

By Senator Brandes

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Senate 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 authorize the Legislature, by general law, to exempt certain permanently installed standby generators from the tangible personal property tax and prohibit the consideration of such generators in determining the assessed value of real property, and to provide an effective 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 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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30 exempted by general law from taxation.

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

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

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59 by referendum as provided by general law.

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

70 (e) By general law and subject to conditions specified
71 therein:

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

75 (2) The assessed value of solar devices or renewable energy
76 source devices subject to tangible personal property tax may be
77 exempt from ad valorem taxation, subject to limitations provided
78 by general law.

79 (3) A permanently installed standby generator that is
80 subject to tangible personal property tax may be exempted from
81 ad valorem taxation if the generator is intended for use when
82 electric service is interrupted.

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

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88 (g) By general law and subject to the conditions specified
89 therein, each person who receives a homestead exemption as
90 provided in section 6 of this article; who was a member of the
91 United States military or military reserves, the United States
92 Coast Guard or its reserves, or the Florida National Guard; and
93 who was deployed during the preceding calendar year on active
94 duty outside the continental United States, Alaska, or Hawaii in
95 support of military operations designated by the legislature
96 shall receive an additional exemption equal to a percentage of
97 the taxable value of his or her homestead property. The
98 applicable percentage shall be calculated as the number of days
99 during the preceding calendar year the person was deployed on
100 active duty outside the continental United States, Alaska, or
101 Hawaii in support of military operations designated by the
102 legislature divided by the number of days in that year.

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

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

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

114 (c) Pursuant to general law tangible personal property held
115 for sale as stock in trade and livestock may be valued for
116 taxation at a specified percentage of its value, may be

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117 classified for tax purposes, or may be exempted from taxation.

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

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

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

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

132 (2) No assessment shall exceed just value.

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

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

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

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146 assessed as provided in this subsection.

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

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

154 (8)a. A person who establishes a new homestead as of
155 January 1, 2009, or January 1 of any subsequent year and who has
156 received a homestead exemption pursuant to Section 6 of this
157 Article as of January 1 of either of the two years immediately
158 preceding the establishment of the new homestead is entitled to
159 have the new homestead assessed at less than just value. If this
160 revision is approved in January of 2008, a person who
161 establishes a new homestead as of January 1, 2008, is entitled
162 to have the new homestead assessed at less than just value only
163 if that person received a homestead exemption on January 1,
164 2007. The assessed value of the newly established homestead
165 shall be determined as follows:

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

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

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

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

199 (f) A county may, in the manner prescribed by general law,
200 provide for a reduction in the assessed value of homestead
201 property to the extent of any increase in the assessed value of
202 that property which results from the construction or
203 reconstruction of the property for the purpose of providing

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204 living quarters for one or more natural or adoptive grandparents
205 or parents of the owner of the property or of the owner's spouse
206 if at least one of the grandparents or parents for whom the
207 living quarters are provided is 62 years of age or older. Such a
208 reduction may not exceed the lesser of the following:

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

211 (2) Twenty percent of the total assessed value of the
212 property as improved.

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

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

222 (2) No assessment shall exceed just value.

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

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

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

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

241 (2) No assessment shall exceed just value.

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

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

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

258 (i) The legislature, by general law and subject to
259 conditions specified therein, may prohibit the consideration of
260 the following in the determination of the assessed value of real
261 property:

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262 (1) Any change or improvement to real property used for
 263 residential purposes made to improve the property's resistance
 264 to wind damage.

265 (2) The installation of a solar or renewable energy source
 266 device.

267 (3) A permanent standby generator intended for use when
 268 electric service is interrupted.

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

271 a. Land used predominantly for commercial fishing purposes.

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

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

275 d. Water-dependent marine manufacturing facilities,
 276 commercial fishing facilities, and marine vessel construction
 277 and repair facilities and their support activities.

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

281 ARTICLE XII

282 SCHEDULE

283 Permanently installed standby generators; exemption from
 284 certain taxation and assessment.—The amendments to Sections 3
 285 and 4 of Article VII authorizing the legislature to exempt
 286 certain generators from the tangible personal property tax and
 287 to prohibit the consideration of such generators in determining
 288 the assessed value of real property, respectively, shall take
 289 effect on January 1, 2019.

290 BE IT FURTHER RESOLVED that the following statement be

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291 placed on the ballot:

292 CONSTITUTIONAL AMENDMENT

293 ARTICLE VII, SECTIONS 3 AND 4

294 ARTICLE XII

295 PERMANENTLY INSTALLED STANDBY GENERATORS; EXEMPTION FROM
296 CERTAIN TAXATION AND ASSESSMENT.—Proposing an amendment to the
297 State Constitution authorizing the Legislature to exempt
298 permanently installed standby generators from the tangible
299 personal property tax and to prohibit property appraisers from
300 considering the presence of such generators in determining the
301 assessed value of real property. If approved by voters, this
302 amendment takes effect January 1, 2019.