

1 Resolution of the Taxation and Budget Reform Commission
2 A resolution proposing an amendment to Section 3 of
3 Article VII and the creation of a new section in Article
4 XII of the State Constitution to provide for a property
5 tax exemption on residential property owned by non-
6 resident property owners.

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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 3 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 3. Taxes; exemptions.—

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

27 (b) There shall be exempt from taxation, cumulatively, to
28 every head of a family residing in this state, household goods
29 and personal effects to the value fixed by general law, not less

30 | than one thousand dollars, and to every widow or widower or
31 | person who is blind or totally and permanently disabled,
32 | property to the value fixed by general law not less than five
33 | hundred dollars.

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

56 | (d) By general law and subject to conditions specified
57 | therein, there may be granted an ad valorem tax exemption to a
58 | renewable energy source device and to real property on which

59 such device is installed and operated, to the value fixed by
60 general law not to exceed the original cost of the device, and
61 for the period of time fixed by general law not to exceed ten
62 years.

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

73 (f) For property taxes due in 2009, every non-resident
74 property owner who has legal or equitable title to a residential
75 property in this state may claim a property tax exemption on a
76 single property of \$50,000. The real estate may be held by legal
77 or equitable title, by the entireties, jointly, in common, as a
78 condominium, or indirectly by stock ownership or membership
79 representing the owner's or member's proprietary interest in a
80 corporation owning a fee or a leasehold initially in excess of
81 ninety-eight years. The exemption, however, shall not apply to
82 time-share property.

83 (1) Not more than one exemption shall be allowed any
84 individual or family unit or with respect to any residential
85 unit. No exemption shall exceed the value of the real estate
86 assessable to the owner or, in the case of ownership through
87 stock or membership in a corporation, the value of the

88 proportion which the interest in the corporation bears to the
 89 assessed value of the property.

90 (2) If the property owner is eligible for and claims a
 91 homestead exemption under section 6 of this Article on the
 92 property for 2010, the \$50,000 property tax exemption shall
 93 apply as long as the property owner is eligible for and claims
 94 the homestead exemption.

95 ARTICLE XII

96 SCHEDULE

97 The amendment to section 3 of Article VII authorizing a
 98 \$50,000 property tax exemption for residential properties owned
 99 by non-resident property owners, and this section, shall take
 100 effect upon approval by the electors.

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

103 CONSTITUTIONAL AMENDMENT

104 ARTICLE VII, SECTION 3

105 PROPERTY TAX EXEMPTION FOR NON-RESIDENT RESIDENTIAL
 106 PROPERTY OWNERS.--This proposed amendment to the State
 107 Constitution permits non-resident property owners who own
 108 residential property in this state to claim a \$50,000 tax
 109 exemption on a single property for 2009. The exemption will
 110 apply to the property after 2009 only if the property becomes
 111 the permanent residence of the property owner or a legal
 112 dependent of the owner and the property owner is eligible for
 113 and claims a homestead exemption on the property.