assessments shall not exceed ten percent (10%) of the  
240 assessment for the prior year.

241 (2) No assessment shall exceed just value.

242 (3) The legislature must provide that such property shall  
243 be assessed at just value as of the next assessment date after a  
244 qualifying improvement, as defined by general law, is made to  
245 such property. Thereafter, such property shall be assessed as  
246 provided in this subsection.

247 (4) The legislature may provide that such property shall be  
248 assessed at just value as of the next assessment date after a  
249 change of ownership or control, as defined by general law,  
250 including any change of ownership of the legal entity that owns  
251 the property. Thereafter, such property shall be assessed as  
252 provided in this subsection.

253 (5) Changes, additions, reductions, or improvements to such  
254 property shall be assessed as provided for by general law;  
255 however, after the adjustment for any change, addition,  
256 reduction, or improvement, the property shall be assessed as  
257 provided in this subsection.

258 (i) The legislature, by general law and subject to  
259 conditions specified therein, may prohibit the consideration of  
260 the following in the determination of the assessed value of real  
261 property:

24-01172-18

2018974\_\_

262 (1) Any change or improvement to real property used for  
263 residential purposes made to improve the property's resistance  
264 to wind damage.

265 (2) The installation of a solar or renewable energy source  
266 device.

267 (3) A permanent standby generator intended for use when  
268 electric service is interrupted.

269 (j)(1) The assessment of the following working waterfront  
270 properties shall be based upon the current use of the property:

271 a. Land used predominantly for commercial fishing purposes.

272 b. Land that is accessible to the public and used for  
273 vessel launches into waters that are navigable.

274 c. Marinas and drystacks that are open to the public.

275 d. Water-dependent marine manufacturing facilities,  
276 commercial fishing facilities, and marine vessel construction  
277 and repair facilities and their support activities.

278 (2) The assessment benefit provided by this subsection is  
279 subject to conditions and limitations and reasonable definitions  
280 as specified by the legislature by general law.

281 ARTICLE XII

282 SCHEDULE

283 Permanently installed standby generators; exemption from  
284 certain taxation and assessment.—The amendments to Sections 3  
285 and 4 of Article VII authorizing the legislature to exempt  
286 certain generators from the tangible personal property tax and  
287 to prohibit the consideration of such generators in determining  
288 the assessed value of real property, respectively, shall take  
289 effect on January 1, 2019.

290 BE IT FURTHER RESOLVED that the following statement be

24-01172-18

2018974\_\_

291 placed on the ballot:

292                                   CONSTITUTIONAL AMENDMENT

293                                   ARTICLE VII, SECTIONS 3 AND 4

294                                   ARTICLE XII

295                   PERMANENTLY INSTALLED STANDBY GENERATORS; EXEMPTION FROM  
296 CERTAIN TAXATION AND ASSESSMENT.—Proposing an amendment to the  
297 State Constitution authorizing the Legislature to exempt  
298 permanently installed standby generators from the tangible  
299 personal property tax and to prohibit property appraisers from  
300 considering the presence of such generators in determining the  
301 assessed value of real property. If approved by voters, this  
302 amendment takes effect January 1, 2019.