An act relating to ad valorem taxation; amending s.193.703 F.S.; providing rules for application and recapturing of taxes for the application of a reduction in assessment for constructed or reconstructed living quarters for parents or grandparents of homesteaded property owners or of their spouses.

Section 1. Section 193.703, Florida Statutes, is amended to read:

193.703 Reduction in assessment for living quarters of parents or grandparents.

(Substantial rewording of section. See s. 193.703, F.S, for present text.)

(1)(a) In accordance with s. 4(e), Art. VII of the State Constitution, the board of county commissioners of any county may adopt an ordinance to provide for a reduction in the assessed value of homestead property equal to any increase in assessed value of the property which results from the construction or reconstruction of the property for the purpose of providing living quarters for one or more natural or adoptive parents or grandparents of the owner of the property or of the owner's spouse if at least one of the parents or grandparents for whom the living quarters are provided is at least 62 years of age. The board of county commissioners shall deliver a copy of any ordinance adopted under this section to the property appraiser no later than December 1 of the year prior to the year the reduction will first take effect. In the event the ordinance is repealed, the board of county commissioners shall notify the property appraiser no later than December 1 of the year prior to the year the reduction expires.

(b) The reduction in assessed value resulting from an ordinance adopted pursuant to this section shall be applicable to the property tax levies of all taxing authorities levying tax within the county. The ordinance adopting such reduction must be adopted under the procedures for adoption of a non-emergency ordinance specified in chapter 125 by a board of county commissioners. At least 30 days prior to the meeting at which the ordinance is adopted, a copy of the ordinance, along with notification of the time and place at which the public meeting to adopt the ordinance is to be held, must be delivered to all other taxing authorities levying tax on property located within the county.

(2) A reduction may be granted pursuant to this section only to the owner of homestead property where the construction or reconstruction is consistent with local land development regulations, including, where applicable, proper application for a building permit.

(3) In order to qualify for the assessment reduction pursuant to this section, property must meet the following requirements:

(a) The construction or reconstruction for which the assessment reduction is granted must have been substantially completed after the January 1 immediately prior to the January 1 on which the assessment reduction for that property will first be applied.

(b) The property to which the assessment reduction applies must qualify for a homestead exemption at the time the construction or reconstruction is substantially complete and each year thereafter.

(c) The qualified parent or grandparent must permanently reside on the property on January 1 of the year the assessment reduction first applies and each year thereafter.

(d) The construction or reconstruction must have been substantially completed after the effective date of the ordinance providing the reduction adopted pursuant to this section.

(4) The term "qualified parent or grandparent" means the parent or grandparent permanently residing in the living quarters constructed or reconstructed on property qualifying for assessment reduction pursuant to this section on January 1 of the year immediately following the substantial completion of the construction or reconstruction and each year thereafter. Such parent or grandparent must be the natural or adoptive parent or grandparent of the owner, or the owner's spouse, of the homestead property on which the construction or reconstruction occurred. Permanent residency of the parent or grandparent shall have the same meaning as for qualifying for the homestead exemption pursuant to s. 196.031. Such parent or grandparent cannot qualify as a permanent resident for purposes of being granted a homestead exemption on any other property, whether in Florida or in another state. At least one qualifying parent or grandparent must be at least 62 years of age. In determining that the parent or grandparent is the natural or adoptive parent or grandparent of the owner or the owner's spouse and that the age requirements are met, the property appraiser shall rely on a sworn affidavit by the property owner and such other information as the property appraiser determines is relevant.

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(5) Construction or reconstruction qualifying as providing living quarters pursuant to this section is limited to additions and renovations made for the purpose of allowing qualified parents or grandparents to permanently reside on the property. Such additions or renovations may include the construction of a separate building on the same parcel or may be an addition to or renovation of the existing structure. Construction or reconstruction shall be considered as being for the purpose of providing living quarters for parents or grandparents if it is directly related to providing the amenities necessary for the parent or grandparent to reside on the same property with their child or grandchild. In making this determination, the property appraiser shall rely on a sworn affidavit by the property owner and such other information as the property appraiser determines is relevant.

(6) On the first January 1 after the construction or reconstruction qualifying as providing living quarters pursuant to this section is substantially complete, the property appraiser shall determine the increase in the just value of the property due to such construction or reconstruction. For that year and each year thereafter in which the property qualifies for the assessment reduction pursuant to this section, assessed value calculated pursuant to s. 193.155 shall be reduced by the amount so determined. In no year may the assessment reduction exceed twenty percent of the assessed value of the property or twenty percent of the proportionate assessed value of all owners who reside on the property where ownership is not held as an estate by the entireties or jointly with right of survivorship. If in any year the reduction as calculated pursuant to this subsection exceeds twenty percent of assessed value, the reduction shall be reduced to equal twenty percent.

(7) Further construction or reconstruction to the same property meeting the requirements of subsection (5) for the qualified parent or grandparent permanently residing on the property may also receive an assessment reduction pursuant to this section. Construction or reconstruction meeting the requirements of this section for another qualified parent or grandparent of the owner or the owner's spouse may also receive an assessment reduction. The assessment reduction for such construction or reconstruction shall be calculated pursuant to this section for the first January 1 after such construction or reconstruction is substantially complete. However, in no year may the total of all applicable assessment reductions pursuant to this section exceed twenty percent of the assessed value of the property.

(8) The assessment reduction pursuant to this section shall apply only while the qualified parent or grandparent for whom living quarters were constructed or reconstructed continue to permanently reside on the property and all other requirements of this section are met. The provisions of subsections (1), (5), (6), (7), and (8) of s. 196.011 governing applications for exemption are applicable to the granting of an assessment reduction pursuant to this section. The application form prescribed by the Department shall include the names, ages, and signatures of the qualifying parents or grandparents, the natural or adoptive relationship to the property owner or the property owner's spouse, a description of the construction or reconstruction qualifying as providing living quarters pursuant to this secion, and such other information as the Department considers necessary for the effective administration of the assessment reduction. Applications for the assessment reduction must also include the social security numbers of the parents or grandparents for whom the living quarters were constructed or reconstructed, and this information must be submitted to the Department. The property owner must renew the assessment reduction annually.

(9) Upon determination by the property appraiser that for any year or years within the prior 10 years an owner who was not entitled to a reduction in assessment by this section was granted a reduction, it shall be the duty of the property appraiser making such determination to serve upon the owner a notice of intent to record in the public records of the county a notice of tax lien against the property among the public records of that county, and the property shall be subject to the payment of all taxes not paid as a result of a reduction under this of section, plus a penalty of 50 percent of the unpaid taxes for each year and 15 percent interest per annum. However, if a reduction in assessment is improperly granted as a result of a clerical mistake or an omission by the property appraiser, the person improperly receiving the reduction shall not be assessed penalty and interest. Before any such lien may be filed, the owner so notified must be given 30 days to pay the taxes, penalties, and interest. Such lien is subject to the procedures and provisions set forth in s. 196.161(3).

Section 2. This act shall take effect upon becoming a law.

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