

THE FLORIDA SENATE
2016 SUMMARY OF LEGISLATION PASSED
Committee on Community Affairs

CS/HJR 275 — Homestead Tax Exemption/Senior, Low-Income, Long-Term Residents

by Finance and Tax Committee and Rep. Avila and others (CS/SJR 492 by Finance and Tax Committee and Senators Flores and Margolis)

The ad valorem tax or property tax is an annual tax levied by counties, cities, school districts, and some special districts. The tax is based on the taxable value of property as of January 1 of each year. To determine the ad valorem tax of a property, a property appraiser determines the just value of a property and then applies relevant exclusions, assessment limitations, and exemptions to determine the property's taxable value. The Legislature may only grant property tax exemptions that are authorized in the Florida Constitution, and any modifications to existing property tax exemptions must be consistent with the constitutional provision authorizing the exemption.

Every person having legal and equitable title to real estate and who maintains a permanent residence on the real estate (homestead property) is eligible for a \$25,000 tax exemption applicable to all ad valorem tax levies, including levies by school districts. An additional \$25,000 exemption applies to homestead property value between \$50,000 and \$75,000. This exemption does not apply to ad valorem taxes levied by school districts.

Since 2013, counties and municipalities have been authorized to also exempt the entire assessed value of a low-income senior's homestead with a just value less than \$250,000 if the low-income senior has maintained that homestead for not less than 25 years. Taxpayers who initially receive the exemption are denied the exemption in a later year if the just value of their homestead exceeds \$250,000.

The joint resolution proposes an amendment to the Florida Constitution to limit the just value determination, for purposes of the long-term, low-income, senior exemption, to the value as determined in the first tax year that the owner applies for and is eligible for the exemption.

If approved by the voters, the proposed constitutional amendment is effective January 1, 2017, and operates retroactively to January 1, 2013, for any person who received the exemption prior to January 1, 2017.

Vote: Senate 39-0; House 113-0