

Amendment No. 1

Commissioner Turbeville offered the following:

Amendment (with ballot statement and title amendments)

Remove lines 14-256 and insert:

That the following amendments to Sections 3, 4, and 6 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:

ARTICLE VII

FINANCE AND TAXATION

SECTION 3. Taxes; exemptions.--

(a) All property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation. A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are used predominantly for educational, literary, scientific, religious or charitable purposes may be exempted by general law from taxation.

(b) There shall be exempt from taxation, cumulatively, to every head of a family residing in this state, household goods and personal effects to the value fixed by general law, not less than one thousand dollars, and to every widow or widower or person who is blind or totally and permanently disabled, property to the value fixed by general law not less than five hundred dollars.

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28 (c) Any county or municipality may, for the purpose of its
29 respective tax levy and subject to the provisions of this
30 subsection and general law, grant community and economic
31 development ad valorem tax exemptions to new businesses and
32 expansions of existing businesses, as defined by general law.
33 Such an exemption may be granted only by ordinance of the county
34 or municipality, and only after the electors of the county or
35 municipality voting on such question in a referendum authorize
36 the county or municipality to adopt such ordinances. An
37 exemption so granted shall apply to improvements to real
38 property made by or for the use of a new business and
39 improvements to real property related to the expansion of an
40 existing business and shall also apply to tangible personal
41 property of such new business and tangible personal property
42 related to the expansion of an existing business. The amount or
43 limits of the amount of such exemption shall be specified by
44 general law. The period of time for which such exemption may be
45 granted to a new business or expansion of an existing business
46 shall be determined by general law. The authority to grant such
47 exemption shall expire ten years from the date of approval by
48 the electors of the county or municipality, and may be renewable
49 by referendum as provided by general law.

50 (d) By general law and subject to conditions specified
51 therein, there may be granted an ad valorem tax exemption to a
52 renewable energy source device and to real property on which
53 such device is installed and operated, to the value fixed by
54 general law not to exceed the original cost of the device, and

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for the period of time fixed by general law not to exceed ten years.

(e) Any county or municipality may, for the purpose of its respective tax levy and subject to the provisions of this subsection and general law, grant historic preservation ad valorem tax exemptions to owners of historic properties. This exemption may be granted only by ordinance of the county or municipality. The amount or limits of the amount of this exemption and the requirements for eligible properties must be specified by general law. The period of time for which this exemption may be granted to a property owner shall be determined by general law.

(f) By general law and subject to conditions specified therein, twenty-five thousand dollars of the assessed value of property subject to tangible personal property tax shall be exempt from ad valorem taxation.

(g) By general law and subject to conditions specified therein, improved residential real property the owner of which is not receiving the exemption set forth in Section 6 shall be entitled to an exemption for 2009 equal to 12.5 percent of the just value of such property and for 2010 and thereafter equal to 25 percent of the just value of such property. However, in any year such property shall receive only the exemption provided in this subsection or the application of the cumulative assessment limitation calculated pursuant to subsection (f) of Section 4, whichever provides the lower taxable value.

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

(2) No assessment shall exceed just value.

(3) After any change of ownership, as provided by

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109 general law, homestead property shall be assessed at just
110 value as of January 1 of the following year, unless the
111 provisions of paragraph (8) apply. Thereafter, the homestead
112 shall be assessed as provided herein.

113 (4) New homestead property shall be assessed at just
114 value as of January 1st of the year following the
115 establishment of the homestead, unless the provisions of
116 paragraph (8) apply. That assessment shall only change as
117 provided herein.

118 (5) Changes, additions, reductions, or improvements to
119 homestead property shall be assessed as provided for by general
120 law; provided, however, after the adjustment for any change,
121 addition, reduction, or improvement, the property shall be
122 assessed as provided herein.

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

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

130 (8)a. A person who establishes a new homestead as of
131 January 1, 2009, or January 1 of any subsequent year and who has
132 received a homestead exemption pursuant to Section 6 of this
133 Article as of January 1 of either of the two years immediately
134 preceding the establishment of the new homestead is entitled to
135 have the new homestead assessed at less than just value. If this
136 revision is approved in January of 2008, a person who

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

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

166 (d) The legislature may, by general law, for assessment
167 purposes and subject to the provisions of this subsection, allow
168 counties and municipalities to authorize by ordinance that
169 historic property may be assessed solely on the basis of
170 character or use. Such character or use assessment shall apply
171 only to the jurisdiction adopting the ordinance. The
172 requirements for eligible properties must be specified by
173 general law.

174 (e) A county may, in the manner prescribed by general law,
175 provide for a reduction in the assessed value of homestead
176 property to the extent of any increase in the assessed value of
177 that property which results from the construction or
178 reconstruction of the property for the purpose of providing
179 living quarters for one or more natural or adoptive grandparents
180 or parents of the owner of the property or of the owner's spouse
181 if at least one of the grandparents or parents for whom the
182 living quarters are provided is 62 years of age or older. Such a
183 reduction may not exceed the lesser of the following:

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

186 (2) Twenty percent of the total assessed value of the
187 property as improved.

188 ~~(f) For all levies other than school district levies,~~
189 ~~assessments of residential real property, as defined by general~~
190 ~~law, which contains nine units or fewer and which is not subject~~

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~~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 ten percent (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 ten percent (10%) of the assessment for the prior year.~~

~~(2) No assessment shall exceed just value.~~

~~(3) The legislature must provide that such property~~

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~~13 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.~~

(f) Assessments of real property not assessed based on character or use, or subject to the cumulative assessment limitation for homesteads, 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 percent (5%) of the assessment for the prior year.

(2) No assessment shall exceed just value.

(3) 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 or after a change in ownership or control, as defined by general law,

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246 including any change of ownership of the legal entity that owns
247 the property. The legislature may provide for specified classes
248 of property to be assessed at just value only after a change in
249 ownership of such property or after a qualifying improvement is
250 made to such property. Thereafter, such property shall be
251 assessed as provided in this subsection.

252 (4) Changes, additions, reductions, or improvements to
253 such property shall be assessed as provided for by general law;
254 however, after the adjustment for any change, addition,
255 reduction, or improvement, the property shall be assessed as
256 provided in this subsection.

257 SECTION 6. Homestead exemptions.--

258 (a) Every person who has the legal or equitable title to
259 real estate and maintains thereon the permanent residence of the
260 owner, or another legally or naturally dependent upon the owner,
261 shall be exempt from taxation thereon, except assessments for
262 special benefits, up to the assessed valuation of twenty-five
263 thousand dollars ~~and, for all levies other than school district~~
264 ~~levies, on the assessed valuation greater than fifty thousand~~
265 ~~dollars and up to seventy five thousand dollars,~~ upon
266 establishment of right thereto in the manner prescribed by law.
267 The real estate may be held by legal or equitable title, by the
268 entirety, jointly, in common, as a condominium, or indirectly
269 by stock ownership or membership representing the owner's or
270 member's proprietary interest in a corporation owning a fee or a
271 leasehold initially in excess of ninety-eight years. ~~The~~
272 ~~exemption shall not apply with respect to any assessment roll~~
273 ~~until such roll is first determined to be in compliance with the~~

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~~provisions of section 4 by a state agency designated by general law. This exemption is repealed on the effective date of any amendment to this Article which provides for the assessment of homestead property at less than just value.~~

(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) By general law and subject to conditions specified therein, each person who is entitled to receive the homestead exemption provided in subsection (a) is also entitled to an additional homestead exemption in an amount equal to 10 percent of the just value of the homestead for 2009, 15 percent of the just value of the homestead for 2010, 20 percent of the just value of the homestead for 2011, and 25 percent of the just value of the homestead for 2012 and each year thereafter. The additional exemption shall apply only after the first fifty thousand dollars of just value of the homestead property. However, in any year, such person shall receive only the exemption provided in this subsection or the application of the cumulative assessment limitation for homesteads calculated pursuant to Section 4, whichever provides the lower taxable value. The exemption shall not apply with respect to any assessment roll until such roll is first determined to be in

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301 compliance with the provisions of Section 4 by a state agency
302 designated by general law.

303 (d)~~(e)~~ By general law and subject to conditions specified
304 therein, the Legislature may provide to renters, who are
305 permanent residents, ad valorem tax relief on all ad valorem tax
306 levies. Such ad valorem tax relief shall be in the form and
307 amount established by general law.

308 (e)~~(d)~~ The legislature may, by general law, allow counties
309 or municipalities, for the purpose of their respective tax
310 levies and subject to the provisions of general law, to grant an
311 additional homestead tax exemption not exceeding fifty thousand
312 dollars to any person who has the legal or equitable title to
313 real estate and maintains thereon the permanent residence of the
314 owner and who has attained age sixty-five and whose household
315 income, as defined by general law, does not exceed twenty
316 thousand dollars. The general law must allow counties and
317 municipalities to grant this additional exemption, within the
318 limits prescribed in this subsection, by ordinance adopted in
319 the manner prescribed by general law, and must provide for the
320 periodic adjustment of the income limitation prescribed in this
321 subsection for changes in the cost of living.

322 (f)~~(e)~~ Each veteran who is age 65 or older who is
323 partially or totally permanently disabled shall receive a
324 discount from the amount of the ad valorem tax otherwise owed on
325 homestead property the veteran owns and resides in if the
326 disability was combat related, the veteran was a resident of
327 this state at the time of entering the military service of the
328 United States, and the veteran was honorably discharged upon

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separation from military service. The discount shall be in a percentage equal to the percentage of the veteran's permanent, service-connected disability as determined by the United States Department of Veterans Affairs. To qualify for the discount granted by this subsection, an applicant must submit to the county property appraiser, by March 1, proof of residency at the time of entering military service, an official letter from the United States Department of Veterans Affairs stating the 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

SECTION 28. Property tax exemptions, property assessment increase limitation, and temporary sales tax increase.--The amendments to Sections 3, 4, and 6 of Article VII providing an exemption for nonhomestead residential property, providing an additional homestead exemption, and providing a limitation on assessment increases for nonhomestead real properties, and this section, if submitted to the electors of this state for approval

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or rejection at the general election held in November of 2008,
shall take effect January 1, 2009.

== 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 lines 263-276 and insert:

CONSTITUTIONAL AMENDMENT

ARTICLE VII, SECTIONS 3, 4, AND 6

ARTICLE XII, SECTION 28

PROPERTY TAX EXEMPTIONS; NONHOMESTEAD PROPERTY ASSESSMENT
INCREASE LIMITATION.--Provides exemption for nonhomestead
improved residential property equal to 25 percent of the
property's just value, phased in over 2 years. Provides
additional homestead exemption equal to 25 percent of the
homestead's just value above \$50,000, phased in over 5 years.
Limits annual increases in assessments of real property that is
not homestead property or assessed based on character or use to
5 percent. Assessment benefits in this amendment apply to school
district levies.

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

Remove lines 1-10 and insert:

Resolution of the Taxation and Budget Reform Commission
A resolution proposing amendments to Sections 3, 4, and 6 of
Article VII and the creation of Section 28 of Article XII of the
State Constitution to provide an exemption for nonhomestead
improved residential property, to provide an additional
homestead exemption, to limit annual assessment increases for

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383 nonhomestead real property, and to provide an effective date if
384 such amendments are adopted.