

FINAL PROPERTY TAX RELIEF PACKAGE—SPECIAL SESSION D

Issue	Proposal	Comments
Portability	Provides for statewide portability of Save Our Homes differential. Homeowner can “port” full amount of differential if “upsizing” in value, and pro-rata share based upon market value of new home as percentage of market value of old home if “downsizing”. \$500,000 cap on amount to be ported. Applicable to school taxes.	Federal constitutional right to travel issues still of concern. Largest component of plan. (\$5.627 of \$12.378 billion over 5 years) Retroactive to provide relief to those moving in 2007.
Homestead Exemption	Doubles the exemption from \$25,000 to \$50,000. Apply to third \$25,000 of value (i.e., exempt \$1-25,000; tax \$25,000 to \$50,000; exempt \$50,000 to \$75,000). Not applicable to school taxes. No indexing.	Second largest component of package (\$4.666 billion over 5 years). Applying to third \$25,000 will provide some relief for poorer, rural counties. Doubling homestead exemption provides relief to many high-end homeowners who already enjoy significant SOH savings.
First-Time Homebuyer Relief	None.	Lack of relief to new Florida residents heightens constitutional right to travel issues.
Homestead Assessment Limit	Save Our Homes cap of lesser or 3% or CPI maintained for homestead properties.	

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Non-Homestead Assessment Cap	Limits annual change in assessments on non-homestead <i>real property</i> to 10% annually. Constitutionally-required automatic reset to market value on transfer or sale of property for non-homestead residential properties of 9 units or less; Legislature can determine how reset works for other properties. Implementing bill resets to market value for all properties upon transfer or sale of property. Cap sunsets in 10 years unless voters approve extension.	Cap will limit increases in assessments in single year, and increase predictability of taxes for those who have seen extraordinary increases. Will help limit redistribution of tax burden onto non-homestead property. 10% cap rate higher than historic average increases. Cap not applicable to tangible personal property. Plan first provides relief in 2009-2010 at \$51 million. Five-year total relief is \$1.163 billion.
Tangible Personal Property Exemption	Exempts tangible personal property at \$25,000 per person per county.	Maximum exemption set in constitution is \$25,000. Not indexed.
Property Tax Cap	Statutory caps adopted in prior special session remain in place.	Language was deleted from final draft that would have prohibited local governments from automatically increasing millage rates to offset tax base reductions without an extraordinary vote.
Affordable Housing	None.	

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Working Waterfronts	None.	
Low Income Seniors	None.	
Local Revenue Cap	None.	Was included in Governor's proposal; not in final legislative proposal.
Replacement of Property Taxes	None.	
Special Districts	Tax base reductions apply. Assessment caps apply.	
Fiscally-Constrained Counties	Legislation provides for future appropriation of state funds to offset property tax losses in "fiscally-constrained counties."	
Presumption of Correctness/Burden of Proof	None.	
Elected Property Appraiser	None.	Miami-Dade County is the only county with an appointed property appraiser.

Compiled: October 29, 2007, by Vicki Weber, Hopping Green & Sams PA