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Resolution of the Taxation and Budget Reform Commission
A resolution proposing an amendment to Section 6 of
Article VII and the creation of a new section in Article
XII of the State Constitution to provide for a partial
exemption on homestead property owned by a person who
previously did not own property subject to a homestead
exemption.

Be It Resolved by the Taxation and Budget Reform Commission:

That the following amendment to Section 6 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 6. Homestead exemptions.--

(a) Every person who has the legal or equitable title to
real estate and maintains thereon the permanent residence of the
owner, or another legally or naturally dependent upon the owner,
shall be exempt from taxation thereon, except assessments for
special benefits, up to the assessed valuation of five thousand
dollars, upon establishment of right thereto in the manner
prescribed by law. The real estate may be held by legal or
equitable title, by the entirety, jointly, in common, as a
condominium, or indirectly by stock ownership or membership
representing the owner's or member's proprietary interest in a

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corporation owning a fee or a leasehold initially in excess of ninety-eight years.

(b) Not more than one exemption shall be allowed any individual or family unit or with respect to any residential unit. No exemption shall exceed the value of the real estate assessable to the owner or, in case of ownership through stock or membership in a corporation, the value of the proportion which the interest in the corporation bears to the assessed value of the property.

(c) As provided by general law and subject to conditions specified therein, each person who establishes the right to receive the homestead exemption provided in subsection (a) within one year after purchasing the homestead property and who had not previously owned property receiving the homestead exemption provided in subsection (a) is entitled to an additional homestead exemption in an amount equal to twenty-five percent of the homestead property's just value on January 1 of the year the homestead exemption is established, not to exceed twenty-five percent of the median just value of homesteads in the county in which the homestead is located in the year prior to establishing the new homestead. This exemption is not available if any owner of the property has previously owned property that received the homestead exemption provided in subsection (a). The additional homestead exemption shall be reduced each year by the difference between the homestead's just value and assessed value as determined under subsection (c) of Section 4 of this Article until the value of the exemption is reduced to zero.

57 ~~(d)(e)~~ By general law and subject to conditions specified
58 therein, the exemption shall be increased to a total of twenty-
59 five thousand dollars of the assessed value of the real estate
60 for each school district levy. By general law and subject to
61 conditions specified therein, the exemption for all other levies
62 may be increased up to an amount not exceeding ten thousand
63 dollars of the assessed value of the real estate if the owner
64 has attained age sixty-five or is totally and permanently
65 disabled and if the owner is not entitled to the exemption
66 provided in subsection (d).

67 ~~(e)(d)~~ By general law and subject to conditions specified
68 therein, the exemption shall be increased to a total of the
69 following amounts of assessed value of real estate for each levy
70 other than those of school districts: fifteen thousand dollars
71 with respect to 1980 assessments; twenty thousand dollars with
72 respect to 1981 assessments; twenty-five thousand dollars with
73 respect to assessments for 1982 and each year thereafter.
74 However, such increase shall not apply with respect to any
75 assessment roll until such roll is first determined to be in
76 compliance with the provisions of section 4 by a state agency
77 designated by general law. This subsection shall stand repealed
78 on the effective date of any amendment to section 4 which
79 provides for the assessment of homestead property at a specified
80 percentage of its just value.

81 ~~(f)(e)~~ By general law and subject to conditions specified
82 therein, the Legislature may provide to renters, who are
83 permanent residents, ad valorem tax relief on all ad valorem tax
84 levies. Such ad valorem tax relief shall be in the form and
85 amount established by general law.

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86 (g)~~(f)~~ The legislature may, by general law, allow counties
87 or municipalities, for the purpose of their respective tax
88 levies and subject to the provisions of general law, to grant an
89 additional homestead tax exemption not exceeding fifty thousand
90 dollars to any person who has the legal or equitable title to
91 real estate and maintains thereon the permanent residence of the
92 owner and who has attained age sixty-five and whose household
93 income, as defined by general law, does not exceed twenty
94 thousand dollars. The general law must allow counties and
95 municipalities to grant this additional exemption, within the
96 limits prescribed in this subsection, by ordinance adopted in
97 the manner prescribed by general law, and must provide for the
98 periodic adjustment of the income limitation prescribed in this
99 subsection for changes in the cost of living.

100 (h)~~(g)~~ Each veteran who is age 65 or older who is
101 partially or totally permanently disabled shall receive a
102 discount from the amount of the ad valorem tax otherwise owed on
103 homestead property the veteran owns and resides in if the
104 disability was combat related, the veteran was a resident of
105 this state at the time of entering the military service of the
106 United States, and the veteran was honorably discharged upon
107 separation from military service. The discount shall be in a
108 percentage equal to the percentage of the veteran's permanent,
109 service-connected disability as determined by the United States
110 Department of Veterans Affairs. To qualify for the discount
111 granted by this subsection, an applicant must submit to the
112 county property appraiser, by March 1, proof of residency at the
113 time of entering military service, an official letter from the
114 United States Department of Veterans Affairs stating the

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percentage of the veteran's service-connected disability and such evidence that reasonably identifies the disability as combat related, and a copy of the veteran's honorable discharge. If the property appraiser denies the request for a discount, the appraiser must notify the applicant in writing of the reasons for the denial, and the veteran may reapply. The Legislature may, by general law, waive the annual application requirement in subsequent years. This subsection shall take effect December 7, 2006, is self-executing, and does not require implementing legislation.

ARTICLE XII

SCHEDULE

This section and the amendment to Section 6 of Article VII providing for a homestead exemption on homestead property owned by persons who have not previously owned property with a homestead exemption shall take effect January 1, 2009.

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

CONSTITUTIONAL AMENDMENT

ARTICLE VII, SECTION 6

ARTICLE XII

HOMESTEAD EXEMPTION FOR FIRST-TIME HOMEBUYERS.--This proposed amendment to the State Constitution provides for a homestead exemption for first-time homebuyers equal to twenty-five percent of a homestead property's just value, but not to exceed twenty-five percent of the median just value of homesteads in the county in which the homestead is located. The amount of the exemption will be phased out over time.