

2009532er

1
2 A joint resolution proposing amendments to Sections 4
3 and 6 of Article VII and the creation of two new
4 sections in Article XII of the State Constitution to
5 generally limit the maximum annual increase in the
6 assessed value of certain nonhomestead properties and
7 to provide an additional homestead exemption to
8 persons who have not owned a principal residence
9 within the preceding 8 years.

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

12
13 That the following amendments to Sections 4 and 6 of
14 Article VII and the creation of two new sections in Article XII
15 of the State Constitution are agreed to and shall be submitted
16 to the electors of this state for approval or rejection at the
17 next general election or at an earlier special election
18 specifically authorized by law for that purpose:

19 ARTICLE VII

20 FINANCE AND TAXATION

21 SECTION 4. Taxation; assessments.—By general law
22 regulations shall be prescribed which shall secure a just
23 valuation of all property for ad valorem taxation, provided:

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

28 (b) As provided by general law and subject to conditions,
29 limitations, and reasonable definitions specified therein, land

2009532er

30 used for conservation purposes shall be classified by general
31 law and assessed solely on the basis of character or use.

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

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

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

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

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

50 (2) No assessment shall exceed just value.

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

56 (4) New homestead property shall be assessed at just value
57 as of January 1st of the year following the establishment of the
58 homestead, unless the provisions of paragraph (8) apply. That

2009532er

59 assessment shall only change as provided in this 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, 2009, or January 1 of any subsequent year and who has
74 received a homestead exemption pursuant to Section 6 of this
75 Article as of January 1 of either of the two years immediately
76 preceding the establishment of the new homestead is entitled to
77 have the new homestead assessed at less than just value. If this
78 revision is approved in January of 2008, a person who
79 establishes a new homestead as of January 1, 2008, is entitled
80 to have the new homestead assessed at less than just value only
81 if that person received a homestead exemption on January 1,
82 2007. The assessed value of the newly established homestead
83 shall be determined as follows:

84 1. If the just value of the new homestead is greater than
85 or equal to the just value of the prior homestead as of January
86 1 of the year in which the prior homestead was abandoned, the
87 assessed value of the new homestead shall be the just value of

2009532er

88 the new homestead minus an amount equal to the lesser of
89 \$500,000 or the difference between the just value and the
90 assessed value of the prior homestead as of January 1 of the
91 year in which the prior homestead was abandoned. Thereafter, the
92 homestead shall be assessed as provided in this subsection.

93 2. If the just value of the new homestead is less than the
94 just value of the prior homestead as of January 1 of the year in
95 which the prior homestead was abandoned, the assessed value of
96 the new homestead shall be equal to the just value of the new
97 homestead divided by the just value of the prior homestead and
98 multiplied by the assessed value of the prior homestead.

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

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

109 (e) The legislature may, by general law, for assessment
110 purposes and subject to the provisions of this subsection, allow
111 counties and municipalities to authorize by ordinance that
112 historic property may be assessed solely on the basis of
113 character or use. Such character or use assessment shall apply
114 only to the jurisdiction adopting the ordinance. The
115 requirements for eligible properties must be specified by
116 general law.

2009532er

117 (f) A county may, in the manner prescribed by general law,
118 provide for a reduction in the assessed value of homestead
119 property to the extent of any increase in the assessed value of
120 that property which results from the construction or
121 reconstruction of the property for the purpose of providing
122 living quarters for one or more natural or adoptive grandparents
123 or parents of the owner of the property or of the owner's spouse
124 if at least one of the grandparents or parents for whom the
125 living quarters are provided is 62 years of age or older. Such a
126 reduction may not exceed the lesser of the following:

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

129 (2) Twenty percent of the total assessed value of the
130 property as improved.

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

136 (1) Assessments subject to this subsection shall be changed
137 annually on the date of assessment provided by law; but those
138 changes in assessments shall not exceed five ~~ten~~ percent ~~(10%)~~
139 of the assessment for the prior year.

140 (2) No assessment shall exceed just value.

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

2009532er

146 (4) Changes, additions, reductions, or improvements to such
147 property shall be assessed as provided for by general law;
148 however, after the adjustment for any change, addition,
149 reduction, or improvement, the property shall be assessed as
150 provided in this subsection.

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

155 (1) Assessments subject to this subsection shall be changed
156 annually on the date of assessment provided by law; but those
157 changes in assessments shall not exceed five ~~ten~~ percent ~~(10%)~~
158 of the assessment for the prior year.

159 (2) No assessment shall exceed just value.

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

165 (4) The legislature may provide that such property shall be
166 assessed at just value as of the next assessment date after a
167 change of ownership or control, as defined by general law,
168 including any change of ownership of the legal entity that owns
169 the property. Thereafter, such property shall be assessed as
170 provided in this subsection.

171 (5) Changes, additions, reductions, or improvements to such
172 property shall be assessed as provided for by general law;
173 however, after the adjustment for any change, addition,
174 reduction, or improvement, the property shall be assessed as

2009532er

175 provided in this subsection.

176 (i) The legislature, by general law and subject to
177 conditions specified therein, may prohibit the consideration of
178 the following in the determination of the assessed value of real
179 property used for residential purposes:

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

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

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

185 a. Land used predominantly for commercial fishing purposes.

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

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

189 d. Water-dependent marine manufacturing facilities,
190 commercial fishing facilities, and marine vessel construction
191 and repair facilities and their support activities.

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

195 SECTION 6. Homestead exemptions.—

196 (a) Every person who has the legal or equitable title to
197 real estate and maintains thereon the permanent residence of the
198 owner, or another legally or naturally dependent upon the owner,
199 shall be exempt from taxation thereon, except assessments for
200 special benefits, up to the assessed valuation of twenty-five
201 thousand dollars and, for all levies other than school district
202 levies, on the assessed valuation greater than fifty thousand
203 dollars and up to seventy-five thousand dollars, upon

2009532er

204 establishment of right thereto in the manner prescribed by law.
205 The real estate may be held by legal or equitable title, by the
206 entirety, jointly, in common, as a condominium, or indirectly
207 by stock ownership or membership representing the owner's or
208 member's proprietary interest in a corporation owning a fee or a
209 leasehold initially in excess of ninety-eight years. The
210 exemption shall not apply with respect to any assessment roll
211 until such roll is first determined to be in compliance with the
212 provisions of section 4 by a state agency designated by general
213 law. This exemption is repealed on the effective date of any
214 amendment to this Article which provides for the assessment of
215 homestead property at less than just value.

216 (b) Not more than one exemption shall be allowed any
217 individual or family unit or with respect to any residential
218 unit. No exemption shall exceed the value of the real estate
219 assessable to the owner or, in case of ownership through stock
220 or membership in a corporation, the value of the proportion
221 which the interest in the corporation bears to the assessed
222 value of the property.

223 (c) By general law and subject to conditions specified
224 therein, the Legislature may provide to renters, who are
225 permanent residents, ad valorem tax relief on all ad valorem tax
226 levies. Such ad valorem tax relief shall be in the form and
227 amount established by general law.

228 (d) The legislature may, by general law, allow counties or
229 municipalities, for the purpose of their respective tax levies
230 and subject to the provisions of general law, to grant an
231 additional homestead tax exemption not exceeding fifty thousand
232 dollars to any person who has the legal or equitable title to

2009532er

233 real estate and maintains thereon the permanent residence of the
234 owner and who has attained age sixty-five and whose household
235 income, as defined by general law, does not exceed twenty
236 thousand dollars. The general law must allow counties and
237 municipalities to grant this additional exemption, within the
238 limits prescribed in this subsection, by ordinance adopted in
239 the manner prescribed by general law, and must provide for the
240 periodic adjustment of the income limitation prescribed in this
241 subsection for changes in the cost of living.

242 (e) Each veteran who is age 65 or older who is partially or
243 totally permanently disabled shall receive a discount from the
244 amount of the ad valorem tax otherwise owed on homestead
245 property the veteran owns and resides in if the disability was
246 combat related, the veteran was a resident of this state at the
247 time of entering the military service of the United States, and
248 the veteran was honorably discharged upon separation from
249 military service. The discount shall be in a percentage equal to
250 the percentage of the veteran's permanent, service-connected
251 disability as determined by the United States Department of
252 Veterans Affairs. To qualify for the discount granted by this
253 subsection, an applicant must submit to the county property
254 appraiser, by March 1, proof of residency at the time of
255 entering military service, an official letter from the United
256 States Department of Veterans Affairs stating the percentage of
257 the veteran's service-connected disability and such evidence
258 that reasonably identifies the disability as combat related, and
259 a copy of the veteran's honorable discharge. If the property
260 appraiser denies the request for a discount, the appraiser must
261 notify the applicant in writing of the reasons for the denial,

2009532er

262 and the veteran may reapply. The Legislature may, by general
263 law, waive the annual application requirement in subsequent
264 years. This subsection shall take effect December 7, 2006, is
265 self-executing, and does not require implementing legislation.

266 (f) (1) By general law, and subject to conditions specified
267 therein, the legislature shall provide an additional homestead
268 exemption to the person or persons who:

269 a. Establish the right to receive the homestead exemption
270 in subsection (a) within one year after purchasing the homestead
271 property; and

272 b. Have not owned a principal residence during the eight-
273 year period before the purchase. For married persons, neither
274 the purchaser nor his or her spouse may have owned a principal
275 residence during the preceding eight years.

276 (2) The additional homestead exemption shall equal 25
277 percent of the just value of the property on January 1 of the
278 year in which the homestead exemption in subsection (a) is
279 received, but not more than \$100,000.

280 a. The amount of the additional exemption shall be reduced
281 in each subsequent year by an amount equal to twenty percent of
282 the amount of the initial additional exemption or by an amount
283 equal to the difference between the just value of the property
284 and the assessed value determined under subsection (d) of
285 section 4 of this Article, whichever is greater.

286 b. The additional homestead exemption shall not apply after
287 the fifth year after the initial additional exemption is
288 granted.

289 (3) Only one additional exemption under this subsection may
290 apply to a single homestead property.

2009532er

ARTICLE XII

SCHEDULE

Property tax limit for nonhomestead property.—The amendment to Section 4 of Article VII reducing the limit on the maximum annual increase in the assessed value of nonhomestead property to five percent from ten percent and this section shall take effect January 1, 2011.

Additional homestead exemption for first-time homestead property owners.—The amendment to subsection (f) of Section 6 of Article VII providing for an additional homestead exemption for persons who have not owned a principal residence within an eight-year period and this section shall take effect January 1, 2011, and shall be available for properties purchased on or after January 1, 2010.

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

CONSTITUTIONAL AMENDMENTS

ARTICLE VII, SECTIONS 4 and 6

ARTICLE XII

PROPERTY TAX LIMIT FOR NONHOMESTEAD PROPERTY; ADDITIONAL HOMESTEAD EXEMPTION FOR NEW HOMESTEAD OWNERS.—The State Constitution generally limits the maximum annual increase in the assessed value of nonhomestead property to 10 percent annually. This proposed amendment reduces the maximum annual increase in the assessed values of those properties to 5 percent annually.

This amendment also requires the Legislature to provide an additional homestead exemption for persons who have not owned a principal residence during the preceding 8 years. Under the exemption, 25 percent of the just value of a first-time

2009532er

320 homestead, up to \$100,000, will be exempt from property taxes.
321 The amount of the additional exemption will decrease in each
322 succeeding year for 5 years by the greater of 20 percent of the
323 initial additional exemption or the difference between the just
324 value and the assessed value of the property. The additional
325 exemption will not be available in the 6th and subsequent years.