

By Senator Bean

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1 A bill to be entitled
2 An act relating to ad valorem assessments; amending s.
3 193.155, F.S.; adding exceptions to the definition of
4 the term "change of ownership" for purposes of a
5 certain homestead assessment limitation; providing
6 that changes, additions, or improvements, including
7 ancillary improvements, to homestead property damaged
8 or destroyed by misfortune or calamity must be
9 assessed upon substantial completion; specifying that
10 the assessed value of the replaced homestead property
11 must be calculated using the assessed value of the
12 homestead property on a certain date before the date
13 on which the damage or destruction was sustained;
14 providing that certain changes, additions, or
15 improvements must be reassessed at just value in
16 subsequent years; amending s. 193.1554, F.S.;
17 providing that changes, additions, or improvements,
18 including ancillary improvements, to nonhomestead
19 residential property damaged or destroyed by
20 misfortune or calamity must be assessed upon
21 substantial completion; specifying that the assessed
22 value of the replaced nonhomestead residential
23 property must be calculated using the assessed value
24 of the nonhomestead residential property on a certain
25 date before the date on which the damage or
26 destruction was sustained; providing that certain
27 changes, additions, or improvements must be reassessed
28 at just value in subsequent years; amending s.
29 193.1555, F.S.; providing that changes, additions, or

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30 improvements, including ancillary improvements, to
31 certain nonresidential real property damaged or
32 destroyed by misfortune or calamity must be assessed
33 upon substantial completion; specifying that the
34 assessed value of the replaced nonresidential real
35 property shall be calculated using the assessed value
36 of the residential and nonresidential real property on
37 a certain date before the date on which the damage or
38 destruction was sustained; providing that certain
39 changes, additions, or improvements must be reassessed
40 at just value in subsequent years; reenacting s.
41 193.1557, F.S., relating to assessment of property
42 damaged or destroyed by Hurricane Michael, to
43 incorporate amendments made by this act in references
44 thereto; providing applicability; providing an
45 effective date.

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

48
49 Section 1. Paragraph (a) of subsection (3) and paragraph
50 (b) of subsection (4) of section 193.155, Florida Statutes, are
51 amended to read:

52 193.155 Homestead assessments.—Homestead property shall be
53 assessed at just value as of January 1, 1994. Property receiving
54 the homestead exemption after January 1, 1994, shall be assessed
55 at just value as of January 1 of the year in which the property
56 receives the exemption unless the provisions of subsection (8)
57 apply.

58 (3) (a) Except as provided in this subsection or subsection

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59 (8), property assessed under this section shall be assessed at
60 just value as of January 1 of the year following a change of
61 ownership. Thereafter, the annual changes in the assessed value
62 of the property are subject to the limitations in subsections
63 (1) and (2). For the purpose of this section, a change of
64 ownership means any sale, foreclosure, or transfer of legal
65 title or beneficial title in equity to any person, except if any
66 of the following apply:

67 1. Subsequent to the change or transfer, the same person is
68 entitled to the homestead exemption as was previously entitled
69 and:

70 a. The transfer of title is to correct an error;

71 b. The transfer is between legal and equitable title or
72 equitable and equitable title and no additional person applies
73 for a homestead exemption on the property;

74 c. The change or transfer is by means of an instrument in
75 which the owner is listed as both grantor and grantee of the
76 real property and one or more other individuals are additionally
77 named as grantee. However, if any individual who is additionally
78 named as a grantee applies for a homestead exemption on the
79 property, the application is considered a change of ownership;

80 ~~or~~

81 d. The change or transfer is by means of an instrument in
82 which the owner entitled to the homestead exemption is listed as
83 both grantor and grantee of the real property and one or more
84 other individuals, all of whom held title as joint tenants with
85 rights of survivorship with the owner, are named only as
86 grantors and are removed from the title; or

87 e. The person is a lessee entitled to the homestead

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88 exemption under s. 196.041(1).

89 2. Legal or equitable title is changed or transferred
90 between husband and wife, including a change or transfer to a
91 surviving spouse or a transfer due to a dissolution of marriage;

92 3. The transfer occurs by operation of law to the surviving
93 spouse or minor child or children under s. 732.401; ~~or~~

94 4. Upon the death of the owner, the transfer is between the
95 owner and another who is a permanent resident and who is legally
96 or naturally dependent upon the owner; or

97 5. The transfer occurs with respect to a property where all
98 of the following apply:

99 a. Multiple owners hold title as joint tenants with rights
100 of survivorship;

101 b. One or more owners were entitled to and received the
102 homestead exemption on the property;

103 c. The death of one or more owners occurs; and

104 d. Subsequent to the transfer, the surviving owner or
105 owners previously entitled to and receiving the homestead
106 exemption continue to be entitled to and receive the homestead
107 exemption.

108 (4)

109 (b)1. Changes, additions, or improvements that replace all
110 or a portion of homestead property, including ancillary
111 improvements, damaged or destroyed by misfortune or calamity
112 shall be assessed upon substantial completion as provided in
113 this paragraph. Such assessment must be calculated using ~~shall~~
114 ~~not increase~~ the homestead property's assessed value as of the
115 January 1 immediately before the date on which the damage or
116 destruction was sustained, subject to the assessment limitations

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117 in subsections (1) and (2), when:

118 a. The square footage of the homestead property as changed
119 or improved does not exceed 110 percent of the square footage of
120 the homestead property before the damage or destruction; or-

121 b. ~~Additionally, the homestead property's assessed value~~
122 ~~shall not increase if~~ The total square footage of the homestead
123 property as changed or improved does not exceed 1,500 square
124 feet. ~~Changes, additions, or improvements that do not cause the~~
125 ~~total to exceed 110 percent of the total square footage of the~~
126 ~~homestead property before the damage or destruction or that do~~
127 ~~not cause the total to exceed 1,500 total square feet shall be~~
128 ~~reassessed as provided under subsection (1).~~

129 2. The homestead property's assessed value must ~~shall~~ be
130 increased by the just value of that portion of the changed or
131 improved homestead property which is in excess of 110 percent of
132 the square footage of the homestead property before the damage
133 or destruction or of that portion exceeding 1,500 square feet.

134 Changes, additions, or improvements assessed pursuant to this
135 paragraph must be reassessed pursuant to subsection (1) in
136 subsequent years.

138 3. Homestead property damaged or destroyed by misfortune or
139 calamity which, after being changed or improved, has a square
140 footage of less than 100 percent of the homestead property's
141 total square footage before the damage or destruction shall be
142 assessed pursuant to subsection (5).

143 4. This paragraph applies to changes, additions, or
144 improvements commenced within 3 years after the January 1
145 following the damage or destruction of the homestead.

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146 Section 2. Paragraph (b) of subsection (6) of section
147 193.1554, Florida Statutes, is amended to read:

148 193.1554 Assessment of nonhomestead residential property.-

149 (6)

150 (b)1. Changes, additions, or improvements that replace all
151 or a portion of nonhomestead residential property, including
152 ancillary improvements, damaged or destroyed by misfortune or
153 calamity must be assessed upon substantial completion as
154 provided in this paragraph. Such assessment must be calculated
155 using ~~shall not increase~~ the nonhomestead property's assessed
156 value as of the January 1 immediately before the date on which
157 the damage or destruction was sustained, subject to the
158 assessment limitations in subsections (1) and (2), when:

159 a. The square footage of the property as changed or
160 improved does not exceed 110 percent of the square footage of
161 the property before the damage or destruction; or-

162 b. ~~Additionally, the property's assessed value shall not~~
163 ~~increase if~~ The total square footage of the property as changed
164 or improved does not exceed 1,500 square feet. ~~Changes,~~
165 ~~additions, or improvements that do not cause the total to exceed~~
166 ~~110 percent of the total square footage of the property before~~
167 ~~the damage or destruction or that do not cause the total to~~
168 ~~exceed 1,500 total square feet shall be reassessed as provided~~
169 ~~under subsection (3).~~

170 2. The property's assessed value must ~~shall~~ be increased by
171 the just value of that portion of the changed or improved
172 property which is in excess of 110 percent of the square footage
173 of the property before the damage or destruction or of that
174 portion exceeding 1,500 square feet.

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Changes, additions, or improvements assessed pursuant to this paragraph shall be reassessed pursuant to subsection (3) in subsequent years.

3. Property damaged or destroyed by misfortune or calamity which, after being changed or improved, has a square footage of less than 100 percent of the property's total square footage before the damage or destruction shall be assessed pursuant to subsection (8).

4. This paragraph applies to changes, additions, or improvements commenced within 3 years after the January 1 following the damage or destruction of the property.

Section 3. Paragraph (b) of subsection (6) of section 193.1555, Florida Statutes, is amended to read:

193.1555 Assessment of certain residential and nonresidential real property.—

(6)

(b)1. Changes, additions, or improvements that replace all or a portion of nonresidential real property, including ancillary improvements, damaged or destroyed by misfortune or calamity must be assessed upon substantial completion as provided in this paragraph. Such assessment must be calculated using ~~shall not increase~~ the nonresidential real property's assessed value as of the January 1 immediately before the date on which the damage or destruction was sustained, subject to the assessment limitations in subsections (1) and (2), when:

a. The square footage of the property as changed or improved does not exceed 110 percent of the square footage of the property before the damage or destruction; and

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204 b. The changes, additions, or improvements do not change
205 the property's character or use. ~~Changes, additions, or~~
206 ~~improvements that do not cause the total to exceed 110 percent~~
207 ~~of the total square footage of the property before the damage or~~
208 ~~destruction and do not change the property's character or use~~
209 ~~shall be reassessed as provided under subsection (3).~~

210 2. The property's assessed value must ~~shall~~ be increased by
211 the just value of that portion of the changed or improved
212 property which is in excess of 110 percent of the square footage
213 of the property before the damage or destruction.

214
215 Changes, additions, or improvements assessed pursuant to this
216 paragraph must be reassessed pursuant to subsection (3) in
217 subsequent years.

218 3. Property damaged or destroyed by misfortune or calamity
219 which, after being changed or improved, has a square footage of
220 less than 100 percent of the property's total square footage
221 before the damage or destruction shall be assessed pursuant to
222 subsection (8).

223 4. This paragraph applies to changes, additions, or
224 improvements commenced within 3 years after the January 1
225 following the damage or destruction of the property.

226 Section 4. For the purpose of incorporating the amendments
227 made by this act to sections 193.155, 193.1554, and 193.1555,
228 Florida Statutes, in references thereto, section 193.1557,
229 Florida Statutes, is reenacted to read:

230 193.1557 Assessment of certain property damaged or
231 destroyed by Hurricane Michael.—For property damaged or
232 destroyed by Hurricane Michael in 2018, s. 193.155(4)(b), s.

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233 193.1554(6)(b), or s. 193.1555(6)(b) applies to changes,
234 additions, or improvements commenced within 5 years after
235 January 1, 2019. This section applies to the 2019-2023 tax rolls
236 and shall stand repealed on December 31, 2023.

237 Section 5. The amendments made by this act to sections
238 193.155, 193.1554, and 193.1555, Florida Statutes, are remedial
239 and clarifying in nature, but the amendments may not affect any
240 assessment for tax rolls before 2021 unless the assessment is
241 under review by a value adjustment board or a Florida court as
242 of the effective date of this act. If changes, additions, or
243 improvements that replaced all or a portion of property damaged
244 or destroyed by misfortune or calamity were not assessed in
245 accordance with this act as of the January 1 immediately after
246 they were substantially completed, the property appraiser must
247 determine the assessment for the year they were substantially
248 completed and recalculate the just and assessed value for each
249 subsequent year so that the 2021 tax roll and subsequent tax
250 rolls will be corrected.

251 Section 6. This act applies to assessments made as of
252 January 1, 2021.

253 Section 7. This act shall take effect July 1, 2021.