

By Senator Simmons

22-00173-12

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Senate Joint Resolution

A joint resolution proposing amendments to Sections 4 and 6 of Article VII and Section 27 of Article XII and the creation of two new Sections in Article XII of the State Constitution to allow the Legislature by general law to prohibit increases in the assessed value of homestead and specified nonhomestead property if the just value of the property decreases, reduce the limitation on annual assessment increases applicable to nonhomestead real property, provide an additional homestead exemption for owners of homestead property, authorize the Legislature to adjust the amount of the exemption, provide that the additional exemption is to be reduced by the difference between the just value and the assessed value, delay a future repeal of provisions limiting annual assessment increases for specified nonhomestead real property, and provide effective dates.

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

That the following amendments to Sections 4 and 6 of Article VII and Section 27 of Article XII and the creation of two new Sections in 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

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

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

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

a. A change in an assessment may ~~shall~~ not exceed the lower of the following:

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

2.b. The percent change in the Consumer Price Index for all

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59 urban consumers, U.S. City Average, all items 1967=100, or a
 60 successor index reports for the preceding calendar year as
 61 initially reported by the United States Department of Labor,
 62 Bureau of Labor Statistics.

63 b. The legislature may provide by general law that, except
 64 for changes, additions, reductions, or improvements to homestead
 65 property assessed as provided in paragraph (5), an assessment
 66 may not increase if the just value of the property is less than
 67 the just value of the property on the preceding January 1.

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

69 (3) After a ~~any~~ change of ownership, as provided by general
 70 law, homestead property shall be assessed at just value as of
 71 January 1 of the following year, unless the provisions of
 72 paragraph (8) apply. Thereafter, the homestead shall be assessed
 73 as provided in this subsection.

74 (4) New homestead property shall be assessed at just value
 75 as of January 1 ~~1st~~ of the year following the establishment of
 76 the homestead, unless the provisions of paragraph (8) apply.
 77 That assessment shall ~~only~~ change only as provided in this
 78 subsection.

79 (5) Changes, additions, reductions, or improvements to
 80 homestead property shall be assessed as provided for by general
 81 law. ~~; provided,~~ However, after the adjustment for any change,
 82 addition, reduction, or improvement, the property shall be
 83 assessed as provided in this subsection.

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

86 (7) The provisions of this subsection ~~amendment~~ are
 87 severable. If a provision ~~any of the provisions~~ of this

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88 subsection is amendment shall be held unconstitutional by a any
89 court of competent jurisdiction, the decision of the such court
90 does shall not affect or impair any remaining provisions of this
91 subsection amendment.

92 (8)a. A person who ~~establishes a new homestead as of~~
93 ~~January 1, 2009, or January 1 of any subsequent year and who~~ has
94 received a homestead exemption pursuant to Section 6 ~~of this~~
95 ~~Article~~ as of January 1 of either of the 2 two years immediately
96 preceding the establishment of a the new homestead is entitled
97 to have the new homestead assessed at less than just value. ~~If~~
98 ~~this revision is approved in January of 2008, a person who~~
99 ~~establishes a new homestead as of January 1, 2008, is entitled~~
100 ~~to have the new homestead assessed at less than just value only~~
101 ~~if that person received a homestead exemption on January 1,~~
102 ~~2007.~~ The assessed value of the newly established homestead
103 shall be determined as follows:

104 1. If the just value of the new homestead is greater than
105 or equal to the just value of the prior homestead as of January
106 1 of the year in which the prior homestead was abandoned, the
107 assessed value of the new homestead shall be the just value of
108 the new homestead minus an amount equal to the lesser of
109 \$500,000 or the difference between the just value and the
110 assessed value of the prior homestead as of January 1 of the
111 year in which the prior homestead was abandoned. Thereafter, the
112 homestead shall be assessed as provided in this subsection.

113 2. If the just value of the new homestead is less than the
114 just value of the prior homestead as of January 1 of the year in
115 which the prior homestead was abandoned, the assessed value of
116 the new homestead shall be equal to the just value of the new

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117 homestead divided by the just value of the prior homestead and
118 multiplied by the assessed value of the prior homestead.
119 However, if the difference between the just value of the new
120 homestead and the assessed value of the new homestead calculated
121 pursuant to this sub-subparagraph is greater than \$500,000, the
122 assessed value of the new homestead shall be increased so that
123 the difference between the just value and the assessed value
124 equals \$500,000. Thereafter, the homestead shall be assessed as
125 provided in this subsection.

126 b. By general law and subject to conditions specified
127 therein, the legislature shall provide for application of this
128 paragraph to property owned by more than one person.

129 (e) The legislature may, by general law, for assessment
130 purposes and subject to the provisions of this subsection, allow
131 counties and municipalities to authorize by ordinance that
132 historic property may be assessed solely on the basis of
133 character or use. Such character or use assessment shall apply
134 only to the jurisdiction adopting the ordinance. The
135 requirements for eligible properties must be specified by
136 general law.

137 (f) A county may, in the manner prescribed by general law,
138 provide for a reduction in the assessed value of homestead
139 property to the extent of any increase in the assessed value of
140 that property which results from the construction or
141 reconstruction of the property for the purpose of providing
142 living quarters for one or more natural or adoptive grandparents
143 or parents of the owner of the property or of the owner's spouse
144 if at least one of the grandparents or parents for whom the
145 living quarters are provided is 62 years of age or older. Such a

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146 reduction may not exceed the lesser of the following:

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

149 (2) Twenty percent of the total assessed value of the
150 property as improved.

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

156 (1) Assessments subject to this subsection shall be changed
157 annually on the date of assessment provided by law. However,
158 ~~but~~ those changes in assessments may ~~shall~~ not exceed 7 ~~ten~~
159 percent ~~(10%)~~ of the assessment for the prior year. The
160 legislature may provide by general law that, except for changes,
161 additions, reductions, or improvements to property assessed as
162 provided in paragraph (4), an assessment may not increase if the
163 just value of the property is less than the just value of the
164 property on the preceding date of assessment provided by law.

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

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

171 (4) 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

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175 provided in this subsection.

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

180 (1) Assessments subject to this subsection shall be changed
181 annually on the date of assessment provided by law. However,
182 ~~but~~ those changes in assessments may ~~shall~~ not exceed 7 ~~ten~~
183 percent ~~(10%)~~ of the assessment for the prior year. The
184 legislature may provide by general law that, except for changes,
185 additions, reductions, or improvements to property assessed as
186 provided in paragraph (5), an assessment may not increase if the
187 just value of the property is less than the just value of the
188 property on the preceding date of assessment provided by law.

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

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

195 (4) The legislature may provide that such property shall be
196 assessed at just value as of the next assessment date after a
197 change of ownership or control, as defined by general law,
198 including any change of ownership of the legal entity that owns
199 the property. Thereafter, such property shall be assessed as
200 provided in this subsection.

201 (5) Changes, additions, reductions, or improvements to such
202 property shall be assessed as provided for by general law.
203 However, after the adjustment for any change, addition,

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204 reduction, or improvement, the property shall be assessed as
205 provided in this subsection.

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

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

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

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

215 a. Land used predominantly for commercial fishing purposes.

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

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

219 d. Water-dependent marine manufacturing facilities,
220 commercial fishing facilities, and marine vessel construction
221 and repair facilities and their support activities.

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

225 SECTION 6. Homestead exemptions.-

226 (a) Every person who has the legal or equitable title to
227 real estate and maintains thereon the permanent residence of the
228 owner, or another legally or naturally dependent upon the owner,
229 shall be exempt from taxation thereon, except assessments for
230 special benefits, up to the assessed valuation of \$25,000
231 ~~twenty-five thousand dollars~~ and, for all levies other than
232 school district levies, on the assessed valuation greater than

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233 \$50,000 ~~fifty thousand dollars~~ and up to \$75,000 ~~seventy-five~~
234 ~~thousand dollars~~, upon establishment of right thereto in the
235 manner prescribed by law. The real estate may be held by legal
236 or equitable title, by the entireties, jointly, in common, as a
237 condominium, or indirectly by stock ownership or membership
238 representing the owner's or member's proprietary interest in a
239 corporation owning a fee or a leasehold initially in excess of
240 98 ~~ninety-eight~~ years. The exemption shall not apply with
241 respect to any assessment roll until such roll is first
242 determined to be in compliance with the provisions of Section 4
243 by a state agency designated by general law. This exemption is
244 repealed on the effective date of any amendment to this Article
245 which provides for the assessment of homestead property at less
246 than just value.

247 (b) Not more than one exemption under subsection (a) and
248 one exemption under subsection (f) shall be allowed any
249 individual or family unit or with respect to any residential
250 unit. No exemption shall exceed the value of the real estate
251 assessable to the owner or, in case of ownership through stock
252 or membership in a corporation, the value of the proportion
253 which the interest in the corporation bears to the assessed
254 value of the property.

255 (c) By general law and subject to conditions specified
256 therein, the legislature may provide to renters, who are
257 permanent residents, ad valorem tax relief on all ad valorem tax
258 levies. Such ad valorem tax relief shall be in the form and
259 amount established by general law.

260 (d) The legislature may, by general law, allow counties or
261 municipalities, for the purpose of their respective tax levies

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262 and subject to the provisions of general law, to grant an
263 additional homestead tax exemption not exceeding \$50,000 ~~fifty~~
264 ~~thousand dollars~~ to any person who has the legal or equitable
265 title to real estate and maintains thereon the permanent
266 residence of the owner and who has attained age 65 ~~sixty-five~~
267 and whose household income, as defined by general law, does not
268 exceed \$20,000 ~~twenty thousand dollars~~. The general law must
269 allow counties and municipalities to grant this additional
270 exemption, within the limits prescribed in this subsection, by
271 ordinance adopted in the manner prescribed by general law, and
272 must provide for the periodic adjustment of the income
273 limitation prescribed in this subsection for changes in the cost
274 of living.

275 (e) Each veteran who is age 65 or older who is partially or
276 totally permanently disabled shall receive a discount from the
277 amount of the ad valorem tax otherwise owed on homestead
278 property the veteran owns and resides in if the disability was
279 combat related, the veteran was a resident of this state at the
280 time of entering the military service of the United States, and
281 the veteran was honorably discharged upon separation from
282 military service. The discount shall be in a percentage equal to
283 the percentage of the veteran's permanent, service-connected
284 disability as determined by the United States Department of
285 Veterans Affairs. To qualify for the discount granted by this
286 subsection, an applicant must submit to the county property
287 appraiser, by March 1, proof of residency at the time of
288 entering military service, an official letter from the United
289 States Department of Veterans Affairs stating the percentage of
290 the veteran's service-connected disability and such evidence

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291 that reasonably identifies the disability as combat related, and
292 a copy of the veteran's honorable discharge. If the property
293 appraiser denies the request for a discount, the appraiser must
294 notify the applicant in writing of the reasons for the denial,
295 and the veteran may reapply. The legislature may, by general
296 law, waive the annual application requirement in subsequent
297 years. This subsection shall take effect December 7, 2006, is
298 self-executing, and does not require implementing legislation.

299 (f) Every person who has established the right to receive
300 the homestead exemption provided in subsection (a) is entitled
301 to an additional homestead exemption for all levies other than
302 school district levies in an amount equal to 30 percent of the
303 homestead property's just value in excess of \$75,000 but less
304 than or equal to \$200,000, plus 15 percent of the homestead
305 property's just value in excess of \$200,000 but less than or
306 equal to \$400,000. The value of the additional homestead
307 exemption shall be reduced by the difference between the just
308 value of the property and the assessed value of the property
309 determined under Section 4(d). By general law, the legislature
310 may adjust the percent of just value or the maximum and minimum
311 levels of just value used to calculate the additional homestead
312 exemption, but may not reduce the value of the additional
313 exemption below the value established in this subsection.

ARTICLE XII

SCHEDULE

316 SECTION 27. Property tax exemptions and limitations on
317 property tax assessments.—The amendments to Sections 3, 4, and 6
318 of Article VII, providing a \$25,000 exemption for tangible
319 personal property, providing an additional \$25,000 homestead

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320 exemption, authorizing transfer of the accrued benefit from the
321 limitations on the assessment of homestead property, and this
322 section, if submitted to the electors of this state for approval
323 or rejection at a special election authorized by law to be held
324 on January 29, 2008, shall take effect upon approval by the
325 electors and shall operate retroactively to January 1, 2008, or,
326 if submitted to the electors of this state for approval or
327 rejection at the next general election, shall take effect
328 January 1 of the year following such general election. The
329 amendments to Section 4 of Article VII creating subsections (g)
330 ~~(f)~~ and (h) ~~(g)~~ of that section, creating a limitation on annual
331 assessment increases for specified real property, shall take
332 effect upon approval of the electors and shall first limit
333 assessments beginning January 1, 2009, if approved at a special
334 election held on January 29, 2008, or shall first limit
335 assessments beginning January 1, 2010, if approved at the
336 general election held in November of 2008. Subsections (g) ~~(f)~~
337 and (h) ~~(g)~~ of Section 4 of Article VII are repealed effective
338 January 1, 2023 ~~2019~~; however, the legislature shall by joint
339 resolution propose an amendment abrogating the repeal of
340 subsections (g) ~~(f)~~ and (h) ~~(g)~~, which shall be submitted to the
341 electors of this state for approval or rejection at the general
342 election of 2022 ~~2018~~ and, if approved, shall take effect
343 January 1, 2023 ~~2019~~.

344 Property assessments.—This section and the amendments to
345 Section 4 of Article VII authorizing the legislature to prohibit
346 increases in the assessed value of homestead property that has a
347 declining just value and reducing the limit on the maximum
348 annual increase in the assessed value of nonhomestead property

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349 from 10 percent to 7 percent, if submitted to the electors of
 350 this state for approval or rejection at a special election
 351 authorized by law to be held on the date of the 2012
 352 presidential preference primary, shall take effect upon approval
 353 by the electors and shall operate retroactively to January 1,
 354 2012, or, if submitted to the electors of this state for
 355 approval or rejection at the 2012 general election, shall take
 356 effect January 1, 2013.

357 Additional homestead exemption.—This section and the
 358 amendment to Section 6 of Article VII providing for an
 359 additional homestead exemption, if submitted to the electors of
 360 this state for approval or rejection at a special election
 361 authorized by law to be held on the date of the 2012
 362 presidential preference primary, shall take effect upon approval
 363 by the electors and shall operate retroactively to January 1,
 364 2012, or, if submitted to the electors of this state for
 365 approval or rejection at the 2012 general election, shall take
 366 effect January 1, 2013.

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

369 CONSTITUTIONAL AMENDMENT

370 ARTICLE VII, SECTIONS 4, 6

371 ARTICLE XII, SECTION 27

372 PROPERTY TAX LIMITATIONS; ADDITIONAL HOMESTEAD EXEMPTION.—

373 (1) In certain circumstances, the law requires the assessed
 374 value of real property to increase when the just value of the
 375 property is greater than its assessed value. This amendment
 376 authorizes the Legislature, by general law, to prohibit such
 377 increase in the assessment of property whose just value is less

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378 than its just value on the preceding assessment date. If
379 approved at a special election held on the date of the 2012
380 presidential preference primary, this amendment takes effect
381 upon approval by the voters and operates retroactively to
382 January 1, 2012, or, if approved by the voters at the general
383 election, takes effect January 1, 2013.

384 (2) The State Constitution generally limits increases in
385 the assessed value of nonhomestead real property for property
386 tax purposes to 10 percent annually. This amendment reduces that
387 limit to 7 percent. If approved at a special election held on
388 the date of the 2012 presidential preference primary, this
389 amendment takes effect upon approval by the voters and operates
390 retroactively to January 1, 2012, or, if approved by the voters
391 at the general election, takes effect January 1, 2013.

392 (3) This amendment also provides owners of homestead
393 property an additional homestead exemption for all levies other
394 than school district levies in an amount equal to 30 percent of
395 the homestead property's just value between \$75,000 and
396 \$200,000, plus 15 percent of the homestead property's just value
397 between \$200,000 and \$400,000. The Legislature may adjust the
398 amount of the additional homestead exemption but may not reduce
399 it below what is provided in this amendment. The value of the
400 additional homestead exemption shall be reduced by the
401 difference between the just value of the property and its
402 assessed value. The amendment takes effect upon approval of the
403 voters and operates retroactively to January 1, 2012, if
404 approved at the special election held on the date of the 2012
405 presidential preference primary, or on January 1, 2013, if
406 approved by the voters at the 2012 general election.

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407 (4) The State Constitution provides for the automatic
408 repeal of the provisions that provide a general limit on annual
409 increases in the assessed value of nonhomestead properties for
410 the purposes of property taxes. This amendment delays until 2023
411 the repeal of those provisions, which is currently scheduled to
412 occur in 2019.