

By Senator Gaetz

1-01112-15

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Senate Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII and the creation of Section 34 of 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 real property if the just value of the property declines; providing 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 Section 34 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

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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) The legislature may provide by general law that, except
51 for changes, additions, reductions, or improvements to homestead
52 property assessed as provided in paragraph (6), an assessment
53 may not increase if the just value of the property is less than
54 the just value of the property on the preceding January 1.

55 (3) No assessment shall exceed just value.

56 (4)~~(3)~~ After any change of ownership, as provided by
57 general law, homestead property shall be assessed at just value
58 as of January 1 of the following year, unless the provisions of

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59 paragraph (9) ~~(8)~~ apply. Thereafter, the homestead shall be
60 assessed as provided in this subsection.

61 (5)~~(4)~~ New homestead property shall be assessed at just
62 value as of January 1st of the year following the establishment
63 of the homestead, unless the provisions of paragraph (9) ~~(8)~~
64 apply. That assessment shall only change as provided in this
65 subsection.

66 (6)~~(5)~~ Changes, additions, reductions, or improvements to
67 homestead property shall be assessed as provided for by general
68 law; provided, however, after the adjustment for any change,
69 addition, reduction, or improvement, the property shall be
70 assessed as provided in this subsection.

71 (7)~~(6)~~ In the event of a termination of homestead status,
72 the property shall be assessed as provided by general law.

73 (8)~~(7)~~ The provisions of this amendment are severable. If
74 any of the provisions of this amendment shall be held
75 unconstitutional by any court of competent jurisdiction, the
76 decision of such court shall not affect or impair any remaining
77 provisions of this amendment.

78 (9)~~(8)~~

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

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88 if that person received a homestead exemption on January 1,
89 2007. The assessed value of the newly established homestead
90 shall be determined as follows:

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

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

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

116 (e) The legislature may, by general law, for assessment

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

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

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

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

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

143 (1) Assessments subject to this subsection shall be changed
144 annually on the date of assessment provided by law; but those
145 changes in assessments shall not exceed ten percent (10%) of the

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146 assessment for the prior year. The legislature may provide by
147 general law that, except for changes, additions, reductions, or
148 improvements to property assessed as provided in paragraph (4),
149 an assessment may not increase if the just value of the property
150 is less than the just value of the property on the preceding
151 date of assessment as provided by general law.

152 (2) No assessment shall exceed just value.

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

158 (4) Changes, additions, reductions, or improvements to such
159 property shall be assessed as provided for by general law;
160 however, after the adjustment for any change, addition,
161 reduction, or improvement, the property shall be assessed as
162 provided in this subsection.

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

167 (1) Assessments subject to this subsection shall be changed
168 annually on the date of assessment provided by law; but those
169 changes in assessments shall not exceed ten percent (10%) of the
170 assessment for the prior year. The legislature may provide by
171 general law that, except for changes, additions, reductions, or
172 improvements to property assessed as provided in paragraph (5),
173 an assessment may not increase if the just value of the property
174 is less than the just value of the property on the preceding

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175 date of assessment as provided by general law.

176 (2) No assessment shall exceed just value.

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

182 (4) The legislature may provide that such property shall be
183 assessed at just value as of the next assessment date after a
184 change of ownership or control, as defined by general law,
185 including any change of ownership of the legal entity that owns
186 the property. Thereafter, such property shall be assessed as
187 provided in this subsection.

188 (5) Changes, additions, reductions, or improvements to such
189 property shall be assessed as provided for by general law;
190 however, after the adjustment for any change, addition,
191 reduction, or improvement, the property shall be assessed as
192 provided in this subsection.

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

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

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

200 (j)

201 (1) The assessment of the following working waterfront
202 properties shall be based upon the current use of the property:

203 a. Land used predominantly for commercial fishing purposes.

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

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

207 d. Water-dependent marine manufacturing facilities,
208 commercial fishing facilities, and marine vessel construction
209 and repair facilities and their support activities.

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

213 ARTICLE XII

214 SCHEDULE

215 SECTION 34. Property assessments.—This section and the
216 amendment of Section 4 of Article VII allowing the legislature
217 to prohibit an increase in the assessment of homestead and
218 specified nonhomestead real property having a declining just
219 value shall take effect on January 1, 2017.

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

222 CONSTITUTIONAL AMENDMENT

223 ARTICLE VII, SECTION 4

224 ARTICLE XII, SECTION 34

225 PROPERTY ASSESSMENTS; DECLINING PROPERTY VALUE.—Proposing
226 an amendment to the State Constitution to allow the Legislature,
227 by general law, to prohibit an increase in the assessment of
228 homestead and specified nonhomestead real property if the
229 property's just value is less than its just value on a specified
230 date, subject to any adjustment in the assessment due to
231 changes, additions, reductions, or improvements to the property
232 which are assessed pursuant to general law. This amendment takes

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effect on January 1, 2017.