

By Senator Flores

38-00426-11

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Senate Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII and the creation of a new Section in Article XII of the State Constitution to prohibit increases in the assessed value of homestead property if the just value of the property decreases and provide an effective date.

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

That the following amendment to Section 4 of Article VII and the creation of a new Section 31 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 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.

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

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

39 (1) Assessments subject to this subsection shall change ~~be~~
 40 ~~changed~~ annually on January 1 ~~1st~~ of each year, ~~but these~~
 41 ~~changes in assessments~~

42 a. An increase in an assessment may ~~shall~~ not exceed the
 43 lower of the following:

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

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

51 b. An assessment may not increase if the just value of the
 52 property is less than the just value of the property on the
 53 preceding January 1.

54 (2) ~~An~~ ~~No~~ assessment may not ~~shall~~ exceed just value.

55 (3) After a ~~any~~ change of ownership, as provided by general
 56 law, homestead property shall be assessed at just value as of
 57 January 1 of the following year, unless the provisions of
 58 paragraph (8) apply. Thereafter, the homestead shall be assessed

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59 as provided in this subsection.

60 (4) New homestead property shall be assessed at just value
61 as of January 1 ~~1st~~ of the year following the establishment of
62 the homestead, unless the provisions of paragraph (8) apply.
63 That assessment shall ~~only~~ change only as provided in this
64 subsection.

65 (5) Changes, additions, reductions, or improvements to
66 homestead property shall be assessed as provided for by general
67 law. ~~;~~ ~~provided,~~ However, after the adjustment for any change,
68 addition, reduction, or improvement, the property shall be
69 assessed as provided in this subsection.

70 (6) In the event of a termination of homestead status, the
71 property shall be assessed as provided by general law.

72 (7) The provisions of this subsection ~~amendment~~ are
73 severable. If a provision ~~any of the provisions~~ of this
74 amendment is ~~shall be~~ held unconstitutional by a ~~any~~ court of
75 competent jurisdiction, the decision of the ~~such~~ court does
76 ~~shall~~ not affect or impair any remaining provisions of this
77 subsection ~~amendment~~.

78 (8)a. A person who ~~establishes a new homestead as of~~
79 ~~January 1, 2009, or January 1 of any subsequent year and who has~~
80 received a homestead exemption pursuant to Section 6 ~~of this~~
81 ~~Article~~ as of January 1 of either of the two years immediately
82 preceding the establishment of a ~~the~~ new homestead is entitled
83 to have the new homestead assessed at less than just value. ~~If~~
84 ~~this revision is approved in January of 2008, a person who~~
85 ~~establishes a new homestead as of January 1, 2008, is entitled~~
86 ~~to have the new homestead assessed at less than just value only~~
87 ~~if that person received a homestead exemption on January 1,~~

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88 ~~2007~~. The assessed value of the newly established homestead
89 shall be determined as follows:

90 1. If the just value of the new homestead is greater than
91 or equal to the just value of the prior homestead as of January
92 1 of the year in which the prior homestead was abandoned, the
93 assessed value of the new homestead shall be the just value of
94 the new homestead minus an amount equal to the lesser of
95 \$500,000 or the difference between the just value and the
96 assessed value of the prior homestead as of January 1 of the
97 year in which the prior homestead was abandoned. Thereafter, the
98 homestead shall be assessed as provided in this subsection.

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

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

115 (e) The legislature may, by general law, for assessment
116 purposes and subject to the provisions of this subsection, allow

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117 counties and municipalities to authorize by ordinance that
118 historic property may be assessed solely on the basis of
119 character or use. Such character or use assessment shall apply
120 only to the jurisdiction adopting the ordinance. The
121 requirements for eligible properties must be specified by
122 general law.

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

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

135 (2) Twenty percent of the total assessed value of the
136 property as improved.

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

142 (1) Assessments subject to this subsection shall be changed
143 annually on the date of assessment provided by law. However, †
144 ~~but~~ those changes in assessments may ~~shall~~ not exceed ten
145 percent ~~(10%)~~ of the assessment for the prior year.

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146 (2) An ~~No~~ assessment may not ~~shall~~ exceed just value.

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

152 (4) Changes, additions, reductions, or improvements to such
153 property shall be assessed as provided for by general law. †
154 However, after the adjustment for any change, addition,
155 reduction, or improvement, the property shall be assessed as
156 provided in this subsection.

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

161 (1) Assessments subject to this subsection shall be changed
162 annually on the date of assessment provided by law. However, ~~but~~
163 those changes in assessments shall not exceed ten percent ~~(10%)~~
164 of the assessment for the prior year.

165 (2) An ~~No~~ assessment may not ~~shall~~ exceed just value.

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

171 (4) The legislature may provide that such property shall be
172 assessed at just value as of the next assessment date after a
173 change of ownership or control, as defined by general law,
174 including any change of ownership of the legal entity that owns

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175 the property. Thereafter, such property shall be assessed as
176 provided in this subsection.

177 (5) Changes, additions, reductions, or improvements to such
178 property shall be assessed as provided for by general law.~~+~~
179 However, after the adjustment for any change, addition,
180 reduction, or improvement, the property shall be assessed as
181 provided in this subsection.

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

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

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

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

191 a. Land used predominantly for commercial fishing purposes.

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

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

195 d. Water-dependent marine manufacturing facilities,
196 commercial fishing facilities, and marine vessel construction
197 and repair facilities and their support activities.

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

201 ARTICLE XII

202 SCHEDULE

203 Assessment of homestead property that has declining just

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204 value.-The amendment to Section 4 of Article VII, relating to
205 homestead property having a declining just value, and this
206 section shall take effect January 1, 2013.

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

209 CONSTITUTIONAL AMENDMENT

210 ARTICLE VII, SECTION 4

211 ARTICLE XII

212 ASSESSMENT OF HOMESTEAD PROPERTY THAT HAS A DECLINING JUST
213 VALUE.-Proposing an amendment to the State Constitution to
214 revise the requirements for an annual change in assessments of
215 homestead property to prohibit an increase in the assessed value
216 of homestead property if the just value of that property
217 decreases, to take effect January 1, 2013.