

By Senator Wright

8-01037-24

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Senate Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII and the creation of a new section in Article XII of the State Constitution to allow newly established homestead property to be assessed at less than just value if the property was previously assessed as nonhomestead property and has not changed ownership, and to provide an effective date.

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

That the following amendment to Section 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 4. Taxation; assessments.—By general law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation, provided:

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

(b) As provided by general law and subject to conditions, limitations, and reasonable definitions specified therein, land used for conservation purposes shall be classified by general

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30 law and assessed solely on the basis of character or use.

31 (c) Pursuant to general law tangible personal property held
32 for sale as stock in trade and livestock may be valued for
33 taxation at a specified percentage of its value, may be
34 classified for tax purposes, or may be exempted from taxation.

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

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

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

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

49 (2) No assessment shall exceed just value.

50 (3) After any change of ownership, as provided by general
51 law, homestead property shall be assessed at just value as of
52 January 1 of the following year, unless the provisions of
53 paragraph (8) apply. Thereafter, the homestead shall be assessed
54 as provided in this subsection.

55 (4) New homestead property shall be assessed at just value
56 as of January 1st of the year following the establishment of the
57 homestead, unless the provisions of paragraph (8) or paragraph
58 (9) apply. That assessment shall only change as provided in this

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59 subsection.

60 (5) Changes, additions, reductions, or improvements to
61 homestead property shall be assessed as provided for by general
62 law; provided, however, after the adjustment for any change,
63 addition, reduction, or improvement, the property shall be
64 assessed as provided in this subsection.

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

67 (7) The provisions of this amendment are severable. If any
68 of the provisions of this amendment shall be held
69 unconstitutional by any court of competent jurisdiction, the
70 decision of such court shall not affect or impair any remaining
71 provisions of this amendment.

72 (8)a. A person who establishes a new homestead as of
73 January 1 and who has received a homestead exemption pursuant to
74 Section 6 of this Article as of January 1 of any of the three
75 years immediately preceding the establishment of the new
76 homestead is entitled to have the new homestead assessed at less
77 than just value. The assessed value of the newly established
78 homestead shall be determined as follows:

79 1. If the just value of the new homestead is greater than
80 or equal to the just value of the prior homestead as of January
81 1 of the year in which the prior homestead was abandoned, the
82 assessed value of the new homestead shall be the just value of
83 the new homestead minus an amount equal to the lesser of
84 \$500,000 or the difference between the just value and the
85 assessed value of the prior homestead as of January 1 of the
86 year in which the prior homestead was abandoned. Thereafter, the
87 homestead shall be assessed as provided in this subsection.

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88 2. If the just value of the new homestead is less than the
89 just value of the prior homestead as of January 1 of the year in
90 which the prior homestead was abandoned, the assessed value of
91 the new homestead shall be equal to the just value of the new
92 homestead divided by the just value of the prior homestead and
93 multiplied by the assessed value of the prior homestead.

94 However, if the difference between the just value of the new
95 homestead and the assessed value of the new homestead calculated
96 pursuant to this sub-subparagraph is greater than \$500,000, the
97 assessed value of the new homestead shall be increased so that
98 the difference between the just value and the assessed value
99 equals \$500,000. Thereafter, the homestead shall be assessed as
100 provided in this subsection.

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

104 (9)a. A person who establishes a new homestead as of
105 January 1 is entitled to have the homestead assessed at less
106 than just value if:

107 1. The property being established as a new homestead was
108 assessed under subsection (g) or subsection (h) the prior
109 January 1.

110 2. The owner of the new homestead is the same person who
111 owned the property when the property was assessed the prior
112 January 1.

113 3. There has been no change of ownership between the time
114 the property was previously assessed and the time the new
115 homestead is established.

116 b. The increase in assessed value for a new homestead

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117 established under this paragraph shall not exceed ten percent
118 (10%) of the assessment for the previous year.

119 (e) The legislature may, by general law, for assessment
120 purposes and subject to the provisions of this subsection, allow
121 counties and municipalities to authorize by ordinance that
122 historic property may be assessed solely on the basis of
123 character or use. Such character or use assessment shall apply
124 only to the jurisdiction adopting the ordinance. The
125 requirements for eligible properties must be specified by
126 general law.

127 (f) A county may, in the manner prescribed by general law,
128 provide for a reduction in the assessed value of homestead
129 property to the extent of any increase in the assessed value of
130 that property which results from the construction or
131 reconstruction of the property for the purpose of providing
132 living quarters for one or more natural or adoptive grandparents
133 or parents of the owner of the property or of the owner's spouse
134 if at least one of the grandparents or parents for whom the
135 living quarters are provided is 62 years of age or older. Such a
136 reduction may not exceed the lesser of the following:

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

139 (2) Twenty percent of the total assessed value of the
140 property as improved.

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

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

150 (2) No assessment shall exceed just value.

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

156 (4) Changes, additions, reductions, or improvements to such
157 property shall be assessed as provided for by general law;
158 however, after the adjustment for any change, addition,
159 reduction, or improvement, the property shall be assessed as
160 provided in this subsection.

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

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

169 (2) No assessment shall exceed just value.

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

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175 (4) The legislature may provide that such property shall be
176 assessed at just value as of the next assessment date after a
177 change of ownership or control, as defined by general law,
178 including any change of ownership of the legal entity that owns
179 the property. Thereafter, such property shall be assessed as
180 provided in this subsection.

181 (5) Changes, additions, reductions, or improvements to such
182 property shall be assessed as provided for by general law;
183 however, after the adjustment for any change, addition,
184 reduction, or improvement, the property shall be assessed as
185 provided in this subsection.

186 (i) The legislature, by general law and subject to
187 conditions specified therein, may prohibit the consideration of
188 the following in the determination of the assessed value of real
189 property:

190 (1) Any change or improvement to real property used for
191 residential purposes made to improve the property's resistance
192 to wind damage.

193 (2) The installation of a solar or renewable energy source
194 device.

195 (j)(1) The assessment of the following working waterfront
196 properties shall be based upon the current use of the property:
197 a. Land used predominantly for commercial fishing purposes.
198 b. Land that is accessible to the public and used for
199 vessel launches into waters that are navigable.
200 c. Marinas and drystacks that are open to the public.
201 d. Water-dependent marine manufacturing facilities,
202 commercial fishing facilities, and marine vessel construction
203 and repair facilities and their support activities.

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

207 ARTICLE XII

208 SCHEDULE

209 Assessed value of new homestead property that has not
 210 changed ownership.—This section and the amendment to section 6
 211 of Article VII authorizing assessments below just value for
 212 newly established homestead property that has not changed
 213 ownership and has previously been assessed as nonhomestead
 214 property shall take effect January 1, 2025.

215
 216 BE IT FURTHER RESOLVED that the following statement be
 217 placed on the ballot:

218 CONSTITUTIONAL AMENDMENT

219 ARTICLE VII, SECTION 6

220 ARTICLE XII

221 ASSESSED VALUE OF NEW HOMESTEAD PROPERTY THAT HAS NOT
 222 CHANGED OWNERSHIP.—Proposing an amendment to the State
 223 Constitution to authorize that newly established homestead
 224 property be assessed at less than just value if the property was
 225 previously assessed as nonhomestead property and has not changed
 226 ownership. The increase in assessed value for the newly
 227 established homestead property may not exceed 10 percent of the
 228 assessed value for the previous year. The amendment shall take
 229 effect January 1, 2025.