

House Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution to authorize counties and municipalities to freeze the assessed value of the homesteads of certain low-income senior citizens.

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

That the following amendment to Section 4 of Article VII of the State Constitution is 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 law and assessed solely on the basis of character or use.

(c) Pursuant to general law tangible personal property held for sale as stock in trade and livestock may be valued for

29 | taxation at a specified percentage of its value, may be  
 30 | classified for tax purposes, or may be exempted from taxation.

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

36 | (1) Except as provided in paragraph (2), assessments  
 37 | subject to this subsection shall be changed annually on January  
 38 | 1 ~~1st~~ of each year; but those changes in assessments shall not  
 39 | exceed the lower of the following:

40 | a. Three percent ~~(3%)~~ of the assessment for the prior  
 41 | year.

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

47 | (2) An assessment subject to the additional homestead tax  
 48 | exemption under Section 6(d) shall be changed annually on  
 49 | January 1 of each year. However, a county or municipality may  
 50 | choose to limit its assessment of the value of the property  
 51 | subject to the additional exemption to the assessed value of the  
 52 | property in the prior year if the just value of the property is  
 53 | equal to or less than one hundred fifty percent of the average  
 54 | just value of residential property within the county. The state  
 55 | agency designated by law shall calculate the average just value  
 56 | of residential property within each county and supply that

57 information to each property appraiser. The calculation shall be  
 58 based on the final tax roll of each county for the prior year.

59 (3)~~(2)~~ No assessment shall exceed just value.

60 (4)~~(3)~~ After any change of ownership, as provided by  
 61 general law, homestead property shall be assessed at just value  
 62 as of January 1 of the following year, unless the provisions of  
 63 paragraph (9) ~~(8)~~ apply. Thereafter, the homestead shall be  
 64 assessed as provided in this subsection.

65 (5)~~(4)~~ New homestead property shall be assessed at just  
 66 value as of January 1 ~~1st~~ of the year following the  
 67 establishment of the homestead, unless the provisions of  
 68 paragraph (9) ~~(8)~~ apply. That assessment shall only change as  
 69 provided in this subsection.

70 (6)~~(5)~~ Changes, additions, reductions, or improvements to  
 71 homestead property shall be assessed as provided for by general  
 72 law; provided, however, after the adjustment for any change,  
 73 addition, reduction, or improvement, the property shall be  
 74 assessed as provided in this subsection.

75 (7)~~(6)~~ In the event of a termination of homestead status,  
 76 the property shall be assessed as provided by general law.

77 (8)~~(7)~~ The provisions of this amendment are severable. If  
 78 any of the provisions of this amendment shall be held  
 79 unconstitutional by any court of competent jurisdiction, the  
 80 decision of such court shall not affect or impair any remaining  
 81 provisions of this amendment.

82 (9)~~(8)~~a. A person who establishes a new homestead as of  
 83 January 1, 2009, or January 1 of any subsequent year and who has  
 84 received a homestead exemption pursuant to Section 6 of this

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85 Article as of January 1 of either of the two years immediately  
86 preceding the establishment of the new homestead is entitled to  
87 have the new homestead assessed at less than just value. If this  
88 revision is approved in January of 2008, a person who  
89 establishes a new homestead as of January 1, 2008, is entitled  
90 to have the new homestead assessed at less than just value only  
91 if that person received a homestead exemption on January 1,  
92 2007. The assessed value of the newly established homestead  
93 shall be determined as follows:

94 1. If the just value of the new homestead is greater than  
95 or equal to the just value of the prior homestead as of January  
96 1 of the year in which the prior homestead was abandoned, the  
97 assessed value of the new homestead shall be the just value of  
98 the new homestead minus an amount equal to the lesser of  
99 \$500,000 or the difference between the just value and the  
100 assessed value of the prior homestead as of January 1 of the  
101 year in which the prior homestead was abandoned. Thereafter, the  
102 homestead shall be assessed as provided in this subsection.

103 2. If the just value of the new homestead is less than the  
104 just value of the prior homestead as of January 1 of the year in  
105 which the prior homestead was abandoned, the assessed value of  
106 the new homestead shall be equal to the just value of the new  
107 homestead divided by the just value of the prior homestead and  
108 multiplied by the assessed value of the prior homestead.  
109 However, if the difference between the just value of the new  
110 homestead and the assessed value of the new homestead calculated  
111 pursuant to this sub-subparagraph is greater than \$500,000, the  
112 assessed value of the new homestead shall be increased so that

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113 | the difference between the just value and the assessed value  
 114 | equals \$500,000. Thereafter, the homestead shall be assessed as  
 115 | provided in this subsection.

116 |         b. By general law and subject to conditions specified  
 117 | therein, the Legislature shall provide for application of this  
 118 | paragraph to property owned by more than one person.

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.

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

175 (4) The legislature may provide that such property shall  
 176 be 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  
 182 such 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 used for residential purposes:

190 (1) Any change or improvement made for the purpose of  
 191 improving the property's resistance to wind damage.

192 (2) The installation of a renewable energy source device.

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

195 a. Land used predominantly for commercial fishing  
 196 purposes.

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

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

200           d. Water-dependent marine manufacturing facilities,  
201 commercial fishing facilities, and marine vessel construction  
202 and repair facilities and their support activities.

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

206           BE IT FURTHER RESOLVED that the following statement be  
207 placed on the ballot:

208   CONSTITUTIONAL AMENDMENT

209   ARTICLE VII, SECTION 4

210           ASSESSMENT OF HOMESTEAD PROPERTY OWNED BY LOW-INCOME SENIOR  
211 CITIZENS.—Currently, counties and municipalities may grant an  
212 additional homestead exemption to a person who is 65 years of  
213 age or older and who has a household income of \$20,000 or less.  
214 This proposed amendment to the State Constitution authorizes  
215 counties and municipalities to grant another ad valorem tax  
216 benefit to those individuals. Specifically, the amendment  
217 authorizes counties and municipalities to freeze the assessed  
218 value of the homesteads of persons receiving the additional  
219 exemption at the assessed value of the property in the previous  
220 year if the just value of the property is equal to or less than  
221 150 percent of the average just value of residential property in  
222 the county. As such, if authorized by a county or municipality,  
223 these individuals will not be required to pay more ad valorem



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224 | taxes than they paid in the previous year as the result of an  
225 | increase in the value of their homesteads.