

Amendment No. AEA 1

Commissioner McKay offered the following:

**Amendment (with ballot statement and title amendments)**

Between lines 18 and 19, insert:

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) Pursuant to general law tangible personal property held for sale as stock in trade and livestock may be valued for taxation at a specified percentage of its value, may be classified for tax purposes, or may be exempted from taxation.

(c) All persons entitled to a homestead exemption under Section 6 of this Article shall have their homestead assessed at just value as of January 1 of the year following the effective date of this amendment. This assessment shall change only as provided herein.

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

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

b. The percent change in the Consumer Price Index for all urban consumers, U.S. City Average, all items 1967=100, or

Amendment No. AEA 1

28 successor reports for the preceding calendar year as initially  
29 reported by the United States Department of Labor, Bureau of  
30 Labor Statistics.

31 (2) No assessment shall exceed just value.

32 (3) After any change of ownership, as provided by general  
33 law, homestead property shall be assessed at just value as of  
34 January 1 of the following year, unless the provisions of  
35 paragraph (8) apply. Thereafter, the homestead shall be assessed  
36 as provided herein.

37 (4) New homestead property shall be assessed at just value  
38 as of January 1st of the year following the establishment of the  
39 homestead, unless the provisions of paragraph (8) apply. That  
40 assessment shall only change as provided herein.

41 (5) Changes, additions, reductions, or improvements to  
42 homestead property shall be assessed as provided for by general  
43 law; provided, however, after the adjustment for any change,  
44 addition, reduction, or improvement, the property shall be  
45 assessed as provided herein.

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

48 (7) The provisions of this amendment are severable. If any  
49 of the provisions of this amendment shall be held  
50 unconstitutional by any court of competent jurisdiction, the  
51 decision of such court shall not affect or impair any remaining  
52 provisions of this amendment.

53 (8)a. A person who establishes a new homestead as of  
54 January 1, 2009, or January 1 of any subsequent year and who has  
55 received a homestead exemption pursuant to Section 6 of this

Amendment No. AEA 1

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 herein.

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 homestead divided by the just value of the prior homestead and multiplied by the assessed value of the prior homestead.

However, if the difference between the just value of the new homestead and the assessed value of the new homestead calculated pursuant to this sub-subparagraph is greater than \$500,000, the assessed value of the new homestead shall be increased so that

Amendment No. AEA 1

84 the difference between the just value and the assessed value  
85 equals \$500,000. Thereafter, the homestead shall be assessed as  
86 provided herein.

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

90 (d) The legislature may, by general law, for assessment  
91 purposes and subject to the provisions of this subsection, allow  
92 counties and municipalities to authorize by ordinance that  
93 historic property may be assessed solely on the basis of  
94 character or use. Such character or use assessment shall apply  
95 only to the jurisdiction adopting the ordinance. The  
96 requirements for eligible properties must be specified by  
97 general law.

98 (e) A county may, in the manner prescribed by general law,  
99 provide for a reduction in the assessed value of homestead  
100 property to the extent of any increase in the assessed value of  
101 that property which results from the construction or  
102 reconstruction of the property for the purpose of providing  
103 living quarters for one or more natural or adoptive grandparents  
104 or parents of the owner of the property or of the owner's spouse  
105 if at least one of the grandparents or parents for whom the  
106 living quarters are provided is 62 years of age or older. Such a  
107 reduction may not exceed the lesser of the following:

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

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

Amendment No. AEA 1

(f) 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 (c) 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 five ~~ten~~ percent (5%) ~~(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.

(g) For all levies other than school district levies, assessments of real property that is not subject to the assessment limitations set forth in subsections (a) through (c) and (f) 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 five ~~ten~~ percent (5%) ~~(10%)~~ of the assessment for the prior year.

Amendment No. AEA 1

(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.

== B A L L O T S T A T E M E N T A M E N D M E N T ==

Remove line(s) 111-113 and insert:  
electricity and heating fuel. Limiting subject-matter of laws granting future exemptions. Limiting annual increases in assessment of non-homestead real property.

===== T I T L E A M E N D M E N T =====

Remove lines 2-5 and insert:  
A resolution proposing an amendment to Section 4 and the creation of Section 19 of Article VII and a new section in

Amendment No. AEA 1

168 Article XII of the State Constitution limit the growth of  
169 assessments of certain real property for the purposes of ad  
170 valorem taxation, to mandate the repeal of exemptions and  
171 exclusions from sales tax, and to use those new sources of