

House Joint Resolution

A joint resolution proposing amendments to Sections 3 and 4 of Article VII and the creation of a new section in Article XII of the State Constitution to require the Legislature, by general law, to exempt from ad valorem taxation the assessed value of renewable energy source devices that are subject to tangible personal property taxes and to allow the Legislature, by general law, to prohibit consideration of such installed devices in the assessment of the value of real property for purposes of ad valorem taxation, and to provide an effective date and an expiration date.

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

That the following amendments to Sections 3 and 4 of Article VII and the creation of a new section 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

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

27 | exempt from taxation. A municipality, owning property outside
28 | the municipality, may be required by general law to make payment
29 | to the taxing unit in which the property is located. Such
30 | portions of property as are used predominantly for educational,
31 | literary, scientific, religious or charitable purposes may be
32 | exempted by general law from taxation.

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

40 | (c) Any county or municipality may, for the purpose of its
41 | respective tax levy and subject to the provisions of this
42 | subsection and general law, grant community and economic
43 | development ad valorem tax exemptions to new businesses and
44 | expansions of existing businesses, as defined by general law.
45 | Such an exemption may be granted only by ordinance of the county
46 | or municipality, and only after the electors of the county or
47 | municipality voting on such question in a referendum authorize
48 | the county or municipality to adopt such ordinances. An
49 | exemption so granted shall apply to improvements to real
50 | property made by or for the use of a new business and
51 | improvements to real property related to the expansion of an
52 | existing business and shall also apply to tangible personal

53 property of such new business and tangible personal property
54 related to the expansion of an existing business. The amount or
55 limits of the amount of such exemption shall be specified by
56 general law. The period of time for which such exemption may be
57 granted to a new business or expansion of an existing business
58 shall be determined by general law. The authority to grant such
59 exemption shall expire ten years from the date of approval by
60 the electors of the county or municipality, and may be renewable
61 by referendum as provided by general law.

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

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

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

77 (2) The assessed value of a renewable energy source device
78 subject to tangible personal property tax shall be exempt from

79 | ad valorem taxation.

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
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
 112 held 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.

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

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

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

130 (2) No assessment shall exceed just value.

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

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

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

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

147 (7) The provisions of this amendment are severable. If any
148 of the provisions of this amendment shall be held
149 unconstitutional by any court of competent jurisdiction, the
150 decision of such court shall not affect or impair any remaining
151 provisions of this amendment.

152 (8)a. A person who establishes a new homestead as of
153 January 1, 2009, or January 1 of any subsequent year and who has
154 received a homestead exemption pursuant to Section 6 of this
155 Article as of January 1 of either of the two years immediately
156 preceding the establishment of the new homestead is entitled to

157 have the new homestead assessed at less than just value. If this
158 revision is approved in January of 2008, a person who
159 establishes a new homestead as of January 1, 2008, is entitled
160 to have the new homestead assessed at less than just value only
161 if that person received a homestead exemption on January 1,
162 2007. The assessed value of the newly established homestead
163 shall be determined as follows:

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

173 2. If the just value of the new homestead is less than the
174 just value of the prior homestead as of January 1 of the year in
175 which the prior homestead was abandoned, the assessed value of
176 the new homestead shall be equal to the just value of the new
177 homestead divided by the just value of the prior homestead and
178 multiplied by the assessed value of the prior homestead.
179 However, if the difference between the just value of the new
180 homestead and the assessed value of the new homestead calculated
181 pursuant to this sub-subparagraph is greater than \$500,000, the
182 assessed value of the new homestead shall be increased so that

183 the difference between the just value and the assessed value
184 equals \$500,000. Thereafter, the homestead shall be assessed as
185 provided in this subsection.

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

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

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

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

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

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

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

220 (2) No assessment shall exceed just value.

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

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

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

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

239 (2) No assessment shall exceed just value.

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

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

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

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

260 (1) Any change or improvement to residential real property

261 made to improve ~~for the purpose of improving~~ the property's
 262 resistance to wind damage.

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

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

266 a. Land used predominantly for commercial fishing
 267 purposes.

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

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

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

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

277 ARTICLE XII

278 SCHEDULE

279 Renewable energy source devices; exemption from certain
 280 taxation and assessment.—This section, the amendment to
 281 subsection (e) of Section 3 of Article VII requiring the
 282 legislature, by general law, to exempt the assessed value of a
 283 renewable energy source device subject to tangible personal
 284 property tax from ad valorem taxation, and the amendment to
 285 subsection (i) of Section 4 of Article VII allowing the
 286 legislature, by general law, to prohibit consideration of a

287 renewable energy source device in assessing the value of real
 288 property for purposes of ad valorem taxation shall take effect
 289 January 1, 2017, and shall expire December 31, 2036. Upon
 290 expiration, this section is repealed and the text of subsection
 291 (e) of Section 3 of Article VII and subsection (i) of Section 4
 292 of Article VII shall revert to that in existence on December 31,
 293 2016, except that any amendments to such text otherwise adopted
 294 shall be preserved and continue to operate to the extent that
 295 such amendments are not dependent upon the portions of text
 296 which expire pursuant to this section.

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

299 CONSTITUTIONAL AMENDMENT

300 ARTICLE VII, SECTIONS 3 AND 4

301 ARTICLE XII

302 RENEWABLE ENERGY SOURCE DEVICES; EXEMPTION FROM CERTAIN
 303 TAXATION AND ASSESSMENT.—Proposing an amendment to the State
 304 Constitution to require the Legislature, by general law, to
 305 exempt from ad valorem taxation the assessed value of renewable
 306 energy source devices that are subject to tangible personal
 307 property taxes and allow the Legislature, by general law, to
 308 prohibit consideration of such devices in assessing the value of
 309 real property for purposes of ad valorem taxation. This
 310 amendment takes effect January 1, 2017, and expires December 31,
 311 2036.