

By Senator Haridopolos

26-2711-07

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Senate Joint Resolution

A joint resolution proposing amendments to Sections 3, 4, 6, and 9 of Article VII and the creation of Section 27 of Article XII of the State Constitution to authorize an exemption from ad valorem taxation for tangible personal property, revise the limitation in the difference between the just value and the assessed value for homestead property, provide for assessing rent-restricted affordable housing and commercial and public-access waterfront property by general law, increase the homestead exemption, require the Legislature to limit county, municipality, and special district authority to increase ad valorem taxes, provide for transitional assessments of homestead property, and provide an effective date.

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

That the following amendments to Sections 3, 4, 6, and 9 of Article VII and the creation of Section 27 of 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 3. Taxes; exemptions.--

1 (a) All property owned by a municipality and used
2 exclusively by it for municipal or public purposes shall be
3 exempt from taxation. A municipality, owning property outside
4 the municipality, may be required by general law to make
5 payment to the taxing unit in which the property is located.
6 Such portions of property as are used predominantly for
7 educational, literary, scientific, religious or charitable
8 purposes may be exempted by general law from taxation.

9 (b) There shall be exempt from taxation, cumulatively,
10 to every head of a family residing in this state, household
11 goods and personal effects to the value fixed by general law,
12 not less than one thousand dollars, and to every widow or
13 widower or person who is blind or totally and permanently
14 disabled, property to the value fixed by general law not less
15 than five hundred dollars.

16 (c) Any county or municipality may, for the purpose of
17 its respective tax levy and subject to the provisions of this
18 subsection and general law, grant community and economic
19 development ad valorem tax exemptions to new businesses and
20 expansions of existing businesses, as defined by general law.
21 Such an exemption may be granted only by ordinance of the
22 county or municipality, and only after the electors of the
23 county or municipality voting on such question in a referendum
24 authorize the county or municipality to adopt such ordinances.
25 An exemption so granted shall apply to improvements to real
26 property made by or for the use of a new business and
27 improvements to real property related to the expansion of an
28 existing business and shall also apply to tangible personal
29 property of such new business and tangible personal property
30 related to the expansion of an existing business. The amount
31 or limits of the amount of such exemption shall be specified

1 by general law. The period of time for which such exemption
2 may be granted to a new business or expansion of an existing
3 business shall be determined by general law. The authority to
4 grant such exemption shall expire ten years from the date of
5 approval by the electors of the county or municipality, and
6 may be renewable by referendum as provided by general law.

7 (d) By general law and subject to conditions specified
8 therein, there may be granted an ad valorem tax exemption to a
9 renewable energy source device and to real property on which
10 such device is installed and operated, to the value fixed by
11 general law not to exceed the original cost of the device, and
12 for the period of time fixed by general law not to exceed ten
13 years.

14 (e) Any county or municipality may, for the purpose of
15 its respective tax levy and subject to the provisions of this
16 subsection and general law, grant historic preservation ad
17 valorem tax exemptions to owners of historic properties. This
18 exemption may be granted only by ordinance of the county or
19 municipality. The amount or limits of the amount of this
20 exemption and the requirements for eligible properties must be
21 specified by general law. The period of time for which this
22 exemption may be granted to a property owner shall be
23 determined by general law.

24 (f) By general law and subject to conditions specified
25 therein, not less than twenty-five thousand dollars of the
26 assessed value of property subject to tangible personal
27 property tax may be exempt from ad valorem taxation.

28 SECTION 4. Taxation; assessments.--By general law
29 regulations shall be prescribed which shall secure a just
30 valuation of all property for ad valorem taxation, provided:
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1 (a) Agricultural land, land producing high water
2 recharge to Florida's aquifers, or land used exclusively for
3 noncommercial recreational purposes may be classified by
4 general law and assessed solely on the basis of character or
5 use.

6 (b) Pursuant to general law tangible personal property
7 held for sale as stock in trade and livestock may be valued
8 for taxation at a specified percentage of its value, may be
9 classified for tax purposes, or may be exempted from taxation.

10 (c) All persons entitled to a homestead exemption
11 under Section 6 of this Article who are entitled to have their
12 homestead assessed under this subsection pursuant to Section
13 27 of Article XII shall have their homestead assessed ~~at just~~
14 ~~value as of January 1 of the year following the effective date~~
15 ~~of this amendment. This assessment shall change only as~~
16 provided herein.

17 (1) Assessments subject to this provision shall be
18 changed annually on January 1st of each year; but those
19 changes in assessments shall not exceed the lower of the
20 following:

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

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

28 (2) No assessment shall exceed just value.

29 (3) After any change of ownership, as provided by
30 general law, homestead property shall be assessed at just
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1 value as of January 1 of the following year. ~~Thereafter, the~~
2 ~~homestead shall be assessed as provided herein.~~

3 ~~(4) New homestead property shall be assessed at just~~
4 ~~value as of January 1st of the year following the~~
5 ~~establishment of the homestead. That assessment shall only~~
6 ~~change as provided herein.~~

7 ~~(4)(5)~~ Changes, additions, reductions, or improvements
8 to homestead property shall be assessed as provided for by
9 general law; provided, however, after the adjustment for any
10 change, addition, reduction, or improvement, the property
11 shall be assessed as provided herein.

12 ~~(5)(6)~~ In the event of a termination of homestead
13 status, the property shall be assessed at just value as of
14 January 1 of the following year ~~as provided by general law.~~

15 ~~(6)(7)~~ The provisions of this amendment are severable.
16 If any of the provisions of this amendment shall be held
17 unconstitutional by any court of competent jurisdiction, the
18 decision of such court shall not affect or impair any
19 remaining provisions of this amendment.

20 (d) The legislature may, by general law, for
21 assessment purposes and subject to the provisions of this
22 subsection, allow counties and municipalities to authorize by
23 ordinance that historic property may be assessed solely on the
24 basis of character or use. Such character or use assessment
25 shall apply only to the jurisdiction adopting the ordinance.
26 The requirements for eligible properties must be specified by
27 general law.

28 (e) A county may, in the manner prescribed by general
29 law, provide for a reduction in the assessed value of
30 homestead property to the extent of any increase in the
31 assessed value of that property which results from the

1 construction or reconstruction of the property for the purpose
2 of providing living quarters for one or more natural or
3 adoptive grandparents or parents of the owner of the property
4 or of the owner's spouse if at least one of the grandparents
5 or parents for whom the living quarters are provided is 62
6 years of age or older. Such a reduction may not exceed the
7 lesser of the following:

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

10 (2) Twenty percent of the total assessed value of the
11 property as improved.

12 (f) As defined by general law, real property that is
13 used to provide affordable housing and is subject to rent
14 restrictions imposed by a governmental agency may be assessed
15 as provided by general law, subject to conditions or
16 limitations specified therein.

17 (g) As defined by general law, land that is used
18 exclusively for commercial fishing purposes or that is open to
19 the public and used predominantly for commercial
20 water-dependent activities or for public access to waters that
21 are navigable may be assessed as provided by general law,
22 subject to conditions or limitations specified therein. For
23 purposes of this paragraph, the term "water-dependent
24 activity" means any activity that can be conducted only on,
25 in, over, or adjacent to waters that are navigable and that
26 requires direct access to water and involves the use of water
27 as an integral part of such activity.

28 SECTION 6. Homestead exemptions.--

29 (a) Every person who has the legal or equitable title
30 to real estate and maintains thereon the permanent residence
31 of the owner, or another legally or naturally dependent upon

1 | the owner, shall be exempt from taxation ~~thereon~~, except
2 | assessments for special benefits, on seventy-five percent of
3 | ~~up to~~ the just assessed valuation of such property up to two
4 | hundred of five thousand dollars and on fifteen percent of the
5 | just valuation of such property above two hundred thousand
6 | dollars up to five hundred thousand dollars, upon
7 | establishment of right thereto in the manner prescribed by
8 | law. The five hundred thousand dollar threshold shall be
9 | adjusted each year by the percentage change in per capita
10 | personal income, as defined by general law, for the previous
11 | year, and may be increased by general law enacted by an
12 | affirmative vote of at least two-thirds of the membership of
13 | each house of the legislature. The exemption shall not be less
14 | than fifty thousand dollars but, for low-income seniors who
15 | meet the eligibility criteria under subsection (d), the
16 | exemption shall not be less than one hundred thousand dollars.
17 | The real estate may be held by legal or equitable title, by
18 | the entireties, jointly, in common, as a condominium, or
19 | indirectly by stock ownership or membership representing the
20 | owner's or member's proprietary interest in a corporation
21 | owning a fee or a leasehold initially in excess of
22 | ninety-eight years. The exemption shall not apply with respect
23 | to any assessment roll until such roll is first determined to
24 | be in compliance with the provisions of section 4 by a state
25 | agency designated by general law. This exemption is repealed
26 | on the effective date of any amendment to this Article which
27 | provides for the assessment of homestead property at less than
28 | just value.

29 | (b) Not more than one exemption shall be allowed any
30 | individual or family unit or with respect to any residential
31 | unit. No exemption shall exceed the value of the real estate

1 assessable to the owner or, in case of ownership through stock
2 or membership in a corporation, the value of the proportion
3 which the interest in the corporation bears to the assessed
4 value of the property.

5 ~~(c) By general law and subject to conditions specified~~
6 ~~therein, the exemption shall be increased to a total of~~
7 ~~twenty five thousand dollars of the assessed value of the real~~
8 ~~estate for each school district levy. By general law and~~
9 ~~subject to conditions specified therein, the exemption for all~~
10 ~~other levies may be increased up to an amount not exceeding~~
11 ~~ten thousand dollars of the assessed value of the real estate~~
12 ~~if the owner has attained age sixty five or is totally and~~
13 ~~permanently disabled and if the owner is not entitled to the~~
14 ~~exemption provided in subsection (d).~~

15 ~~(d) By general law and subject to conditions specified~~
16 ~~therein, the exemption shall be increased to a total of the~~
17 ~~following amounts of assessed value of real estate for each~~
18 ~~levy other than those of school districts: fifteen thousand~~
19 ~~dollars with respect to 1980 assessments; twenty thousand~~
20 ~~dollars with respect to 1981 assessments; twenty five thousand~~
21 ~~dollars with respect to assessments for 1982 and each year~~
22 ~~thereafter. However, such increase shall not apply with~~
23 ~~respect to any assessment roll until such roll is first~~
24 ~~determined to be in compliance with the provisions of section~~
25 ~~4 by a state agency designated by general law. This subsection~~
26 ~~shall stand repealed on the effective date of any amendment to~~
27 ~~section 4 which provides for the assessment of homestead~~
28 ~~property at a specified percentage of its just value.~~

29 (c)(e) By general law and subject to conditions
30 specified therein, the Legislature may provide to renters, who
31 are permanent residents, ad valorem tax relief on all ad

1 | valorem tax levies. Such ad valorem tax relief shall be in the
2 | form and amount established by general law.

3 | ~~(d)~~(f) The legislature may, by general law, allow
4 | counties or municipalities, for the purpose of their
5 | respective tax levies and subject to the provisions of general
6 | law, to grant an additional homestead tax exemption not
7 | exceeding fifty thousand dollars to any person who has the
8 | legal or equitable title to real estate and maintains thereon
9 | the permanent residence of the owner and who has attained age
10 | sixty-five and whose household income, as defined by general
11 | law, does not exceed twenty thousand dollars. The general law
12 | must allow counties and municipalities to grant this
13 | additional exemption, within the limits prescribed in this
14 | subsection, by ordinance adopted in the manner prescribed by
15 | general law, and must provide for the periodic adjustment of
16 | the income limitation prescribed in this subsection for
17 | changes in the cost of living.

18 | ~~(e)~~(g) Each veteran who is age 65 or older who is
19 | partially or totally permanently disabled shall receive a
20 | discount from the amount of the ad valorem tax otherwise owed
21 | on homestead property the veteran owns and resides in if the
22 | disability was combat related, the veteran was a resident of
23 | this state at the time of entering the military service of the
24 | United States, and the veteran was honorably discharged upon
25 | separation from military service. The discount shall be in a
26 | percentage equal to the percentage of the veteran's permanent,
27 | service-connected disability as determined by the United
28 | States Department of Veterans Affairs. To qualify for the
29 | discount granted by this subsection, an applicant must submit
30 | to the county property appraiser, by March 1, proof of
31 | residency at the time of entering military service, an

1 official letter from the United States Department of Veterans
2 Affairs stating the percentage of the veteran's
3 service-connected disability and such evidence that reasonably
4 identifies the disability as combat related, and a copy of the
5 veteran's honorable discharge. If the property appraiser
6 denies the request for a discount, the appraiser must notify
7 the applicant in writing of the reasons for the denial, and
8 the veteran may reapply. The Legislature may, by general law,
9 waive the annual application requirement in subsequent years.
10 This subsection shall take effect December 7, 2006, is
11 self-executing, and does not require implementing legislation.

12 SECTION 9. Local taxes.--

13 (a) Counties, school districts, and municipalities
14 shall, and special districts may, be authorized by law to levy
15 ad valorem taxes and may be authorized by general law to levy
16 other taxes, for their respective purposes, except ad valorem
17 taxes on intangible personal property and taxes prohibited by
18 this constitution.

19 (b) Ad valorem taxes, exclusive of taxes levied for
20 the payment of bonds and taxes levied for periods not longer
21 than two years when authorized by vote of the electors who are
22 the owners of freeholds therein not wholly exempt from
23 taxation, shall not be levied in excess of the following
24 millages upon the assessed value of real estate and tangible
25 personal property: for all county purposes, ten mills; for all
26 municipal purposes, ten mills; for all school purposes, ten
27 mills; for water management purposes for the northwest portion
28 of the state lying west of the line between ranges two and
29 three east, 0.05 mill; for water management purposes for the
30 remaining portions of the state, 1.0 mill; and for all other
31 special districts a millage authorized by law approved by vote

1 of the electors who are owners of freeholds therein not wholly
2 exempt from taxation. A county furnishing municipal services
3 may, to the extent authorized by law, levy additional taxes
4 within the limits fixed for municipal purposes.

5 (c) By general law, the legislature shall limit the
6 authority of counties, municipalities, and special districts
7 to increase ad valorem taxes.

8 ARTICLE XII

9 SCHEDULE

10 SECTION 27. Transitional assessments of homestead
11 property; effective date.--

12 (a) Each person entitled to a homestead exemption
13 under Section 6 of Article VII on January 1, 2008, shall
14 continue to have the person's current homestead assessed under
15 Section 4(c) of Article VII so long as, on January 1 of each
16 year, the sum of the exemption the person would have received
17 under Section 6(a)-(d) of Article VII, as it existed on
18 December 31, 2007, plus the difference between the homestead's
19 just value and its assessed value determined pursuant to
20 Section 4(c) of Article VII is greater than the exemption
21 provided by Section 6(a) of Article VII. After the exemption
22 provided in Section 6(a) of Article VII exceeds such sum in
23 any year, the homestead may not be assessed under Section 4(c)
24 of Article VII.

25 (b) The exemption provided in Section 6(a) of Article
26 VII to each person entitled to have the person's homestead
27 assessed under Section 4(c) of Article VII pursuant to
28 subsection (a) shall be limited to the exemption the person
29 would have been entitled to under Section 6(a)-(d) of Article
30 VII as it existed on December 31, 2007.

1 (c) The amendments to Sections 3, 4, 6, and 9 of
2 Article VII, providing an exemption from ad valorem taxation
3 for tangible personal property, revising provisions limiting
4 an increase in the assessed value of homestead property,
5 providing for assessing rent-restricted affordable housing and
6 commercial and public-access waterfront property pursuant to
7 general law, increasing the homestead exemption by providing a
8 schedule for determining the exemption based on a percentage
9 of the property's just value, and requiring the legislature to
10 limit the authority of counties, municipalities, and special
11 districts to increase ad valorem taxes, and this section,
12 providing for transitional assessments of homestead property,
13 shall take effect upon approval by the electors and shall
14 operate retroactively to January 1, 2008.

15 BE IT FURTHER RESOLVED that the following statement be
16 placed on the ballot:

17 CONSTITUTIONAL AMENDMENT

18 ARTICLE VII, SECTIONS 3, 4, 6, AND 9;

19 ARTICLE XII, SECTION 27

20 AD VALOREM PROPERTY TAXATION: ASSESSMENTS, EXEMPTIONS,
21 LIMITATIONS, AND HOMESTEADS.--Proposing amendments to the
22 State Constitution to increase the homestead exemption from
23 \$25,000 to 75 percent of the just value of the property up to
24 \$200,000 and 15 percent of the just value of the property
25 above \$200,000 up to \$500,000, to subject the \$500,000
26 threshold to annual adjustments based on the percentage change
27 in per capita personal income, to authorize an increase in the
28 \$500,000 threshold amount by a two-thirds vote of the
29 Legislature, and to specify minimum homestead exemption
30 amounts of \$50,000 for everyone except low-income seniors and
31 \$100,000 for low-income seniors; to provide for transitional

1 assessments of homestead property under the increased
2 homestead exemption that include preserving application of
3 Save-Our-Homes provisions when those provisions provide a
4 benefit that is greater than the increased homestead
5 exemption; to revise Save-Our-Homes provisions to conform to
6 provisions providing for the increased homestead exemption and
7 transitional assessments of homestead property; to require the
8 Legislature to limit the authority of counties,
9 municipalities, and special districts to increase ad valorem
10 taxes; to authorize an exemption from ad valorem taxes of no
11 less than \$25,000 of assessed value of tangible personal
12 property; to provide for assessing rent-restricted affordable
13 housing property and waterfront property used for commercial
14 fishing, commercial water-dependent activities, and public
15 access at less than just value; and to schedule the amendments
16 to take effect upon approval by the voters and operate
17 retroactively to January 1, 2008.

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