

By the Committee on Finance and Tax; and Senator Brandes

593-02009-16

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Senate Joint Resolution

A joint resolution proposing amendments to Sections 3 and 4 of Article VII and the creation of Section 34 of Article XII of the State Constitution to require the Legislature, by general law, to exempt the assessed value of a renewable energy source device from the tangible personal property tax, to allow the Legislature, by general law, to prohibit the consideration of the installation of such device in determining the assessed value of residential and nonresidential real property for the purpose of ad valorem taxation, and to provide effective and expiration dates.

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

That the following amendment to Sections 3 and 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 3. Taxes; exemptions.—

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

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33 exempted by general law from taxation.

34 (b) There shall be exempt from taxation, cumulatively, to
35 every head of a family residing in this state, household goods
36 and personal effects to the value fixed by general law, not less
37 than one thousand dollars, and to every widow or widower or
38 person who is blind or totally and permanently disabled,
39 property to the value fixed by general law not less than five
40 hundred dollars.

41 (c) Any county or municipality may, for the purpose of its
42 respective tax levy and subject to the provisions of this
43 subsection and general law, grant community and economic
44 development ad valorem tax exemptions to new businesses and
45 expansions of existing businesses, as defined by general law.
46 Such an exemption may be granted only by ordinance of the county
47 or municipality, and only after the electors of the county or
48 municipality voting on such question in a referendum authorize
49 the county or municipality to adopt such ordinances. An
50 exemption so granted shall apply to improvements to real
51 property made by or for the use of a new business and
52 improvements to real property related to the expansion of an
53 existing business and shall also apply to tangible personal
54 property of such new business and tangible personal property
55 related to the expansion of an existing business. The amount or
56 limits of the amount of such exemption shall be specified by
57 general law. The period of time for which such exemption may be
58 granted to a new business or expansion of an existing business
59 shall be determined by general law. The authority to grant such
60 exemption shall expire ten years from the date of approval by
61 the electors of the county or municipality, and may be renewable

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62 by referendum as provided by general law.

63 (d) Any county or municipality may, for the purpose of its
64 respective tax levy and subject to the provisions of this
65 subsection and general law, grant historic preservation ad
66 valorem tax exemptions to owners of historic properties. This
67 exemption may be granted only by ordinance of the county or
68 municipality. The amount or limits of the amount of this
69 exemption and the requirements for eligible properties must be
70 specified by general law. The period of time for which this
71 exemption may be granted to a property owner shall be determined
72 by general law.

73 (e) By general law and subject to conditions specified
74 therein:7

75 (1) Twenty-five thousand dollars of the assessed value of
76 property subject to tangible personal property tax shall be
77 exempt from ad valorem taxation.

78 (2) The assessed value of a renewable energy source device
79 shall be exempt from the tangible personal property tax.

80 (f) There shall be granted an ad valorem tax exemption for
81 real property dedicated in perpetuity for conservation purposes,
82 including real property encumbered by perpetual conservation
83 easements or by other perpetual conservation protections, as
84 defined by general law.

85 (g) By general law and subject to the conditions specified
86 therein, each person who receives a homestead exemption as
87 provided in section 6 of this article; who was a member of the
88 United States military or military reserves, the United States
89 Coast Guard or its reserves, or the Florida National Guard; and
90 who was deployed during the preceding calendar year on active

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91 duty outside the continental United States, Alaska, or Hawaii in
92 support of military operations designated by the legislature
93 shall receive an additional exemption equal to a percentage of
94 the taxable value of his or her homestead property. The
95 applicable percentage shall be calculated as the number of days
96 during the preceding calendar year the person was deployed on
97 active duty outside the continental United States, Alaska, or
98 Hawaii in support of military operations designated by the
99 legislature divided by the number of days in that year.

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

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

107 (b) As provided by general law and subject to conditions,
108 limitations, and reasonable definitions specified therein, land
109 used for conservation purposes shall be classified by general
110 law and assessed solely on the basis of character or use.

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

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

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

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

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

129 (2) No assessment shall exceed just value.

130 (3) After any change of ownership, as provided by general
131 law, homestead property shall be assessed at just value as of
132 January 1 of the following year, unless the provisions of
133 paragraph (8) apply. Thereafter, the homestead shall be assessed
134 as provided in this subsection.

135 (4) New homestead property shall be assessed at just value
136 as of January 1st of the year following the establishment of the
137 homestead, unless the provisions of paragraph (8) apply. That
138 assessment shall only change as provided in this subsection.

139 (5) Changes, additions, reductions, or improvements to
140 homestead property shall be assessed as provided for by general
141 law; provided, however, after the adjustment for any change,
142 addition, reduction, or improvement, the property shall be
143 assessed as provided in this subsection.

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

146 (7) The provisions of this amendment are severable. If any
147 of the provisions of this amendment shall be held
148 unconstitutional by any court of competent jurisdiction, the

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149 decision of such court shall not affect or impair any remaining
150 provisions of this amendment.

151 (8)a. A person who establishes a new homestead as of
152 January 1, 2009, or January 1 of any subsequent year and who has
153 received a homestead exemption pursuant to Section 6 of this
154 Article as of January 1 of either of the two years immediately
155 preceding the establishment of the new homestead is entitled to
156 have the new homestead assessed at less than just value. If this
157 revision is approved in January of 2008, a person who
158 establishes a new homestead as of January 1, 2008, is entitled
159 to have the new homestead assessed at less than just value only
160 if that person received a homestead exemption on January 1,
161 2007. The assessed value of the newly established homestead
162 shall be determined as follows:

163 1. If the just value of the new homestead is greater than
164 or equal to the just value of the prior homestead as of January
165 1 of the year in which the prior homestead was abandoned, the
166 assessed value of the new homestead shall be the just value of
167 the new homestead minus an amount equal to the lesser of
168 \$500,000 or the difference between the just value and the
169 assessed value of the prior homestead as of January 1 of the
170 year in which the prior homestead was abandoned. Thereafter, the
171 homestead shall be assessed as provided in this subsection.

172 2. If the just value of the new homestead is less than the
173 just value of the prior homestead as of January 1 of the year in
174 which the prior homestead was abandoned, the assessed value of
175 the new homestead shall be equal to the just value of the new
176 homestead divided by the just value of the prior homestead and
177 multiplied by the assessed value of the prior homestead.

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178 However, if the difference between the just value of the new
179 homestead and the assessed value of the new homestead calculated
180 pursuant to this sub-subparagraph is greater than \$500,000, the
181 assessed value of the new homestead shall be increased so that
182 the difference between the just value and the assessed value
183 equals \$500,000. Thereafter, the homestead shall be assessed as
184 provided in this subsection.

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

188 (e) The legislature may, by general law, for assessment
189 purposes and subject to the provisions of this subsection, allow
190 counties and municipalities to authorize by ordinance that
191 historic property may be assessed solely on the basis of
192 character or use. Such character or use assessment shall apply
193 only to the jurisdiction adopting the ordinance. The
194 requirements for eligible properties must be specified by
195 general law.

196 (f) A county may, in the manner prescribed by general law,
197 provide for a reduction in the assessed value of homestead
198 property to the extent of any increase in the assessed value of
199 that property which results from the construction or
200 reconstruction of the property for the purpose of providing
201 living quarters for one or more natural or adoptive grandparents
202 or parents of the owner of the property or of the owner's spouse
203 if at least one of the grandparents or parents for whom the
204 living quarters are provided is 62 years of age or older. Such a
205 reduction may not exceed the lesser of the following:

206 (1) The increase in assessed value resulting from

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207 construction or reconstruction of the property.

208 (2) Twenty percent of the total assessed value of the
209 property as improved.

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

215 (1) Assessments subject to this subsection shall be changed
216 annually on the date of assessment provided by law; but those
217 changes in assessments shall not exceed ten percent (10%) of the
218 assessment for the prior year.

219 (2) No assessment shall exceed just value.

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

225 (4) Changes, additions, reductions, or improvements to such
226 property shall be assessed as provided for by general law;
227 however, after the adjustment for any change, addition,
228 reduction, or improvement, the property shall be assessed as
229 provided in this subsection.

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

234 (1) Assessments subject to this subsection shall be changed
235 annually on the date of assessment provided by law; but those

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236 changes in assessments shall not exceed ten percent (10%) of the
237 assessment for the prior year.

238 (2) No assessment shall exceed just value.

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

244 (4) The legislature may provide that such property shall be
245 assessed at just value as of the next assessment date after a
246 change of ownership or control, as defined by general law,
247 including any change of ownership of the legal entity that owns
248 the property. Thereafter, such property shall be assessed as
249 provided in this subsection.

250 (5) Changes, additions, reductions, or improvements to such
251 property shall be assessed as provided for by general law;
252 however, after the adjustment for any change, addition,
253 reduction, or improvement, the property shall be assessed as
254 provided in this subsection.

255 (i) The legislature, by general law and subject to
256 conditions specified therein, may prohibit the consideration of
257 the following in the determination of the assessed value of real
258 property ~~used for residential purposes:~~

259 (1) Any change or improvement to real property used for
260 residential purposes made to improve ~~for the purpose of~~
261 ~~improving~~ the property's resistance to wind damage.

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

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

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265 a. Land used predominantly for commercial fishing purposes.

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

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

269 d. Water-dependent marine manufacturing facilities,
270 commercial fishing facilities, and marine vessel construction
271 and repair facilities and their support activities.

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

275 ARTICLE XII

276 SCHEDULE

277 SECTION 34. Renewable energy source devices; exemption from
278 certain taxation and assessment.—This section, the amendment to
279 subsection (e) of Section 3 of Article VII requiring the
280 legislature, by general law, to exempt the assessed value of a
281 renewable energy source device from the tangible personal
282 property tax, and the amendment to subsection (i) of Section 4
283 of Article VII allowing the legislature, by general law, to
284 prohibit the consideration of the installation of a renewable
285 energy source device in determining the assessed value of real
286 property for the purpose of ad valorem taxation shall take
287 effect on January 1, 2017, and shall expire on December 31,
288 2036. Upon expiration, this section shall be repealed and the
289 text of subsection (e) of Section 3 of Article VII and
290 subsection (i) of Section 4 of Article VII shall revert to that
291 in existence on December 31, 2016, except that any amendments to
292 such text otherwise adopted shall be preserved and continue to
293 operate to the extent that such amendments are not dependent

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294 upon the portions of text which expire pursuant to this section.

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

297 CONSTITUTIONAL AMENDMENT

298 ARTICLE VII, SECTIONS 3 AND 4

299 ARTICLE XII, SECTION 34

300 RENEWABLE ENERGY SOURCE DEVICES; EXEMPTION FROM CERTAIN
301 TAXATION AND ASSESSMENT.—Proposing an amendment to the State
302 Constitution to require the Legislature to exempt the assessed
303 value of a renewable energy source device from the tangible
304 personal property tax and allow the Legislature to prohibit
305 consideration of the installation of such device in determining
306 the assessed value of all real property for the purpose of ad
307 valorem taxation. This amendment takes effect January 1, 2017,
308 and expires on December 31, 2036.