

## Committee on Community Affairs

### **CS/CS/HB 1249 — Transfer of Tax Exemption for Veterans**

by State Affairs Committee; Local, Federal and Veterans Affairs Subcommittee; and Rep. Sullivan and others (CS/SB 1662 by Community Affairs Committee and Senators Albritton and Broxson)

The State Constitution defines homestead property as one's principal place of residence, including specific amounts of adjoining land. Under the Constitution, Florida provides homestead property owners protection from forced sale by creditors and some ad valorem tax exemptions. Beyond these constitutional provisions, Florida law grants a full ad valorem property tax exemption for homestead property owned by a veteran who sustained a total and permanent service-connected disability. This complete tax exemption for homestead property inures to a qualifying veteran's surviving spouse as long as the property remains the homestead property of the spouse, and the spouse is unmarried.

A veteran or surviving spouse who meets the criteria for the total and permanent disability property tax exemption may claim the exemption if they hold legal title to the homestead on January 1 and file an application requesting the exemption with the county property appraiser on or before March 1. Failure to submit this application by March 1 constitutes a waiver of the exemption for that tax year and the November property tax bill will not reflect a tax exemption. In this tax calendar system, tax-exempt veterans may incur some tax liabilities when selling homestead property and purchasing new homestead property.

The bill allows a totally and permanently disabled veteran, or his or her surviving spouse, who acquires legal or beneficial title to a homestead property between January 1 and November 1 of a given tax year to receive a prorated refund for homestead property taxes paid on the newly acquired property. To qualify for the refund, the veteran or surviving spouse must have received a homestead tax exemption for totally and permanently disabled veterans on another property in the same tax year.

To effectuate the tax refund, the bill requires veterans and surviving spouses claiming the tax exemption to submit an application to the property appraiser of the county in which the new homestead property is located. Upon finding an applicant is entitled to the homestead exemption, a property appraiser must immediately make entries on the tax rolls of the county to allow the prorated refund of taxes for the previous tax year. Veterans and spouses who qualify for the refund will receive the reimbursement in the tax year following the acquisition of a new property.

If approved by the Governor, these provisions take effect July 1, 2020.

*Vote: Senate 39-0; House 108-0*