

1 Resolution of the Taxation and Budget Reform Commission
2 A resolution proposing an amendment to Section 4 of
3 Article VII and the creation of a new section in Article
4 XII of the State Constitution to permit homestead property
5 owners to transfer a portion of their Save-Our-Homes
6 benefits to a new homestead.

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8 Be It Resolved by the Taxation and Budget Reform Commission:
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10 That the following amendment to Section 4 of Article VII
11 and the creation of a new section in Article XII of the State
12 Constitution is agreed to and shall be submitted to the electors
13 of this state for approval or rejection at the next general
14 election or at an earlier special election specifically
15 authorized by law for that purpose:

16 ARTICLE VII

17 FINANCE AND TAXATION

18 SECTION 4. Taxation; assessments.—By general law
19 regulations shall be prescribed which shall secure a just
20 valuation of all property for ad valorem taxation, provided:

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

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

29 (c) All persons entitled to a homestead exemption under
30 Section 6 of this Article shall have their homestead assessed at

31 just value as of January 1 of the year following the effective
32 date of this amendment. This assessment shall change only as
33 provided herein.

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

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

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

44 (2) No assessment shall exceed just value.

45 (3) After any change of ownership, as provided by general
46 law, homestead property shall be assessed at just value as of
47 January 1 of the following year, unless the provisions of
48 paragraph (8) apply. Thereafter, the homestead shall be assessed
49 as provided herein.

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

54 (5) Changes, additions, reductions, or improvements to
55 homestead property shall be assessed as provided for by general
56 law; provided, however, after the adjustment for any change,
57 addition, reduction, or improvement, the property shall be
58 assessed as provided herein.

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

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

66 (8)a. A person who establishes a new homestead as of
67 January 1, 2009, or January 1 of any subsequent year and who has
68 received a homestead exemption pursuant to Section 6 of this
69 Article as of January 1 of either of the two years immediately
70 preceding the establishment of the new homestead is entitled to
71 have the new homestead assessed at less than just value. If this
72 revision is approved in January of 2008, a person who
73 establishes a new homestead as of January 1, 2008, is entitled
74 to have the new homestead assessed at less than just value only
75 if that person received a homestead exemption on January 1,
76 2007. The assessed value of the newly established homestead
77 shall be determined as follows:

78 1. If the just value of the new homestead is greater than
79 or equal to the just value of the prior homestead as of January
80 1 of the year in which the prior homestead was abandoned, the
81 assessed value of the new homestead shall be the just value of
82 the new homestead minus an amount equal to the lesser of
83 \$500,000 or the difference between the just value and the
84 assessed value of the prior homestead as of January 1 of the
85 year in which the prior homestead was abandoned. Thereafter, the
86 homestead shall be assessed as provided herein.

87 2. If the just value of the new homestead is less than the
88 just value of the prior homestead as of January 1 of the year in
89 which the prior homestead was abandoned, the assessed value of
90 the new homestead shall be equal to the just value of the new

91 homestead divided by the just value of the prior homestead and
92 multiplied by the assessed value of the prior homestead.
93 However, if the difference between the just value of the new
94 homestead and the assessed value of the new homestead calculated
95 pursuant to this sub-subparagraph is greater than \$500,000, the
96 assessed value of the new homestead shall be increased so that
97 the difference between the just value and the assessed value
98 equals \$500,000. Thereafter, the homestead shall be assessed as
99 provided herein.

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

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

111 (e) A county may, in the manner prescribed by general law,
112 provide for a reduction in the assessed value of homestead
113 property to the extent of any increase in the assessed value of
114 that property which results from the construction or
115 reconstruction of the property for the purpose of providing
116 living quarters for one or more natural or adoptive grandparents
117 or parents of the owner of the property or of the owner's spouse
118 if at least one of the grandparents or parents for whom the
119 living quarters are provided is 62 years of age or older. Such a
120 reduction may not exceed the lesser of the following:

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

123 (2) Twenty percent of the total assessed value of the
 124 property as improved.

125 ARTICLE XII

126 SCHEDULE

127 Effective date for constitutional amendment authorizing the
 128 transfer of Save Our Homes benefits.--This section and the
 129 amendment to Section 4 of Article VII shall take effect on
 130 January 1, 2009.

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

133 CONSTITUTIONAL AMENDMENT

134 ARTICLE VII, SECTION 4

135 ARTICLE XII

136 PORTABILITY OF SAVE-OUR-HOMES BENEFITS.--Under this
 137 proposed amendment, homestead property owners may transfer their
 138 Save-Our-Homes benefit to a new homestead within 1 year and not
 139 more than 2 years after relinquishing their previous homestead.
 140 If the new homestead has a higher just value than the previous
 141 one, the accumulated benefit can be transferred; if the new
 142 homestead has a lower just value, the amount of benefit
 143 transferred will be reduced. The transferred benefit may not
 144 exceed \$500,000.