

Taxation and Budget Reform Commission Resolution

A resolution proposing an amendment to Section 4 of Article VII and the creation of Section 28 of Article XII of the State Constitution requiring land used for conservation purposes to be classified and assessed solely on the basis of character or use for purposes of ad valorem taxation.

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Be It Resolved by the Taxation and Budget Reform Commission:

That the following amendment to Section 4 of Article VII and the creation of Section 28 of Article XII of the State Constitution are 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:

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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:

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(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.

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

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

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

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

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

49 (2) No assessment shall exceed just value.

50 (3) After any change of ownership, as provided by general
51 law, homestead property shall be assessed at just value as of
52 January 1 of the following year, unless the provisions of
53 paragraph (8) apply. ~~Thereafter, the homestead shall be assessed~~
54 as provided herein.

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55 (4) New homestead property shall be assessed at just value
56 as of January 1st of the year following the establishment of the
57 homestead, unless the provisions of paragraph (8) apply. ~~That~~
58 assessment shall only change as provided herein.

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(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 herein.

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

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

(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

89 assessed value of the prior homestead as of January 1 of the
90 year in which the prior homestead was abandoned. Thereafter, the
91 homestead shall be assessed as provided herein.

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

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

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

108 (e)(d) The legislature may, by general law, for assessment
109 purposes and subject to the provisions of this subsection, allow
110 counties and municipalities to authorize by ordinance that
111 historic property may be assessed solely on the basis of
112 character or use. Such character or use assessment shall apply
113 only to the jurisdiction adopting the ordinance. The
114 requirements for eligible properties must be specified by
115 general law.

116 (f)(e) A county may, in the manner prescribed by general
117 law, provide for a reduction in the assessed value of homestead
118 property to the extent of any increase in the assessed value of

119 that property which results from the construction or
120 reconstruction of the property for the purpose of providing
121 living quarters for one or more natural or adoptive grandparents
122 or parents of the owner of the property or of the owner's spouse
123 if at least one of the grandparents or parents for whom the
124 living quarters are provided is 62 years of age or older. Such a
125 reduction may not exceed the lesser of the following:

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

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

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

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

139 (2) No assessment shall exceed just value.

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

145 (4) Changes, additions, reductions, or improvements to
146 such property shall be assessed as provided for by general law;
147 however, after the adjustment for any change, addition,

148 reduction, or improvement, the property shall be assessed as
149 provided in this subsection.

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

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

158 (2) No assessment shall exceed just value.

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

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

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

175 ARTICLE XII

176 SCHEDULE

177 SECTION 28. Classification and assessment of land used for
 178 conservation purposes.--The amendment to Section 4 of Article
 179 VII, requiring land used for conservation purposes to be
 180 classified by general law and assessed solely on the basis of
 181 character or use for purposes of ad valorem taxation, and this
 182 section, shall take effect upon approval by the electors and
 183 shall be implemented by January 1, 2010.

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

186 CONSTITUTIONAL AMENDMENT

187 ARTICLE VII, SECTION 4;

188 ARTICLE XII, SECTION 28

189 CLASSIFICATION AND ASSESSMENT OF LAND USED FOR CONSERVATION
 190 PURPOSES.--Proposing an amendment to the State Constitution to
 191 require land used for conservation purposes to be classified by
 192 general law and assessed solely on the basis of character or use
 193 for purposes of ad valorem taxation, to be implemented by
 194 January 1, 2010.

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