

1                                   A bill to be entitled  
 2           An act relating to establishment of a new homestead;  
 3           amending s. 193.155, F.S.; requiring homestead  
 4           property be assessed below just value in certain  
 5           circumstances; limiting the amount of such assessment;  
 6           providing a contingent effective date.

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 8   Be It Enacted by the Legislature of the State of Florida:

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 10           Section 1. Section 193.155, Florida Statutes, is amended  
 11           to read:

12           193.155 Homestead assessments.—Homestead property shall be  
 13           assessed at just value as of January 1, 1994. Property receiving  
 14           the homestead exemption after January 1, 1994, shall be assessed  
 15           at just value as of January 1 of the year in which the property  
 16           receives the exemption unless the provisions of subsection (8)  
 17           or subsection (11) apply.

18           (1) Beginning in 1995, or the year following the year the  
 19           property receives homestead exemption, whichever is later, the  
 20           property shall be reassessed annually on January 1. Any change  
 21           resulting from such reassessment shall not exceed the lower of  
 22           the following:

23           (a) Three percent of the assessed value of the property  
 24           for the prior year; or

25           (b) The percentage change in the Consumer Price Index for

26 All Urban Consumers, U.S. City Average, all items 1967=100, or  
27 successor reports for the preceding calendar year as initially  
28 reported by the United States Department of Labor, Bureau of  
29 Labor Statistics.

30 (2) If the assessed value of the property as calculated  
31 under subsection (1) exceeds the just value, the assessed value  
32 of the property shall be lowered to the just value of the  
33 property.

34 (3)(a) Except as provided in this subsection or subsection  
35 (8), property assessed under this section shall be assessed at  
36 just value as of January 1 of the year following a change of  
37 ownership. Thereafter, the annual changes in the assessed value  
38 of the property are subject to the limitations in subsections  
39 (1) and (2). For the purpose of this section, a change of  
40 ownership means any sale, foreclosure, or transfer of legal  
41 title or beneficial title in equity to any person, except if any  
42 of the following apply:

43 1. Subsequent to the change or transfer, the same person  
44 is entitled to the homestead exemption as was previously  
45 entitled and:

46 a. The transfer of title is to correct an error;

47 b. The transfer is between legal and equitable title or  
48 equitable and equitable title and no additional person applies  
49 for a homestead exemption on the property;

50 c. The change or transfer is by means of an instrument in

51 | which the owner is listed as both grantor and grantee of the  
52 | real property and one or more other individuals are additionally  
53 | named as grantee. However, if any individual who is additionally  
54 | named as a grantee applies for a homestead exemption on the  
55 | property, the application is considered a change of ownership;

56 |       d. The change or transfer is by means of an instrument in  
57 | which the owner entitled to the homestead exemption is listed as  
58 | both grantor and grantee of the real property and one or more  
59 | other individuals, all of whom held title as joint tenants with  
60 | rights of survivorship with the owner, are named only as  
61 | grantors and are removed from the title; or

62 |       e. The person is a lessee entitled to the homestead  
63 | exemption under s. 196.041(1);

64 |       2. Legal or equitable title is changed or transferred  
65 | between husband and wife, including a change or transfer to a  
66 | surviving spouse or a transfer due to a dissolution of marriage;

67 |       3. The transfer occurs by operation of law to the  
68 | surviving spouse or minor child or children under s. 732.401;

69 |       4. Upon the death of the owner, the transfer is between  
70 | the owner and another who is a permanent resident and who is  
71 | legally or naturally dependent upon the owner; or

72 |       5. The transfer occurs with respect to a property where  
73 | all of the following apply:

74 |       a. Multiple owners hold title as joint tenants with rights  
75 | of survivorship;

76           b. One or more owners were entitled to and received the  
77 homestead exemption on the property;

78           c. The death of one or more owners occurs; and

79           d. Subsequent to the transfer, the surviving owner or  
80 owners previously entitled to and receiving the homestead  
81 exemption continue to be entitled to and receive the homestead  
82 exemption.

83           (b) For purposes of this subsection, a leasehold interest  
84 that qualifies for the homestead exemption under s. 196.031 or  
85 s. 196.041 shall be treated as an equitable interest in the  
86 property.

87           (4)(a) Except as provided in paragraph (b) and s. 193.624,  
88 changes, additions, or improvements to homestead property shall  
89 be assessed at just value as of the first January 1 after the  
90 changes, additions, or improvements are substantially completed.

91           (b)1. Changes, additions, or improvements that replace all  
92 or a portion of homestead property, including ancillary  
93 improvements, damaged or destroyed by misfortune or calamity  
94 shall be assessed upon substantial completion as provided in  
95 this paragraph. Such assessment must be calculated using the  
96 homestead property's assessed value as of the January 1  
97 immediately before the date on which the damage or destruction  
98 was sustained, subject to the assessment limitations in  
99 subsections (1) and (2), when:

100           a. The square footage of the homestead property as changed

101 or improved does not exceed 110 percent of the square footage of  
 102 the homestead property before the damage or destruction; or

103 b. The total square footage of the homestead property as  
 104 changed or improved does not exceed 1,500 square feet.

105 2. The homestead property's assessed value must be  
 106 increased by the just value of that portion of the changed or  
 107 improved homestead property which is in excess of 110 percent of  
 108 the square footage of the homestead property before the damage  
 109 or destruction or of that portion exceeding 1,500 square feet.

110 3. Homestead property damaged or destroyed by misfortune  
 111 or calamity which, after being changed or improved, has a square  
 112 footage of less than 100 percent of the homestead property's  
 113 total square footage before the damage or destruction shall be  
 114 assessed pursuant to subsection (5).

115 4. Changes, additions, or improvements assessed pursuant  
 116 to this paragraph must be reassessed pursuant to subsection (1)  
 117 in subsequent years. This paragraph applies to changes,  
 118 additions, or improvements commenced within 3 years after the  
 119 January 1 following the damage or destruction of the homestead.

120 (c) Changes, additions, or improvements that replace all  
 121 or a portion of real property that was damaged or destroyed by  
 122 misfortune or calamity shall be assessed upon substantial  
 123 completion as if such damage or destruction had not occurred and  
 124 in accordance with paragraph (b) if the owner of such property:

125 1. Was permanently residing on such property when the

126 | damage or destruction occurred;

127 |         2. Was not entitled to receive homestead exemption on such  
128 | property as of January 1 of that year; and

129 |         3. Applies for and receives homestead exemption on such  
130 | property the following year.

131 |         (d) Changes, additions, or improvements include  
132 | improvements made to common areas or other improvements made to  
133 | property other than to the homestead property by the owner or by  
134 | an owner association, which improvements directly benefit the  
135 | homestead property. Such changes, additions, or improvements  
136 | shall be assessed at just value, and the just value shall be  
137 | apportioned among the parcels benefiting from the improvement.

138 |         (5) When property is destroyed or removed and not  
139 | replaced, the assessed value of the parcel shall be reduced by  
140 | the assessed value attributable to the destroyed or removed  
141 | property.

142 |         (6) Only property that receives a homestead exemption is  
143 | subject to this section. No portion of property that is assessed  
144 | solely on the basis of character or use pursuant to s. 193.461  
145 | or s. 193.501, or assessed pursuant to s. 193.505, is subject to  
146 | this section. When property is assessed under s. 193.461, s.  
147 | 193.501, or s. 193.505 and contains a residence under the same  
148 | ownership, the portion of the property consisting of the  
149 | residence and curtilage must be assessed separately, pursuant to  
150 | s. 193.011, for the assessment to be subject to the limitation

151 in this section.

152 (7) If a person received a homestead exemption limited to  
153 that person's proportionate interest in real property, the  
154 provisions of this section apply only to that interest.

155 (8) Property assessed under this section shall be assessed  
156 at less than just value when the person who establishes a new  
157 homestead has received a homestead exemption as of January 1 of  
158 any of the 3 immediately preceding years. For purposes of this  
159 subsection, a husband and wife who owned and both permanently  
160 resided on a previous homestead shall each be considered to have  
161 received the homestead exemption even though only the husband or  
162 the wife applied for the homestead exemption on the previous  
163 homestead. The assessed value of the newly established homestead  
164 shall be determined as provided in this subsection.

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

175 (b) If the just value of the new homestead as of January 1

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

189 (c) If two or more persons who have each received a  
190 homestead exemption as of January 1 of any of the 3 immediately  
191 preceding years and who would otherwise be eligible to have a  
192 new homestead property assessed under this subsection establish  
193 a single new homestead, the reduction from just value is limited  
194 to the higher of the difference between the just value and the  
195 assessed value of either of the prior eligible homesteads as of  
196 January 1 of the year in which either of the eligible prior  
197 homesteads was abandoned, but may not exceed \$500,000.

198 (d) If two or more persons abandon jointly owned and  
199 jointly titled property that received a homestead exemption as  
200 of January 1 of any of the 3 immediately preceding years, and

201 one or more such persons who were entitled to and received a  
202 homestead exemption on the abandoned property establish a new  
203 homestead that would otherwise be eligible for assessment under  
204 this subsection, each such person establishing a new homestead  
205 is entitled to a reduction from just value for the new homestead  
206 equal to the just value of the prior homestead minus the  
207 assessed value of the prior homestead divided by the number of  
208 owners of the prior homestead who received a homestead  
209 exemption, unless the title of the property contains specific  
210 ownership shares, in which case the share of reduction from just  
211 value shall be proportionate to the ownership share. In the case  
212 of a husband and wife abandoning jointly titled property, the  
213 husband and wife may designate the ownership share to be  
214 attributed to each spouse by following the procedure in  
215 paragraph (f). To qualify to make such a designation, the  
216 husband and wife must be married on the date that the jointly  
217 owned property is abandoned. In calculating the assessment  
218 reduction to be transferred from a prior homestead that has an  
219 assessment reduction for living quarters of parents or  
220 grandparents pursuant to s. 193.703, the value calculated  
221 pursuant to s. 193.703(6) must first be added back to the  
222 assessed value of the prior homestead. The total reduction from  
223 just value for all new homesteads established under this  
224 paragraph may not exceed \$500,000. There shall be no reduction  
225 from just value of any new homestead unless the prior homestead

226 is reassessed at just value or is reassessed under this  
227 subsection as of January 1 after the abandonment occurs.

228 (e) If one or more persons who previously owned a single  
229 homestead and each received the homestead exemption qualify for  
230 a new homestead where all persons who qualify for homestead  
231 exemption in the new homestead also qualified for homestead  
232 exemption in the previous homestead without an additional person  
233 qualifying for homestead exemption in the new homestead, the  
234 reduction in just value shall be calculated pursuant to  
235 paragraph (a) or paragraph (b), without application of paragraph  
236 (c) or paragraph (d).

237 (f) A husband and wife abandoning jointly titled property  
238 who wish to designate the ownership share to be attributed to  
239 each person for purposes of paragraph (d) must file a form  
240 provided by the department with the property appraiser in the  
241 county where such property is located. The form must include a  
242 sworn statement by each person designating the ownership share  
243 to be attributed to each person for purposes of paragraph (d)  
244 and must be filed prior to either person filing the form  
245 required under paragraph (h) to have a parcel of property  
246 assessed under this subsection. Such a designation, once filed  
247 with the property appraiser, is irrevocable.

248 (g) For purposes of receiving an assessment reduction  
249 pursuant to this subsection, a person entitled to assessment  
250 under this section may abandon his or her homestead even though

251 it remains his or her primary residence by notifying the  
252 property appraiser of the county where the homestead is located.  
253 This notification must be in writing and delivered at the same  
254 time as or before timely filing a new application for homestead  
255 exemption on the property.

256 (h) In order to have his or her homestead property  
257 assessed under this subsection, a person must file a form  
258 provided by the department as an attachment to the application  
259 for homestead exemption, including a copy of the form required  
260 to be filed under paragraph (f), if applicable. The form, which  
261 must include a sworn statement attesting to the applicant's  
262 entitlement to assessment under this subsection, shall be  
263 considered sufficient documentation for applying for assessment  
264 under this subsection. The department shall require by rule that  
265 the required form be submitted with the application for  
266 homestead exemption under the timeframes and processes set forth  
267 in chapter 196 to the extent practicable.

268 (i)1. If the previous homestead was located in a different  
269 county than the new homestead, the property appraiser in the  
270 county where the new homestead is located must transmit a copy  
271 of the completed form together with a completed application for  
272 homestead exemption to the property appraiser in the county  
273 where the previous homestead was located. If the previous  
274 homesteads of applicants for transfer were in more than one  
275 county, each applicant from a different county must submit a

276 separate form.

277           2. The property appraiser in the county where the previous  
 278 homestead was located must return information to the property  
 279 appraiser in the county where the new homestead is located by  
 280 April 1 or within 2 weeks after receipt of the completed  
 281 application from that property appraiser, whichever is later. As  
 282 part of the information returned, the property appraiser in the  
 283 county where the previous homestead was located must provide  
 284 sufficient information concerning the previous homestead to  
 285 allow the property appraiser in the county where the new  
 286 homestead is located to calculate the amount of the assessment  
 287 limitation difference which may be transferred and must certify  
 288 whether the previous homestead was abandoned and has been or  
 289 will be reassessed at just value or reassessed according to the  
 290 provisions of this subsection as of the January 1 following its  
 291 abandonment.

292           3. Based on the information provided on the form from the  
 293 property appraiser in the county where the previous homestead  
 294 was located, the property appraiser in the county where the new  
 295 homestead is located shall calculate the amount of the  
 296 assessment limitation difference which may be transferred and  
 297 apply the difference to the January 1 assessment of the new  
 298 homestead.

299           4. All property appraisers having information-sharing  
 300 agreements with the department are authorized to share

301 confidential tax information with each other pursuant to s.  
 302 195.084, including social security numbers and linked  
 303 information on the forms provided pursuant to this section.

304 5. The transfer of any limitation is not final until any  
 305 values on the assessment roll on which the transfer is based are  
 306 final. If such values are final after tax notice bills have been  
 307 sent, the property appraiser shall make appropriate corrections  
 308 and a corrected tax notice bill shall be sent. Any values that  
 309 are under administrative or judicial review shall be noticed to  
 310 the tribunal or court for accelerated hearing and resolution so  
 311 that the intent of this subsection may be carried out.

312 6. If the property appraiser in the county where the  
 313 previous homestead was located has not provided information  
 314 sufficient to identify the previous homestead and the assessment  
 315 limitation difference is transferable, the taxpayer may file an  
 316 action in circuit court in that county seeking to establish that  
 317 the property appraiser must provide such information.

318 7. If the information from the property appraiser in the  
 319 county where the previous homestead was located is provided  
 320 after the procedures in this section are exercised, the property  
 321 appraiser in the county where the new homestead is located shall  
 322 make appropriate corrections and a corrected tax notice and tax  
 323 bill shall be sent.

324 8. This subsection does not authorize the consideration or  
 325 adjustment of the just, assessed, or taxable value of the

326 previous homestead property.

327 9. The property appraiser in the county where the new  
328 homestead is located shall promptly notify a taxpayer if the  
329 information received, or available, is insufficient to identify  
330 the previous homestead and the amount of the assessment  
331 limitation difference which is transferable. Such notification  
332 shall be sent on or before July 1 as specified in s. 196.151.

333 10. The taxpayer may correspond with the property  
334 appraiser in the county where the previous homestead was located  
335 to further seek to identify the homestead and the amount of the  
336 assessment limitation difference which is transferable.

337 11. If the property appraiser in the county where the  
338 previous homestead was located supplies sufficient information  
339 to the property appraiser in the county where the new homestead  
340 is located, such information shall be considered timely if  
341 provided in time for inclusion on the notice of proposed  
342 property taxes sent pursuant to ss. 194.011 and 200.065(1).

343 12. If the property appraiser has not received information  
344 sufficient to identify the previous homestead and the amount of  
345 the assessment limitation difference which is transferable  
346 before mailing the notice of proposed property taxes, the  
347 taxpayer may file a petition with the value adjustment board in  
348 the county where the new homestead is located.

349 (j) Any person who is qualified to have his or her  
350 property assessed under this subsection and who fails to file an

351 application by March 1 may file an application for assessment  
352 under this subsection and may, pursuant to s. 194.011(3), file a  
353 petition with the value adjustment board requesting that an  
354 assessment under this subsection be granted. Such petition may  
355 be filed at any time during the taxable year on or before the  
356 25th day following the mailing of the notice by the property  
357 appraiser as provided in s. 194.011(1). Notwithstanding s.  
358 194.013, such person must pay a nonrefundable fee of \$15 upon  
359 filing the petition. Upon reviewing the petition, if the person  
360 is qualified to receive the assessment under this subsection and  
361 demonstrates particular extenuating circumstances judged by the  
362 property appraiser or the value adjustment board to warrant  
363 granting the assessment, the property appraiser or the value  
364 adjustment board may grant an assessment under this subsection.

365 (k) Any person who is qualified to have his or her  
366 property assessed under this subsection and who fails to timely  
367 file an application for his or her new homestead in the first  
368 year following eligibility may file in a subsequent year. The  
369 assessment reduction shall be applied to assessed value in the  
370 year the transfer is first approved, and refunds of tax may not  
371 be made for previous years.

372 (l) The property appraisers of the state shall, as soon as  
373 practicable after March 1 of each year and on or before July 1  
374 of that year, carefully consider all applications for assessment  
375 under this subsection which have been filed in their respective

376 offices on or before March 1 of that year. If, upon  
377 investigation, the property appraiser finds that the applicant  
378 is entitled to assessment under this subsection, the property  
379 appraiser shall make such entries upon the tax rolls of the  
380 county as are necessary to allow the assessment. If, after due  
381 consideration, the property appraiser finds that the applicant  
382 is not entitled to the assessment under this subsection, the  
383 property appraiser shall immediately prepare a notice of such  
384 disapproval, giving his or her reasons therefor, and a copy of  
385 the notice must be served upon the applicant by the property  
386 appraiser by personal delivery or by registered mail to the post  
387 office address given by the applicant. The applicant may appeal  
388 the decision of the property appraiser refusing to allow the  
389 assessment under this subsection to the value adjustment board,  
390 and the board shall review the application and evidence  
391 presented to the property appraiser upon which the applicant  
392 based the claim and hear the applicant in person or by agent on  
393 behalf of his or her right to such assessment. Such appeal shall  
394 be heard by an attorney special magistrate if the value  
395 adjustment board uses special magistrates. The value adjustment  
396 board shall reverse the decision of the property appraiser in  
397 the cause and grant assessment under this subsection to the  
398 applicant if, in its judgment, the applicant is entitled to the  
399 assessment or shall affirm the decision of the property  
400 appraiser. The action of the board is final in the cause unless

401 the applicant, within 60 days following the date of refusal of  
 402 the application by the board, files in the circuit court of the  
 403 county in which the homestead is located a proceeding against  
 404 the property appraiser for a declaratory judgment as is provided  
 405 under chapter 86 or other appropriate proceeding. The failure of  
 406 the taxpayer to appear before the property appraiser or value  
 407 adjustment board or to file any paper other than the application  
 408 as provided in this subsection does not constitute a bar to or  
 409 defense in the proceedings.

410 (m) For purposes of receiving an assessment reduction  
 411 pursuant to this subsection, an owner of a homestead property  
 412 that was significantly damaged or destroyed as a result of a  
 413 named tropical storm or hurricane may elect, in the calendar  
 414 year following the named tropical storm or hurricane, to have  
 415 the significantly damaged or destroyed homestead deemed to have  
 416 been abandoned as of the date of the named tropical storm or  
 417 hurricane even though the owner received a homestead exemption  
 418 on the property as of January 1 of the year immediately  
 419 following the named tropical storm or hurricane. The election  
 420 provided for in this paragraph is available only if the owner  
 421 establishes a new homestead as of January 1 of the third year  
 422 immediately following the storm or hurricane. This paragraph  
 423 shall apply to homestead property damaged or destroyed on or  
 424 after January 1, 2017.

425 (9) Erroneous assessments of homestead property assessed

426 | under this section may be corrected in the following manner:

427 |       (a) If errors are made in arriving at any assessment under  
 428 | this section due to a material mistake of fact concerning an  
 429 | essential characteristic of the property, the just value and  
 430 | assessed value must be recalculated for every such year,  
 431 | including the year in which the mistake occurred.

432 |       (b) If changes, additions, or improvements are not  
 433 | assessed at just value as of the first January 1 after they were  
 434 | substantially completed, the property appraiser shall determine  
 435 | the just value for such changes, additions, or improvements for  
 436 | the year they were substantially completed. Assessments for  
 437 | subsequent years shall be corrected, applying this section if  
 438 | applicable.

439 |       (c) If back taxes are due pursuant to s. 193.092, the  
 440 | corrections made pursuant to this subsection shall be used to  
 441 | calculate such back taxes.

442 |       (10) If the property appraiser determines that for any  
 443 | year or years within the prior 10 years a person who was not  
 444 | entitled to the homestead property assessment limitation granted  
 445 | under this section was granted the homestead property assessment  
 446 | limitation, the property appraiser making such determination  
 447 | shall serve upon the owner a notice of intent to record in the  
 448 | public records of the county a notice of tax lien against any  
 449 | property owned by that person in the county, and such property  
 450 | must be identified in the notice of tax lien. Such property that

451 is situated in this state is subject to the unpaid taxes, plus a  
 452 penalty of 50 percent of the unpaid taxes for each year and 15  
 453 percent interest per annum. However, when a person entitled to  
 454 exemption pursuant to s. 196.031 inadvertently receives the  
 455 limitation pursuant to this section following a change of  
 456 ownership, the assessment of such property must be corrected as  
 457 provided in paragraph (9) (a), and the person need not pay the  
 458 unpaid taxes, penalties, or interest. Before a lien may be  
 459 filed, the person or entity so notified must be given 30 days to  
 460 pay the taxes and any applicable penalties and interest. If the  
 461 property appraiser improperly grants the property assessment  
 462 limitation as a result of a clerical mistake or an omission, the  
 463 person or entity improperly receiving the property assessment  
 464 limitation may not be assessed a penalty or interest.

465 (11) (a) Property assessed under this section shall be  
 466 assessed at less than just value when all of the following  
 467 conditions are met:

468 1. The property being established as a new homestead was  
 469 assessed under s. 193.1554 or s. 193.1555 the previous January  
 470 1.

471 2. The person who establishes a new homestead owned the  
 472 property when it was assessed the previous January 1.

473 3. The newly established homestead did not change  
 474 ownership between the prior assessment on January 1 and the  
 475 establishment of the new homestead.

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476        (b) The increase in assessed value for a new homestead  
477        established under this paragraph shall not exceed 10 percent of  
478        the assessment for the previous year.

479        Section 2. This act shall take effect on the effective  
480        date of the amendment to the State Constitution proposed by HJR  
481        1103 or a similar joint resolution having substantially the same  
482        specific intent and purpose, if such amendment is approved at  
483        the next general election or at an earlier special election  
484        specifically authorized by law for that purpose.