

House 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 allow the Legislature to limit growth in the assessed value of homestead and specified nonhomestead property to the growth rate in just value, to prohibit increases in the assessed value of homestead and specified nonhomestead property if the just value of the property decreases, and to 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 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 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

27 noncommercial recreational purposes may be classified by general  
 28 law and assessed solely on the basis of character or use.

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

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

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

42 (1) Assessments subject to this subsection shall be  
 43 changed annually on January 1st of each year; but those changes  
 44 in assessments shall not exceed the lowest ~~lower~~ of the  
 45 following:

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

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

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53 c. The percent change in the homestead property's just  
54 value, if the change is greater than or equal to zero and the  
55 legislature so provides by general law.

56 (2) The legislature may provide by general law that an  
57 assessment does not increase if the just value of the homestead  
58 property is less than its just value on the preceding January 1.

59 (3)~~(2)~~ No assessment shall exceed just value.

60 (4)~~(3)~~ After any change of ownership, as provided by  
61 general law, homestead property shall be assessed at just value  
62 as of January 1 of the following year, unless the provisions of  
63 paragraph (9) ~~(8)~~ apply. Thereafter, the homestead shall be  
64 assessed as provided in this subsection.

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

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

75 (7)~~(6)~~ In the event of a termination of homestead status,  
76 the property shall be assessed as provided by general law.

77 (8)~~(7)~~ The provisions of this amendment are severable. If  
78 any of the provisions of this amendment shall be held

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79 | unconstitutional by any court of competent jurisdiction, the  
80 | decision of such court shall not affect or impair any remaining  
81 | provisions of this amendment.

82 |       (9)~~(8)~~a. A person who establishes a new homestead as of  
83 | January 1, 2009, or January 1 of any subsequent year and who has  
84 | received a homestead exemption pursuant to Section 6 of this  
85 | Article as of January 1 of either of the two years immediately  
86 | preceding the establishment of the new homestead is entitled to  
87 | have the new homestead assessed at less than just value. If this  
88 | revision is approved in January of 2008, a person who  
89 | establishes a new homestead as of January 1, 2008, is entitled  
90 | to have the new homestead assessed at less than just value only  
91 | if that person received a homestead exemption on January 1,  
92 | 2007. The assessed value of the newly established homestead  
93 | shall be determined as follows:

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

103 |       2. If the just value of the new homestead is less than the  
104 | just value of the prior homestead as of January 1 of the year in

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105 | which the prior homestead was abandoned, the assessed value of  
106 | the new homestead shall be equal to the just value of the new  
107 | homestead divided by the just value of the prior homestead and  
108 | multiplied by the assessed value of the prior homestead.  
109 | However, if the difference between the just value of the new  
110 | homestead and the assessed value of the new homestead calculated  
111 | pursuant to this sub-subparagraph is greater than \$500,000, the  
112 | assessed value of the new homestead shall be increased so that  
113 | the difference between the just value and the assessed value  
114 | equals \$500,000. Thereafter, the homestead shall be assessed as  
115 | provided in this subsection.

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

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

127 |       (f) A county may, in the manner prescribed by general law,  
128 | provide for a reduction in the assessed value of homestead  
129 | property to the extent of any increase in the assessed value of  
130 | that property which results from the construction or

131 reconstruction of the property for the purpose of providing  
 132 living quarters for one or more natural or adoptive grandparents  
 133 or parents of the owner of the property or of the owner's spouse  
 134 if at least one of the grandparents or parents for whom the  
 135 living quarters are provided is 62 years of age or older. Such a  
 136 reduction may not exceed the lesser of the following:

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

139 (2) Twenty percent of the total assessed value of the  
 140 property as improved.

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

146 (1) Assessments subject to this subsection shall be  
 147 changed annually on the date of assessment provided by law, ~~but~~  
 148 those changes in assessments shall not exceed the lower of the  
 149 following:

150 a. Ten percent (10%) of the assessment for the prior year.

151 b. The percent change in the property's just value, if the  
 152 change is greater than or equal to zero and the legislature so  
 153 provides by general law.

154 (2) The legislature may provide by general law that an  
 155 assessment does not increase if the just value of the property  
 156 is less than its just value on the preceding date of assessment

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157 provided by law.

158 ~~(3)(2)~~ No assessment shall exceed just value.

159 ~~(4)(3)~~ After a change of ownership or control, as defined  
160 by general law, including any change of ownership of a legal  
161 entity that owns the property, such property shall be assessed  
162 at just value as of the next assessment date. Thereafter, such  
163 property shall be assessed as provided in this subsection.

164 ~~(5)(4)~~ Changes, additions, reductions, or improvements to  
165 such property shall be assessed as provided for by general law;  
166 however, after the adjustment for any change, addition,  
167 reduction, or improvement, the property shall be assessed as  
168 provided in this subsection.

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

173 (1) Assessments subject to this subsection shall be  
174 changed annually on the date of assessment provided by law, ~~+~~ but  
175 those changes in assessments shall not exceed the lower of the  
176 following:

177 a. Ten percent (10%) of the assessment for the prior year.

178 b. The percent change in the property's just value, if the  
179 change is greater than or equal to zero and the legislature so  
180 provides by general law.

181 (2) The legislature may provide by general law that an  
182 assessment does not increase if the just value of the property

183 is less than its just value on the preceding date of assessment  
 184 provided by law.

185 (3)~~(2)~~ No assessment shall exceed just value.

186 (4)~~(3)~~ The legislature must provide that such property  
 187 shall be assessed at just value as of the next assessment date  
 188 after a qualifying improvement, as defined by general law, is  
 189 made to such property. Thereafter, such property shall be  
 190 assessed as provided in this subsection.

191 (5)~~(4)~~ The legislature may provide that such property  
 192 shall be assessed at just value as of the next assessment date  
 193 after a change of ownership or control, as defined by general  
 194 law, including any change of ownership of the legal entity that  
 195 owns the property. Thereafter, such property shall be assessed  
 196 as provided in this subsection.

197 (6)~~(5)~~ Changes, additions, reductions, or improvements to  
 198 such property shall be assessed as provided for by general law.~~+~~  
 199 However, after the adjustment for any change, addition,  
 200 reduction, or improvement, the property shall be assessed as  
 201 provided in this subsection.

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

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

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

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

211 a. Land used predominantly for commercial fishing  
 212 purposes.

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

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

216 d. Water-dependent marine manufacturing facilities,  
 217 commercial fishing facilities, and marine vessel construction  
 218 and repair facilities and their support activities.

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

222 ARTICLE XII

223 SCHEDULE

224 Property tax assessments.—This section and the amendment to  
 225 Section 4 of Article VII addressing the limitation on the growth  
 226 of assessed value for homestead and specified nonhomestead  
 227 property, and homestead and specified nonhomestead property  
 228 having a declining just value, shall take effect January 1,  
 229 2017.

230 BE IT FURTHER RESOLVED that the following statement be  
 231 placed on the ballot:

232 CONSTITUTIONAL AMENDMENT

233 ARTICLE VII, SECTION 4

234 ARTICLE XII

235           PROPERTY TAX ASSESSMENTS; GROWTH RATE LIMITATIONS;  
 236 DECLINING PROPERTY VALUE.—Proposing an amendment to the State  
 237 Constitution to authorize the Legislature to limit growth in the  
 238 assessed value of homestead and specified nonhomestead property  
 239 to reflect the growth rate in the just value of the property,  
 240 and to authorize the Legislature to prohibit homestead and  
 241 specified nonhomestead property assessment increases if the  
 242 property's just value is less than just value from the prior  
 243 year. If approved by voters, the amendment takes effect January  
 244 1, 2017.

245           BE IT FURTHER RESOLVED that the following statement be  
 246 placed on the ballot if a court declares the preceding statement  
 247 defective and the decision of the court is not reversed:

248                                   CONSTITUTIONAL AMENDMENT

249                                   ARTICLE VII, SECTION 4

250                                   ARTICLE XII

251           PROPERTY TAX ASSESSMENTS; GROWTH RATE LIMITATIONS;  
 252 DECLINING PROPERTY VALUE.—Proposing an amendment to the State  
 253 Constitution:

254           (1) The State Constitution limits growth in the assessed  
 255 value of homestead property to the lesser of 3 percent or the  
 256 inflation rate. In certain circumstances, this could lead to the  
 257 assessed value of homestead property growing at a faster rate  
 258 than just value. Therefore, the amendment allows the Legislature  
 259 to add an additional limit to the rate of growth for assessed  
 260 value of homestead property. The growth rate would be limited to

261 3 percent, the inflation rate, or the percent change in the  
262 homestead property's just value, whichever is least. If approved  
263 by voters, the amendment takes effect January 1, 2017.

264 (2) The State Constitution limits growth in the assessed  
265 value of nonhomestead property to 10 percent of the prior year  
266 assessment. In certain circumstances, this could lead to the  
267 assessed value of the property growing at a faster rate than  
268 just value. Therefore, the amendment allows the Legislature to  
269 add an additional limit to the rate of growth for assessed value  
270 of specified nonhomestead property. The growth rate would be  
271 limited to the lesser of 10 percent of the prior year assessment  
272 or the percent change in the specified nonhomestead property's  
273 just value. If approved by voters, the amendment takes effect  
274 January 1, 2017.

275 (3) In certain circumstances, the State Constitution  
276 requires the assessed value of homestead and specified  
277 nonhomestead property to increase when the just value of the  
278 property decreases. Therefore, the amendment allows the  
279 Legislature to provide that the assessment of homestead and  
280 specified nonhomestead property does not increase if the just  
281 value of the property is less than its just value on the  
282 preceding date of assessment. If approved by voters, the  
283 amendment takes effect January 1, 2017.