

1 Resolution of the Taxation and Budget Reform Commission  
2 A resolution proposing an amendment to Sections 3 and 4 of  
3 Article VII and the creation of Section 28 of Article XII  
4 of the State Constitution to require the Legislature to  
5 provide by law for an ad valorem tax exemption for real  
6 property dedicated in perpetuity for conservation  
7 purposes, to require land used for conservation purposes  
8 to be classified and assessed solely on the basis of  
9 character or use for the purposes of ad valorem taxation,  
10 and to provide implementation and effective dates.

11  
12 Be It Resolved by the Taxation and Budget Reform Commission:  
13

14 That the following amendment to Sections 3 and 4 of Article  
15 VII and the creation of Section 28 of Article XII of the State  
16 Constitution are agreed to and shall be submitted to the  
17 electors of this state for approval or rejection at the next  
18 general election or at an earlier special election specifically  
19 authorized by law for that purpose:

20 ARTICLE VII

21 FINANCE AND TAXATION

22 SECTION 3. Taxes; exemptions.--

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

29 literary, scientific, religious or charitable purposes may be  
30 exempted by general law from taxation.

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

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

the electors of the county or municipality, and may be renewable by referendum as provided by general law.

(d) By general law and subject to conditions specified therein, there may be granted an ad valorem tax exemption to a renewable energy source device and to real property on which such device is installed and operated, to the value fixed by general law not to exceed the original cost of the device, and 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) There shall be granted an ad valorem tax exemption for real property dedicated in perpetuity for conservation purposes, including real property encumbered by perpetual conservation easements or by other perpetual conservation protections, as defined by general law.

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

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

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

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

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

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

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

111 b. The percent change in the Consumer Price Index for all  
112 urban consumers, U.S. City Average, all items 1967=100, or  
113 successor reports for the preceding calendar year as initially

114 reported by the United States Department of Labor, Bureau of  
115 Labor Statistics.

116 (2) No assessment shall exceed just value.

117 (3) After any change of ownership, as provided by general  
118 law, homestead property shall be assessed at just value as of  
119 January 1 of the following year, unless the provisions of  
120 paragraph (8) apply. Thereafter, the homestead shall be assessed  
121 as provided herein.

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

126 (5) Changes, additions, reductions, or improvements to  
127 homestead property shall be assessed as provided for by general  
128 law; provided, however, after the adjustment for any change,  
129 addition, reduction, or improvement, the property shall be  
130 assessed as provided herein.

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

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

138 (8)a. A person who establishes a new homestead as of  
139 January 1, 2009, or January 1 of any subsequent year and who has  
140 received a homestead exemption pursuant to Section 6 of this  
141 Article as of January 1 of either of the two years immediately  
142 preceding the establishment of the new homestead is entitled to

143 have the new homestead assessed at less than just value. If this  
144 revision is approved in January of 2008, a person who  
145 establishes a new homestead as of January 1, 2008, is entitled  
146 to have the new homestead assessed at less than just value only  
147 if that person received a homestead exemption on January 1,  
148 2007. The assessed value of the newly established homestead  
149 shall be determined as follows:

150 1. If the just value of the new homestead is greater than  
151 or equal to the just value of the prior homestead as of January  
152 1 of the year in which the prior homestead was abandoned, the  
153 assessed value of the new homestead shall be the just value of  
154 the new homestead minus an amount equal to the lesser of  
155 \$500,000 or the difference between the just value and the  
156 assessed value of the prior homestead as of January 1 of the  
157 year in which the prior homestead was abandoned. Thereafter, the  
158 homestead shall be assessed as provided herein.

159 2. If the just value of the new homestead is less than the  
160 just value of the prior homestead as of January 1 of the year in  
161 which the prior homestead was abandoned, the assessed value of  
162 the new homestead shall be equal to the just value of the new  
163 homestead divided by the just value of the prior homestead and  
164 multiplied by the assessed value of the prior homestead.  
165 However, if the difference between the just value of the new  
166 homestead and the assessed value of the new homestead calculated  
167 pursuant to this sub-subparagraph is greater than \$500,000, the  
168 assessed value of the new homestead shall be increased so that  
169 the difference between the just value and the assessed value  
170 equals \$500,000. Thereafter, the homestead shall be assessed as  
171 provided herein.

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

175       (e)~~(d)~~ The legislature may, by general law, for assessment  
176       purposes and subject to the provisions of this subsection, allow  
177       counties and municipalities to authorize by ordinance that  
178       historic property may be assessed solely on the basis of  
179       character or use. Such character or use assessment shall apply  
180       only to the jurisdiction adopting the ordinance. The  
181       requirements for eligible properties must be specified by  
182       general law.

183       (f)~~(e)~~ A county may, in the manner prescribed by general  
184       law, provide for a reduction in the assessed value of homestead  
185       property to the extent of any increase in the assessed value of  
186       that property which results from the construction or  
187       reconstruction of the property for the purpose of providing  
188       living quarters for one or more natural or adoptive grandparents  
189       or parents of the owner of the property or of the owner's spouse  
190       if at least one of the grandparents or parents for whom the  
191       living quarters are provided is 62 years of age or older. Such a  
192       reduction may not exceed the lesser of the following:

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

195       (2) Twenty percent of the total assessed value of the  
196       property as improved.

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

200 to the assessment limitations set forth in subsections (a)  
201 through (d)~~(e)~~ shall change only as provided in this subsection.

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

206 (2) No assessment shall exceed just value.

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

212 (4) Changes, additions, reductions, or improvements to  
213 such property shall be assessed as provided for by general law;  
214 however, after the adjustment for any change, addition,  
215 reduction, or improvement, the property shall be assessed as  
216 provided in this subsection.

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

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

226 (2) No assessment shall exceed just value.

227 (3) The legislature must provide that such property shall  
228 be assessed at just value as of the next assessment date after a



229 qualifying improvement, as defined by general law, is made to  
230 such property. Thereafter, such property shall be assessed as  
231 provided in this subsection.

232 (4) The legislature may provide that such property shall  
233 be assessed at just value as of the next assessment date after a  
234 change of ownership or control, as defined by general law,  
235 including any change of ownership of the legal entity that owns  
236 the property. Thereafter, such property shall be assessed as  
237 provided in this subsection.

238 (5) Changes, additions, reductions, or improvements to  
239 such property shall be assessed as provided for by general law;  
240 however, after the adjustment for any change, addition,  
241 reduction, or improvement, the property shall be assessed as  
242 provided in this subsection.

243 ARTICLE XII

244 SCHEDULE

245 SECTION 28. Property tax exemption and classification and  
246 assessment of land used for conservation purposes. The  
247 amendment to Section 3 of Article VII requiring the creation of  
248 an ad valorem tax exemption for real property dedicated in  
249 perpetuity for conservation purposes, and the amendment to  
250 Section 4 of Article VII requiring land used for conservation  
251 purposes to be classified by general law and assessed solely on  
252 the basis of character or use for purposes of ad valorem  
253 taxation, shall take effect upon approval by the electors and  
254 shall be implemented by January 1, 2010. This section shall take  
255 effect upon approval of the electors.

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

CONSTITUTIONAL AMENDMENT

ARTICLE VII, SECTIONS 3 AND 4

ARTICLE XII, SECTION 28

PROPERTY TAX EXEMPTION OF PERPETUALLY CONSERVED LAND;  
CLASSIFICATION AND ASSESSMENT OF LAND USED FOR CONSERVATION.--  
Requires Legislature to provide a property tax exemption for  
real property encumbered by perpetual conservation easements or  
other perpetual conservation protections, defined by general  
law. Requires Legislature to provide for classification and  
assessment of land used for conservation purposes, and not  
perpetually encumbered, solely on the basis of character or use.  
Subjects assessment benefit to conditions, limitations, and  
reasonable definitions established by general law. Applies to  
property taxes beginning in 2010.