

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB GEAC 08-05 Eligibility Requirements for Property Owners in Obtaining Homestead Exemptions

SPONSOR(S): Government Efficiency & Accountability Council

TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.: Government Efficiency & Accountability Council	_____	Levin/Dykes	Cooper
1) _____	_____	_____	_____
2) _____	_____	_____	_____
3) _____	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

SUMMARY ANALYSIS

The uniform application of Florida law requires that the determination of whether an individual is a permanent resident of this state be made on the basis of the same criteria throughout the state. To ensure uniformity, s. 195.022, F.S., requires that all property appraisers use the forms prescribed by the Department of Revenue (DOR). The criteria to determine homestead exemption for purposes of ad valorem tax exemption are contained in s. 196.015, F.S., which also charges the county property appraisers with making this determination in the first instance. Current law permits property appraisers to consider only those factors they deem relevant to a determination of permanent residence.

PCB GEAC 08-05 amends s. 145.10, F.S., which provides an additional \$2000 per year salary for each property appraiser who has met the DOR requirements to become designated as a certified property appraiser. The PCB requires property appraisers who seek designation to certify that the property appraiser is using the current forms prescribed by the DOR.

The PCB amends s. 195.022, F.S., to address with more specificity the requirement that property appraisers cease using DOR forms after the DOR amends or repeals the current form. It also places in statute requirements that the application for ad valorem tax exemption state the penalty for giving false information for the purpose of claiming homestead and be sworn under penalties of perjury. The PCB requires the DOR form to indicate that the applicant has furnished appropriate documentation to the property appraiser.

Section 196.015, F.S., is amended to require the property appraiser to consider all applicable factors in making the determination of permanent residence and to make appropriate entries on the application for ad valorem tax exemption. The PCB also requires that most of the people claiming homestead take other actions consistent with their statement that they are Florida residents. Those people who drive will be required to have a Florida driver license, and those people who own or operate a motor vehicle, boat or aircraft in Florida will be required to have a Florida registration. In the event that the applicant cannot furnish a Florida driver license or registration for motor vehicle, boat or aircraft, then the applicant shall execute an additional affidavit.

The driver license portion of the additional affidavit shall state that the applicant does not have any driver license, or that the applicant has a Florida driver license. The registration portion shall state that the applicant does not own or operate a motor vehicle, boat or aircraft within the state of Florida. Should the applicant either possess a driver license or own or operate a motor vehicle, boat, or aircraft in this state, the property appraisers are directed that they may not grant a homestead exemption until these items have been issued or reissued by this state.

The bill has an effective date of July 1, 2008.

Although the PCB has not been to a Revenue Estimating Impact Conference, it is anticipated that the bill will have an insignificant financial impact upon both the DOR and the property appraisers.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: pcb05.GEAC.doc
DATE: 3/11/2008

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Lower Taxes:

The bill will require applicants for homestead tax exemption who have a driver license to produce their Florida driver license, certify that they do not do not have any driver license, or certify that they have a Florida driver license. If the applicant owns or operates a motor vehicle, boat or aircraft within this state, then the property appraiser may not grant the tax exemption until the driver license and registration for motor vehicle, boat, or aircraft has been issued or reissued by the state of Florida.

B. EFFECT OF PROPOSED CHANGES:

The people of the State of Florida have conveyed to Florida's permanent resident homeowners a homestead tax exemption. This exemption results in permanent resident homeowners receiving a substantial reduction in the amount of ad valorem taxes owed on their homestead property. The constitution and laws of Florida do not grant the homestead exemption to everyone who owns real property in Florida. The exemption is reserved for permanent residents.

The uniform application of Florida law requires that the determination of whether an individual is a permanent resident of this state be made on the basis of the same criteria throughout the state. To ensure uniformity, s. 195.022, F.S., requires that all property appraisers use the forms prescribed by the Department of Revenue (DOR). The criteria to determine homestead exemption for purposes of ad valorem tax exemption are contained in s. 196.015, F.S., which also charges the county property appraisers with making this determination in the first instance. Current law permits property appraisers to consider those factors they deem relevant to a determination of permanent residence.

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in this state, the property appraisers are directed that they may not grant a homestead exemption until these items have been issued or reissued by this state.

C. SECTION DIRECTORY:

Section 1. Amends s. 145.10, F.S., relating to property appraisers.

Section 2. Amends s. 195.022, F.S., relating to forms to be prescribed by the Department of Revenue.

Section 3. Amends s. 196.015, F.S., relating to permanent residency.

Section 4. Effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

A positive, insignificant change in revenues may occur.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

Local governments may experience a positive change in revenues as a result of fewer fraudulent applications for homestead exemption.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Individuals applying for homestead exemption may be required to obtain a Florida driver license or registration for motor vehicles, boats or aircraft owned or operated in this state.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The mandates provision is inapplicable because: the bill does not require counties or municipalities to spend funds or take an action requiring the expenditure of funds; the bill does not reduce the percentage of a state tax shared with counties or municipalities; and the bill does not may reduce the authority that counties and municipalities have to raise revenue in the aggregate.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

D. STATEMENT OF THE SPONSOR

None.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES