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House Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution to authorize counties and municipalities to limit the assessed value of the homesteads of certain low-income senior citizens.

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

That the following amendment to Section 4 of Article VII of the State Constitution is 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 noncommercial recreational purposes may be classified by general law and assessed solely on the basis of character or use.

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

(c) Pursuant to general law tangible personal property

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29 held for sale as stock in trade and livestock may be valued for
30 taxation at a specified percentage of its value, may be
31 classified for tax purposes, or may be exempted from taxation.

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

37 (1) Except as provided in paragraph (2), assessments
38 subject to this subsection shall be changed annually on January
39 1 ~~1st~~ of each year; but those changes in assessments shall not
40 exceed the lower of the following:

41 a. Three percent ~~(3%)~~ of the assessment for the prior
42 year.

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

48 (2) The legislature may, by general law, allow counties or
49 municipalities, for the purpose of their respective tax levies
50 and subject to the provisions of general law, to limit
51 assessments on homestead property subject to the additional
52 homestead tax exemption under Section 6(d) to the assessed value
53 of the property in the prior year if the just value of the
54 property is less than the just value of the property on the
55 preceding January 1 or is equal to or less than one hundred
56 fifty percent of the average just value of homestead property

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within the respective county or municipality. The general law must allow counties and municipalities to provide this limitation by ordinance adopted in the manner prescribed by general law, specify the state agency designated to calculate the average just value of homestead property within each county and municipality, and provide that such agency annually supply that information to each property appraiser. The calculation shall be based on the prior year's tax roll of each county.

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

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

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

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

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

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

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

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

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

2. If the just value of the new homestead is less than the just value of the prior homestead as of January 1 of the year in which the prior homestead was abandoned, the assessed value of the new homestead shall be equal to the just value of the new

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113 homestead divided by the just value of the prior homestead and
114 multiplied by the assessed value of the prior homestead.
115 However, if the difference between the just value of the new
116 homestead and the assessed value of the new homestead calculated
117 pursuant to this sub-subparagraph is greater than \$500,000, the
118 assessed value of the new homestead shall be increased so that
119 the difference between the just value and the assessed value
120 equals \$500,000. Thereafter, the homestead shall be assessed as
121 provided in this subsection.

122 b. By general law and subject to conditions specified
123 therein, the Legislature shall provide for application of this
124 paragraph to property owned by more than one person.

125 (e) The legislature may, by general law, for assessment
126 purposes and subject to the provisions of this subsection, allow
127 counties and municipalities to authorize by ordinance that
128 historic property may be assessed solely on the basis of
129 character or use. Such character or use assessment shall apply
130 only to the jurisdiction adopting the ordinance. The
131 requirements for eligible properties must be specified by
132 general law.

133 (f) A county may, in the manner prescribed by general law,
134 provide for a reduction in the assessed value of homestead
135 property to the extent of any increase in the assessed value of
136 that property which results from the construction or
137 reconstruction of the property for the purpose of providing
138 living quarters for one or more natural or adoptive grandparents
139 or parents of the owner of the property or of the owner's spouse
140 if at least one of the grandparents or parents for whom the

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living quarters are provided is 62 years of age or older. Such a reduction may not exceed the lesser of the following:

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

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

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

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

(2) No assessment shall exceed just value.

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

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

(h) For all levies other than school district levies, assessments of real property that is not subject to the

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assessment limitations set forth in subsections (a) through (d) and (g) shall change only as provided in this subsection.

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

(2) No assessment shall exceed just value.

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

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

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

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

(1) Any change or improvement made for the purpose of

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improving the property's resistance to wind damage.

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

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

a. Land used predominantly for commercial fishing purposes.

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

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

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

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

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

CONSTITUTIONAL AMENDMENT

ARTICLE VII, SECTION 4

ASSESSMENT OF HOMESTEAD PROPERTY OWNED BY LOW-INCOME SENIOR CITIZENS.—Currently, counties and municipalities may grant an additional homestead exemption to a person who is 65 years of age or older and who has a household income of \$20,000 or less. This proposed amendment to the State Constitution authorizes counties and municipalities to limit the assessments of the homesteads of persons receiving such additional exemption to the assessed value of the property in the prior year if the just value of the property is less than the just value of the

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225 | property on the preceding January 1 or is equal to or less than
226 | 150 percent of the average just value of homestead property in
227 | the respective county or municipality. As such, if authorized by
228 | a county or municipality, these individuals will not be required
229 | to pay more county or municipal ad valorem taxes than they paid
230 | in the prior year if the value of their homestead decreases or
231 | an increase in value of their homestead property does not result
232 | in the value of the property exceeding the average just value of
233 | homestead property in the county or municipality by more than
234 | 150 percent.