

## Average Taxpayer Reductions (amounts in \$'s)

	2007		2008		2009		2010		2011		5-year totals
Double Homestead Portability	\$ 214	7.6%	\$ 214	7.6%	\$ 214	7.6%	\$ 214	7.6%	\$ 214	7.6%	\$ 855
25% reduction for first time home owners	\$ 831	18.1%	\$ 997	21.7%	\$ 997	21.7%	\$ 997	21.7%	\$ 997	21.7%	\$ 3,823
Homeowner Group: Existing Owner	\$ 492	10.7%	\$ 546	11.9%	\$ 546	11.9%	\$ 546	11.9%	\$ 546	11.9%	\$ 2,130
FL Homeowners that Moved	\$ 214	7.6%	\$ 214	7.6%	\$ 214	7.6%	\$ 214	7.6%	\$ 214	7.6%	\$ 855
First Time Home Buyer	\$ 1,045	22.7%	\$ 1,211	26.4%	\$ 1,211	26.4%	\$ 1,211	26.4%	\$ 1,211	26.4%	\$ 4,678
	\$ 705	15.3%	\$ 760	16.5%	\$ 760	16.5%	\$ 760	16.5%	\$ 760	16.5%	\$ 2,985

## Local Government Reductions (\$ in Billions)

Double Homestead Portability	0.9	5.1%	1.0	5.2%	1.0	4.7%	1.0	4.4%	1.0	4.4%	3.9
25% reduction for first time home owners	0.1	0.5%	0.2	0.9%	0.2	0.9%	0.3	1.3%	0.4	1.6%	0.9
TOTALS	0.1	0.5%	0.2	0.9%	0.2	0.9%	0.3	1.3%	0.3	1.2%	0.8
	1.1	6.1%	1.4	7.0%	1.4	7.3%	1.5	7.3%	1.6	7.1%	5.6

Note: Above Options Exempt School Funding

Exempt the first \$25,000 of businesses' tangible personal property (all taxes)

0.2

0.2

0.2

0.2

0.2

0.2

0.7

## TOTAL TAX RELIEF

6.3

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House Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution to provide an additional circumstance for assessing homestead property at less than just value; to exempt certain amounts of tangible personal property from ad valorem taxation on such property; proposing an amendment to Section 6 of Article VII of the State Constitution to double the homestead exemption for counties, municipalities, water management and independent special district levies; provides an additional homestead exemption for first-time home-owners; proposing the creation of Section 19 of Article VII of the State Constitution relating to local revenue limitation.

Be It Resolved by the Legislature of the State of Florida:

That, effective January 1, 2008, the amendments to Sections 4 and 6 of Article VII and the creation of Section 19 of Article VII of the State Constitution set forth below are agreed to and shall be submitted to the electors of Florida for approval or rejection at a special election in January 2008, specifically authorized by law for that purpose:

ARTICLE VII

Finance & 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:

(a) Agricultural land, land producing high water recharge

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30 to Florida's aquifers, or land used exclusively for noncommercial  
 31 recreational purposes may be classified by general law and assessed  
 32 solely on the basis of character or use.

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

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

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

45 a. Three percent (3%) of the assessment for the prior  
 46 year.

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

52 (2) No assessment shall exceed just value.

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

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

62 (5) Changes, additions, reductions, or improvements to  
 63 homestead property shall be assessed as provided for by general  
 64 law; provided, however, after the adjustment for any change,  
 65 addition, reduction, or improvement, the property shall be  
 66 assessed as provided herein.

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

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

74 (8) PORTABILITY.— When a person sells his or her  
 75 homestead property within this state and within one year

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76 | establishes another property as homestead property, that  
 77 | person shall take the benefit of the cap on assessments in the  
 78 | prior homestead to the newly established homestead  
 79 | property. When buying a new homestead with a higher just  
 80 | value, the new homestead's assessed value shall be equal to  
 81 | the new homestead's just value minus the difference between  
 82 | the old homestead's just value and assessed value on January  
 83 | 1<sup>st</sup> preceding its sale. When buying a new homestead with a  
 84 | lower just value, the new homestead's assessed value shall be  
 85 | equal to the new homestead's just value multiplied by  
 86 | percentage of the old homestead's assessed value to the old  
 87 | homestead's just value on the January 1<sup>st</sup> preceding its sale.  
 88 | Thereafter, the homestead shall be assessed as provided  
 89 | herein. The provisions of this paragraph apply to levies of  
 90 | counties, municipalities, water management districts and  
 91 | independent special districts.

92 |  
 93 | (d) The legislature may, by general law, for assessment  
 94 | purposes and subject to the provisions of this subsection, allow  
 95 | counties and municipalities to authorize by ordinance that  
 96 | historic property may be assessed solely on the basis of  
 97 | character or use. Such character or use assessment shall apply  
 98 | only to the jurisdiction adopting the ordinance. The

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99 requirements for eligible properties must be specified by  
 100 general law.

101 (e) A county may, in the manner prescribed by general  
 102 law, provide for a reduction in the assessed value of homestead  
 103 property to the extent of any increase in the assessed value of  
 104 that property which results from the construction or  
 105 reconstruction of the property for the purpose of providing  
 106 living quarters for one or more natural or adoptive grandparents  
 107 or parents of the owner of the property or of the owner's spouse  
 108 if at least one of the grandparents or parents for whom the  
 109 living quarters are provided is 62 years of age or older. Such a  
 110 reduction may not exceed the lesser of the following:

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

113 (2) Twenty percent of the total assessed value of the  
 114 property as improved.

115 (f) Every person who owns tangible personal property shall be  
 116 exempt from ad valorem taxation on the first twenty-five  
 117 thousands dollars of such property.

118 **SECTION 6. Homestead exemptions.--**

119 (a) Every person who has the legal or equitable title to real  
 120 estate and maintains thereon the permanent residence of the

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121 | owner, or another legally or naturally dependent upon the owner,  
 122 | shall be exempt from taxation thereon, except assessments for  
 123 | special benefits, up to the assessed valuation of five thousand  
 124 | dollars, upon establishment of right thereto in the manner  
 125 | prescribed by law. The real estate may be held by legal or  
 126 | equitable title, by the entireties, jointly, in common, as a  
 127 | condominium, or indirectly by stock ownership or membership  
 128 | representing the owner's or member's proprietary interest in a  
 129 | corporation owning a fee or a leasehold initially in excess of  
 130 | ninety-eight years.

131 | (b) Not more than one exemption shall be allowed any individual  
 132 | or family unit or with respect to any residential unit. No  
 133 | exemption shall exceed the value of the real estate assessable to  
 134 | the owner or, in case of ownership through stock or membership in  
 135 | a corporation, the value of the proportion which the interest in  
 136 | the corporation bears to the assessed value of the property.

137 | (c) By general law and subject to conditions specified therein,  
 138 | the exemption shall be increased to a total of twenty-five  
 139 | thousand dollars of the assessed value of the real estate for  
 140 | each school district levy. By general law and subject to  
 141 | conditions specified therein, the exemption for all other leases  
 142 | may be increased up to an amount not exceeding ten thousand

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143 dollars of the assessed value of the real estate if the owner has  
 144 attained age sixty-five or is totally and permanently disabled  
 145 and if the owner is not entitled to the exemption provided in  
 146 subsection (d).

147 (d) By general law and subject to conditions specified therein,  
 148 the exemption shall be increased to a total of the following  
 149 amounts of assessed value of real estate for each levy other than  
 150 those of school districts: fifteen thousand dollars with respect  
 151 to 1980 assessments; twenty thousand dollars with respect to 1981  
 152 assessments; twenty-five thousand dollars with respect to  
 153 assessments for 1982 and each year thereafter. However, such  
 154 increase shall not apply with respect to any assessment roll  
 155 until such roll is first determined to be in compliance with the  
 156 provisions of section 4 by a state agency designated by general  
 157 law. This subsection shall stand repealed on the effective date  
 158 of any amendment to section 4 which provides for the assessment  
 159 of homestead property at a specified percentage of its just  
 160 value.

161 (e) By general law and subject to conditions specified therein,  
 162 the Legislature may provide to renters, who are permanent  
 163 residents, ad valorem tax relief on all ad valorem tax levies.

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164 Such ad valorem tax relief shall be in the form and amount  
 165 established by general law.

166 (f) The legislature may, by general law, allow counties or  
 167 municipalities, for the purpose of their respective tax levies  
 168 and subject to the provisions of general law, to grant an  
 169 additional homestead tax exemption not exceeding fifty thousand  
 170 dollars to any person who has the legal or equitable title to  
 171 real estate and maintains thereon the permanent residence of the  
 172 owner and who has attained age sixty-five and whose household  
 173 income, as defined by general law, does not exceed twenty  
 174 thousand dollars. The general law must allow counties and  
 175 municipalities to grant this additional exemption, within the  
 176 limits prescribed in this subsection, by ordinance adopted in the  
 177 manner prescribed by general law, and must provide for the  
 178 periodic adjustment of the income limitation prescribed in this  
 179 subsection for changes in the cost of living.

180 (g) Each veteran who is age 65 or older who is partially or  
 181 totally permanently disabled shall receive a discount from the  
 182 amount of the ad valorem tax otherwise owed on homestead property  
 183 the veteran owns and resides in if the disability was combat  
 184 related, the veteran was a resident of this state at the time of  
 185 entering the military service of the United States, and the

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186 | veteran was honorably discharged upon separation from military  
 187 | service. The discount shall be in a percentage equal to the  
 188 | percentage of the veteran's permanent, service-connected  
 189 | disability as determined by the United States Department of  
 190 | Veterans Affairs. To qualify for the discount granted by this  
 191 | subsection, an applicant must submit to the county property  
 192 | appraiser, by March 1, proof of residency at the time of entering  
 193 | military service, an official letter from the United States  
 194 | Department of Veterans Affairs stating the percentage of the  
 195 | veteran's service-connected disability and such evidence that  
 196 | reasonably identifies the disability as combat related, and a  
 197 | copy of the veteran's honorable discharge. If the property  
 198 | appraiser denies the request for a discount, the appraiser must  
 199 | notify the applicant in writing of the reasons for the denial,  
 200 | and the veteran may reapply. The Legislature may, by general law,  
 201 | waive the annual application requirement in subsequent years.  
 202 | This subsection shall take effect December 7, 2006, is self-  
 203 | executing, and does not require implementing legislation.

204 | (h) Counties, municipalities, water management districts and  
 205 | independent special districts, for the purpose of their  
 206 | respective tax levies, shall grant an additional homestead tax  
 207 | exemption of twenty-five thousand dollars to any person who has  
 208 | the legal or equitable title to real estate and maintains thereon

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209: the permanent residence of the owner. The additional exemption in  
 210: this subsection shall be adjusted annually for changes in the  
 211: percent change in the Consumer Price Index for all urban  
 212: consumers, U.S. City Average, all items 1967=100, or successor  
 213: reports for the preceding calendar year as initially reported by  
 214: the United States Department of Labor, Bureau of Labor  
 215: Statistics.

216: (g) As provided by general law, each person who is entitled to a  
 217: homestead exemption as provided in this section and who has never  
 218: previously owned homestead property in this state is entitled to  
 219: an additional homestead exemption equal to twenty-five percent of  
 220: the just value of the homestead on January 1 following the  
 221: property's purchase. This additional exemption shall apply to tax  
 222: levies of counties, municipalities, water management districts  
 223: and independent special districts.

224: Section 1. Proposes the creation of Section 19 of Article VII of  
 225: the State Constitution

227: ARTICLE VII

228: SECTION 19. Local government revenue limitation.--

229: Except as provided herein, local government revenues collected  
 230: for any fiscal year shall be limited to local government revenues  
 231: allowed under this subsection for the prior fiscal year plus an  
 232: adjustment for growth. As used in this subsection, "growth" means  
 233: an amount equal to the percentage change in the Consumer Price

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234 Index for all urban consumers, U.S. City Average, all items 1982-  
 235 84 = 100, or successor reports, for the 12-month period through  
 236 June prior to the beginning of the fiscal year as initially  
 237 reported by the United States Department of Labor, Bureau of  
 238 Labor Statistics plus new construction as defined by general law  
 239 over the most recent twenty quarters times the local government  
 240 revenues allowed under this subsection for the prior fiscal year.  
 241 For the 2008-09 fiscal year, the local government revenues  
 242 allowed under this subsection for the prior fiscal year shall  
 243 equal the local government revenues collected for the 2007-2008  
 244 fiscal year. Local government revenues collected for any fiscal  
 245 year in excess of this limitation shall be transferred to a local  
 246 government budget stabilization fund until the fund reaches ten  
 247 percent, and thereafter shall be refunded to taxpayers as  
 248 provided by ordinance. Local government revenues allowed under  
 249 this subsection for any fiscal year may be increased by up to  
 250 five percent by a two-thirds vote, up to ten percent by a three-  
 251 fourths vote and by over ten percent by a unanimous vote of the  
 252 local government governing body in a separate ordinance that  
 253 contains no other subject and that sets forth the dollar amount  
 254 by which the local government revenues allowed will be increased  
 255 or by approval of the ordinance by referendum. The vote may not  
 256 be taken less than seventy-two hours after the first reading of  
 257 the ordinance and after public hearings. For purposes of this  
 258 subsection, "local government revenues" means taxes, fees,  
 259 licenses, and charges for services imposed by the local  
 260 government governing body on individuals, businesses, or agencies  
 261 outside local government. However, "local government revenues"  
 262 does not include: revenues that are necessary to meet the  
 263 requirements set forth in documents authorizing the issuance of

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264 | bonds by the local government; revenues that are used to provide  
 265 | matching funds for the federal or state programs; balances  
 266 | carried forward from prior fiscal years; or revenue from taxes,  
 267 | licenses, fees, and charges for services required to be imposed  
 268 | by any amendment or revision to this constitution after July 1,  
 269 | 2008. An adjustment to the revenue limitation shall be made to  
 270 | reflect the fiscal impact of transfers of responsibility for the  
 271 | funding of governmental functions between the local government  
 272 | and higher levels of government. The legislature shall, by  
 273 | general law, prescribe procedures necessary to administer this  
 274 | subsection.

275 |  
 276 |  
 277 | BE IT FURTHER RESOLVED that the title and substance of the  
 278 | amendment proposed herein shall appear on the ballot as follows:

279 | Property Tax Reform and Limitation on Local Government Revenue  
 280 | Collections

281 | Proposes amendments to Section 4 of Article VII of the State  
 282 | Constitution to exempt persons owning tangible personal property  
 283 | an ad valorem exemption of up to twenty-five thousand dollars; to  
 284 | provide for assessing at less than just value property purchased  
 285 | within one year after a sale of homestead property and  
 286 | established as new homestead property, equal to the difference  
 287 | between old homestead's just and assessed value, if the new  
 288 | homestead has a higher just value, or otherwise equal to the same  
 289 | percentage of assessed to just value as the old homestead.

290 | Proposes an amendment to Section 6 of Article VII of the State  
 291 | Constitution to double the homestead exemptions for counties,  
 292 | municipalities, water management districts and independent

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293 special district levies; provides for an annual change of the  
 294 additional homestead exemption by the consumer price index;  
 295 provides for a twenty-five percent exemption for owners of  
 296 homestead properties who have never owned a homestead property in  
 297 Florida. Proposes creation of Section 19 of Article VII of the  
 298 State Constitution to limit local government revenue collections  
 299 to the prior year's allowed revenue plus an adjustment for growth  
 300 based on the growth rate of the change in the consumer price  
 301 index and new construction over the preceding five years, with  
 302 excess collections deposited in a budget stabilization fund until  
 303 fully funded and then refunded to taxpayers. Define "local  
 304 government revenues." Allows each local government to increase  
 305 this limit by various super-majority votes. Requires adjustment  
 306 of the limitation to reflect transfers of responsibility for  
 307 funding governmental functions.  
 308