

1 House Joint Resolution

2 A joint resolution proposing an amendment to Section 4 of
 3 Article VII of the State Constitution to reduce from 10
 4 percent to 5 percent the limitation on annual assessment
 5 increases applicable to certain non-homestead property.
 6

7 Be It Resolved by the Legislature of the State of Florida:
 8

9 That the following amendment to Section 6 of Article VII of
 10 the State Constitution is agreed to and shall be submitted to
 11 the electors of this state for approval or rejection at the next
 12 general election or at an earlier special election specifically
 13 authorized by law for that purpose:

14 ARTICLE VII

15 FINANCE AND TAXATION

16 SECTION 4. Taxation; assessments.--By general law
 17 regulations shall be prescribed which shall secure a just
 18 valuation of all property for ad valorem taxation, provided:

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

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

27 (c) Pursuant to general law tangible personal property
 28 held for sale as stock in trade and livestock may be valued for

29 | taxation at a specified percentage of its value, may be
 30 | classified for tax purposes, or may be exempted from taxation.

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

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

39 | a. Three percent (3%) of the assessment for the prior
 40 | year.

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

46 | (2) No assessment shall exceed just value.

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

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

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

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

63 (7) The provisions of this amendment are severable. If any
 64 of the provisions of this amendment shall be held
 65 unconstitutional by any court of competent jurisdiction, the
 66 decision of such court shall not affect or impair any remaining
 67 provisions of this amendment.

68 (8)a. A person who establishes a new homestead as of
 69 January 1, 2009, or January 1 of any subsequent year and who has
 70 received a homestead exemption pursuant to Section 6 of this
 71 Article as of January 1 of either of the two years immediately
 72 preceding the establishment of the new homestead is entitled to
 73 have the new homestead assessed at less than just value. If this
 74 revision is approved in January of 2008, a person who
 75 establishes a new homestead as of January 1, 2008, is entitled
 76 to have the new homestead assessed at less than just value only
 77 if that person received a homestead exemption on January 1,
 78 2007. The assessed value of the newly established homestead
 79 shall be determined as follows:

80 1. If the just value of the new homestead is greater than
 81 or equal to the just value of the prior homestead as of January
 82 1 of the year in which the prior homestead was abandoned, the
 83 assessed value of the new homestead shall be the just value of

84 the new homestead minus an amount equal to the lesser of
 85 \$500,000 or the difference between the just value and the
 86 assessed value of the prior homestead as of January 1 of the
 87 year in which the prior homestead was abandoned. Thereafter, the
 88 homestead shall be assessed as provided in this subsection.

89 2. If the just value of the new homestead is less than the
 90 just value of the prior homestead as of January 1 of the year in
 91 which the prior homestead was abandoned, the assessed value of
 92 the new homestead shall be equal to the just value of the new
 93 homestead divided by the just value of the prior homestead and
 94 multiplied by the assessed value of the prior homestead.

95 However, if the difference between the just value of the new
 96 homestead and the assessed value of the new homestead calculated
 97 pursuant to this sub-subparagraph is greater than \$500,000, the
 98 assessed value of the new homestead shall be increased so that
 99 the difference between the just value and the assessed value
 100 equals \$500,000. Thereafter, the homestead shall be assessed as
 101 provided in this subsection.

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

105 (e) The legislature may, by general law, for assessment
 106 purposes and subject to the provisions of this subsection, allow
 107 counties and municipalities to authorize by ordinance that
 108 historic property may be assessed solely on the basis of
 109 character or use. Such character or use assessment shall apply

110 only to the jurisdiction adopting the ordinance. The
 111 requirements for eligible properties must be specified by
 112 general law.

113 (f) A county may, in the manner prescribed by general law,
 114 provide for a reduction in the assessed value of homestead
 115 property to the extent of any increase in the assessed value of
 116 that property which results from the construction or
 117 reconstruction of the property for the purpose of providing
 118 living quarters for one or more natural or adoptive grandparents
 119 or parents of the owner of the property or of the owner's spouse
 120 if at least one of the grandparents or parents for whom the
 121 living quarters are provided is 62 years of age or older. Such a
 122 reduction may not exceed the lesser of the following:

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

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

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

132 (1) Assessments subject to this subsection shall be
 133 changed annually on the date of assessment provided by law; but
 134 those changes in assessments shall not exceed five ~~ten~~ percent
 135 (5%) ~~(10%)~~ of the assessment for the prior year.

136 (2) No assessment shall exceed just value.

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

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

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

151 (1) Assessments subject to this subsection shall be
 152 changed annually on the date of assessment provided by law; but
 153 those changes in assessments shall not exceed five ~~ten~~ percent
 154 (5%) ~~(10%)~~ of the assessment for the prior year.

155 (2) No assessment shall exceed just value.

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

161 (4) The legislature may provide that such property shall
 162 be assessed at just value as of the next assessment date after a
 163 change of ownership or control, as defined by general law,
 164 including any change of ownership of the legal entity that owns

165 the property. Thereafter, such property shall be assessed as
 166 provided in this subsection.

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

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

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

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

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

181 a. Land used predominantly for commercial fishing
 182 purposes.

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

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

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

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

PCB MLA 09-02

ORIGINAL

2009

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

194 CONSTITUTIONAL AMENDMENT

195 ARTICLE VII, SECTION 4

196 REDUCTION IN LIMITATION ON NONHOMESTEAD PROPERTY ANNUAL
197 ASSESSMENT INCREASES.--Proposing an amendment to the State
198 Constitution to reduce from 10 percent to 5 percent the
199 limitation on annual increases in assessments of certain non-
200 homestead real property.