

AD VALOREM PROPERTY TAXES: EXEMPTIONS AND APPEALS

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A. Homestead Tax Exemptions.

1. Constitutional and Statutory Provisions.

(a) Florida Constitution Article VII, section 6.

Section 6. Homestead exemptions.

(a) Every person who has the legal or equitable title to real estate and maintains thereon the permanent residence of the owner, or another legally or naturally dependent upon the owner, shall be exempt from taxation thereon, except assessments for special benefits, up to the assessed valuation of twenty-five thousand dollars and, for all levies other than school district levies, on the assessed valuation greater than fifty thousand dollars and up to seventy-five thousand dollars, upon establishment of right thereto in the manner prescribed by law. The real estate may be held by legal or equitable title, by the entireties, jointly, in common, as a condominium, or indirectly by stock ownership or membership representing the owner's or member's proprietary interest in a corporation owning a fee or a leasehold initially in excess of ninety-eight years. The exemption shall not apply with respect to any assessment roll until such roll is first determined to be in compliance with the provisions of section 4 by a state agency designated by general law. This exemption is repealed on the effective date of any amendment to this Article which provides for the assessment of homestead property at less than just value.

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

(c) By general law and subject to conditions specified therein, the Legislature may provide to renters, who are permanent residents, ad valorem tax relief on all ad valorem tax levies. Such ad valorem tax relief shall be in the form and amount established by general law.

(b) Section 196.031, Florida Statutes.

196.031 Exemption of homesteads.

(1)(a) Every person who, on January 1, has the legal title or beneficial title in equity to real property in this state and who resides thereon and in good faith makes the same his or her

permanent residence, or the permanent residence of another or others legally or naturally dependent upon such person, is entitled to an exemption from all taxation, except for assessments for special benefits, up to the assessed valuation of \$25,000 on the residence and contiguous real property, as defined in s. 6, Art. VII of the State Constitution. Such title may be held by the entireties, jointly, or in common with others, and the exemption may be apportioned among such of the owners as shall reside thereon, as their respective interests shall appear. If only one of the owners of an estate held by the entireties or held jointly with the right of survivorship resides on the property, that owner is allowed an exemption of up to the assessed valuation of \$25,000 on the residence and contiguous real property. However, no such exemption of more than \$25,000 is allowed to any one person or on any one dwelling house, except that an exemption up to the assessed valuation of \$25,000 may be allowed on each apartment or mobile home occupied by a tenant-stockholder or member of a cooperative corporation and on each condominium parcel occupied by its owner. Except for owners of an estate held by the entireties or held jointly with the right of survivorship, the amount of the exemption may not exceed the proportionate assessed valuation of all owners who reside on the property. Before such exemption may be granted, the deed or instrument shall be recorded in the official records of the county in which the property is located. The property appraiser may request the applicant to provide additional ownership documents to establish title.

(b) Every person who qualifies to receive the exemption provided in paragraph (a) is entitled to an additional exemption of up to \$25,000 on the assessed valuation greater than \$50,000 for all levies other than school district levies.

2. Requirements for Homestead Exemption.

(a) Person Holding Title to Real Estate. There must be a person who has legal or equitable title to real estate.

(1) Legal Title. Legal title can be held individually, jointly, by the entireties or in common. For example, real property assessed to five tenants in common may be eligible for homestead exemption if one of the tenants maintains her or his permanent residence thereon. Op. Atty. Gen. 071-38 (March 11, 1971). Legal estates can be limited in time. For example, a life estate would qualify as legal title for purposes of homestead. Section 196.041(1)(a), Florida Statutes.

(2) Trusts. Legal title to trust property is vested in the trustee of the trust. In order for the beneficiary of a trust to receive a homestead exemption (assuming they are otherwise qualified), they must be granted “equitable title,” as that term is defined and construed for homestead tax exemption purposes.

(i) Revocable and Irrevocable Trusts. Inter vivos revocable trusts are commonly used as an estate planning tool to, among other things, avoid probate. If the trust instrument under a revocable or irrevocable trust grants the beneficiary a beneficial interest for life, the beneficiary is considered to have equitable title to the real estate pursuant to section 196.041(2), Florida Statutes. Provided such beneficiary is a permanent resident of the property and otherwise qualifies under section 196.031, then she or he is entitled to the homestead tax exemption. Op. Atty. Gen., 90-70 (August 22, 1990). Note that the trust or an ancillary document must grant the beneficiary a beneficial interest in the property for life for the exemption to be available.

(ii) Qualified Personal Residence Trusts. Qualified personal residence trusts ("QPRTs") are an effective estate planning tool designed to reduce the size of an individual's taxable estate for federal estate tax purposes. They allow the owner of a residence to continue to enjoy its use and occupancy for a stated term while providing for ultimate ownership by the individual's children or other persons.

A QPRT is an irrevocable trust established by the owner of a residence by transferring title to her or his residence to the trust. The trust terms provide that the prior owner/settlor (the "Settlor") will continue to have the right to use and occupy the residence for a term of years. Once the given term has passed, the trust provides that ownership of the personal residence will pass to remainder beneficiaries. If the Settlor wishes to continue residency after expiration of the term stated in the trust agreement, a fair market rent must be paid by the Settlor to the new owners of the property, the remainder beneficiaries.

In *Robbins v. Welbaum*, 664 So.2d 1(Fla. 3d CDA 1995), the Third District Court of Appeal considered a property appraiser's appeal from a summary judgment allowing the Welbaums to claim a homestead exemption on their residence that was held in a QPRT. The Welbaums had executed a QPRT transferring their residence to an

irrevocable inter vivos trust and had relinquished "absolutely and forever all of his or her possession or enjoyment of or right to the principal and income from the trust estate." The Welbaums had a present possessory right to live on the residential property until the earlier of either ten years from the creation of the trust or the death of one of the spouses and had filed for a homestead exemption.

The property appraiser denied the application because the Welbaums did not hold a life estate in the property. The property appraiser contended they did not qualify for homestead exemption because their use of the residence was limited by the QPRT to ten years. The Court determined that the Welbaums held beneficial title to their residence for homestead purposes and, because they had in good faith made it their permanent residence, they were entitled to homestead exemption. The Court dismissed the argument of the property appraiser that "there should be a minimum time period during which a claimant must hold an interest in property before being deemed to hold beneficial title to the property for homestead exemption purposes." The Court addressed the property appraiser's argument by stating that "[n]either the statute nor the constitution places such a time limit on beneficial title, and we decline to do so as well."

(iii) Land Trusts. Florida's Land Trust Act provides that the trustee of a Florida land trust holds both legal and equitable title to the trust property. Therefore, a trustee of a Florida land trust which owns real property is entitled to claim a homestead exemption on the real property if the trustee satisfies the residency and other requirements of section 196.131, Op. Atty. Gen., 2008-44 (August 29, 2008).

The Attorney General's office has issued an opinion that the beneficiary of a land trust (notwithstanding the fact that Florida's Land Trust Act defines a land trust beneficiary's interest in trust property to be personal property) also has a sufficient equitable interest to support a homestead tax exemption if the beneficiary's possessory right in the real property is based on an instrument granting to her or him a beneficial interest for life. *Ibid*. Note that land trusts are often utilized for the purpose of keeping the identity of the beneficiaries confidential. In order to file for and obtain a homestead exemption, the identities of the beneficiaries would need to be revealed.

(iv) Dry or Passive Trusts. Where the trust in question is a passive rather than active trust and the trust beneficiary has a present possessory interest in the real estate and makes it her or his permanent residence, there can be sufficient equitable title to claim a homestead exemption. Op. Atty. Gen., 072-12 (January 11, 1972).

(3) Contracts for Deed. Section 196.041(1)(a), Florida Statutes, extends the definition of “legal or equitable title” for homestead exemption purposes to include vendees in possession under bona fide recorded contracts for deed.

(4) Leases. Section 196.041(1)(a) also extends the definition of “legal or equitable title” for homestead exemption purposes to include leases of more than 98 years. In *Higgs v. Warrick*, 994 So.2d 492 (Fla. 3rd DCA 2008), the homeowner transferred his home into a trust but continued to reside in the home and retained a 99 year lease. The court confirmed that the homeowner was entitled to a homestead exemption.

(5) Entities Not Entitled to Exemption. If title is held by a limited liability company or corporation, even if simply for tax purposes, it will not qualify for homestead exemption. Op. Atty. Gen., 2007-18 (March 27, 2007). The homestead exemption is available, however, to the holder of the life estate even if the fee title is held by an entity that would not qualify for a homestead exemption (such as a limited liability company). Op. Atty. Gen. 2005-52 (September 22, 2005).

(b) Qualifying Real Estate. Real estate which qualifies for a homestead exemption includes cooperative apartments, mobile homes and condominiums. Section 196.031(1)(a), Florida Statutes.

(c) Permanent Residence. The person must maintain thereon the permanent residence of the owner, or another person who is legally or naturally dependent on the owner.

(1) Domicile Determination. The determination of domicile or permanent residency is a factual determination concerning the intent of the owner. Section 196.015, Florida Statutes, lists various factors the property appraiser may consider:

- (i) A formal declaration of domicile by the applicant recorded in the public records of the county in which the exemption is being sought.
- (ii) Evidence of the location where the applicant’s

dependent children are registered for school.

- (iii) The place of employment of the applicant.
- (iv) The previous permanent residency of the applicant in a state other than Florida or in another country, and the date non-Florida residency was terminated.
- (v) Proof of voter registration in Florida with the voter information card address of the applicant, or other official correspondence from the supervisor of elections providing proof of voter registration, matching the address of the physical location where the exemption is being sought.
- (vi) A valid Florida driver's license or Florida identification card being issued and evidence of relinquishment of driver's licenses from any other states.
- (vii) Issuance of a Florida license tag on any motor vehicle owned by the applicant.
- (viii) The address as listed on federal income tax returns filed by the applicant.
- (ix) The location where the applicant's bank statements and checking accounts are registered.
- (x) Proof of payment for utilities at the property for which permanent residency is being claimed.

(2) Permanent Residence and Citizenship. Florida courts have held that in order to have the intent to be a permanent resident, a person must either be a US citizen or have permanent residence status. In *Lisboa v. Dade County*, 705 So.2d 704 (Fla 3rd DCA 1998), the court held that an applicant for political asylum whose application was pending as of the relevant taxing date was a "permanent resident" for purposes of homestead exemption. But a person otherwise in the country under a temporary visa would not qualify. 1953-54 Op. Atty. Gen. 317. In *Saiz de la Mora vs. Andonie*, 51 So.3rd 517 (Fla. 3rd DCA 2010), Honduran citizens residing in the United States pursuant to temporary visas who owned and occupied a condominium unit in Key Biscayne, Florida with their three minor children, all of whom were United States citizens, were found to be entitled to a homestead tax exemption on the basis that the property was the permanent residence of the

children who were naturally dependent upon the parents.

(d) Application Filed. A homestead application (Florida Department of Revenue Form DR-501) must be submitted to the appropriate Property Appraiser's office on or before March 1st of the year for which the exemption is sought (unless that date falls on a weekend or legal holiday, in which event the deadline is extended to the next business day). Failure to file an application by March 1st constitutes a waiver of the exemption privilege for that year. If an application is filed after March 1st and the petitioner demonstrates extenuating circumstances for the tardy application, the Property Appraiser may go ahead and grant the exemption.

If a property appraiser denies a taxpayer's application for homestead exemption, the notice must be sent out no later than July 1st, and it must be either hand-delivered or sent by registered mail to the post office address given by the applicant. Section 196.193(5)(b), Florida Statutes, requires notices of denial of exemptions to specifically state the legal and factual basis for the property appraiser's decision, and to be drafted so that a reasonable person could understand the specific facts about the applicant or their use of the property which caused the denial. The most common manner to appeal the denial of a homestead exemption is by filing a petition to the county value adjustment board (the "VAB"). In larger counties such as Brevard, the petition will be heard before a special magistrate, whose recommendation will be either approved or rejected by the full VAB. Taxpayers who do not prevail before the VAB on their claim for a homestead exemption may take a further appeal to the circuit court, but that appeal must be filed within 15 days of the VAB decision. Taxpayers also have the option of taking their dispute directly to circuit court, without going before the VAB. Section 194.171, Florida Statutes. A circuit court action to challenge the denial of a homestead exemption must be filed within 60 days of the certification of the tax roll by the property appraiser. Also, in order to file a circuit court action, the taxpayer must pay the taxes in full, or at least pay the amount they admit, in good faith, to be owing.

(e) Exemption Continues Until Change of Ownership or Abandonment.

(1) Automatic Renewal. Once homestead exemption is established it is automatically renewed each year, until there is a change of ownership or the homestead is otherwise abandoned (by, for example, renting it). Florida law requires the property owner to inform the appropriate Property Appraiser's office of any change in residency, use of the property or marital status that would affect the qualification of the homestead exemption.

(2) Abandonment and Rental. Section 196.061 provides that the rental of an entire dwelling constitutes an abandonment of the residence as homestead until the owner physically occupies it again. In *Haddock v. Carmody*, 1 So.3rd 1133 (Fla. 1st DCA 2009), the court held that the taxpayer had abandoned the homestead, and that denial of the exemption was proper, where the taxpayers rented their entire dwelling except for two locked closets. The court found these constituted a de minimis amount of space within the building.

3. Exemption Amount.

(a) First \$25,000.00. The initial \$25,000.00 in valuation is exempt from all taxation except for special benefit assessments.

(b) Second \$25,000.00. An additional exemption of \$25,000.00 applies to valuation between \$50,000.00 and \$75,000.00. This exemption applies to all tax levies except for school district levies.

4. Limitations on Exemption.

(a) One Per Individual. Only one exemption is allowed to any individual. You cannot have two homesteads. Section 196.131(5), Florida Statutes, further provides that a person receiving an ad valorem tax exemption or credit in another state, for which permanent residency is a requirement, is not entitled to a Florida homestead exemption.

(b) One Per Family Unit. Only one exemption is allowed to any family unit. The court in *Wells v. Haldeos*, 48 So.3rd 85 (Fla. 2nd DCA), held that a husband and wife who were permanently separated could constitute two separate “family units” for homestead exemption purposes, provided they established separate residences in good faith and did not provide income or support to each other. Contrast this to the situation where a couple, who resided in one home for which they received a homestead exemption, sought a homestead exemption for a separate adjacent residence occupied by their 19 year old son who they claimed was “naturally dependant” on them. The Attorney General’s office determined they were not qualified for an exemption for their son’s residence, largely on the basis that they (including their son) were one family unit and therefore not entitled to two exemptions. Op. Atty. Gen. 2008-13 (April 1, 2008).

(c) Owner Occupied Residence. A homestead exemption is only applicable to owner occupied residential parcels. Where only a portion of a parcel is owner occupied, the exemption is allocated only to the owner occupied portion. Thus, in *Karayianakis v. Nikolits*, 23 So.3d 844 (Fla. 4th DCA 2009), the court approved the apportionment of the homestead

exemption between the single apartment building unit within which the taxpayer resided and the remaining four units which were rented to third parties.

5. Additional Exemptions.

(a) Section 196.075. This statute authorizes a county or municipality to enact for an additional homestead exemption of up to \$50,000.00 for homeowners 65 years of age and older whose household income does not exceed approximately \$25,000.00.

(b) Section 196.081.

(1) This statute provides a total exemption for veterans who were honorably discharged with a service-connected total and permanent disability. After the veteran's death, the spouse retains the exemption until he or she remarries or otherwise disposes of the property. The exemption for the spouse is portable.

(2) This statute also grants a total exemption to surviving spouses of service members who die from service-connected causes while on active duty. The spouse retains the exemption until he or she remarries or otherwise disposes of the property. The exemption for the spouse is portable.

(c) Section 196.082. This statute provides a discount on ad valorem tax on homestead property for partially or totally disabled veterans 65 years of age and older. The statute currently requires that (i) the disability was combat related, (ii) the veteran was a resident of the state at the time she or he entered into the service, and (iii) the veteran was honorably discharged. The discount is equal to the percentage of service-related disability.

(d) Section 196.091. This statute provides a total exemption for the homestead of an honorably discharged ex-service member with a service-connected total disability who (i) is receiving or has received assistance due to disability requiring specially adapted housing, and (ii) is required to use a wheelchair for her or his transportation.

(e) Section 196.101. This statute provides for a total exemption for quadriplegics. It also provides a total exemption for persons who are paraplegic, hemiplegic or otherwise "totally and permanently disabled," and who either must use a wheelchair for mobility or are legally blind.

(f) Section 196.173. This is the newest additional homestead exemption, adopted in 2011. Section 196.173 provides an additional homestead exemption for service members deployed outside the United

States. The amount of the exemption is equal to the taxable value of the home multiplied by a fraction, the numerator of which is the number of days which the service member was deployed and the denominator of which is the number of days in the applicable year.

6. Constitutional Homestead Exemption Initiatives for 2012.

(a) Amendment 2. This initiative amends article VII, section 6 and article XII, section 32 of the state constitution. The amendment expands the availability of the property discount on the homesteads of veterans who became disabled as the result of a combat injury to include those who were not Florida residents when they entered the military.

(b) Amendment 4. This initiative provides for, among other things, an additional homestead exemption for first time home buyers. The exemption applies to all taxes except school taxes. The additional exemption is fifty percent (50%) of the homestead property's just value on January 1 of the year homestead is established (not to exceed the median just value of all homes within the county for the prior year). The new exemption applies for five years and is reduced each year by twenty percent (20%).

(c) Amendment 9. This initiative amendment authorizes the state legislature to provide by general law ad valorem homestead property tax relief to the surviving spouse of a military veteran who died from service-connected causes while on active duty or to the surviving spouse of a first responder (defined as a law enforcement officer, a correctional officer, a firefighter, an emergency medical technician, or a paramedic) who died in the line of duty. The amendment authorizes the Legislature to totally exempt or partially exempt such surviving spouse's homestead property from ad valorem taxation.

B. Limitation on Homestead Assessment Increases (Save Our Homes). Perhaps the most important benefit from obtaining a homestead tax exemption for a taxpayer is qualifying for the assessment limitation provided by section 193.155, Florida Statutes, known as the "Save Our Homes" cap.

1. Background. The "Save Our Homes Amendment" to Florida's Constitution was approved by Florida voters in 1992 and became effective as of January 1, 1995. This amendment limits any annual assessment increases on Florida homestead properties to the lesser of 3% or the increase in the consumer price index. The constitutionality of the amendment was challenged in several lawsuits. The court in *Laming v. Pilcher*, 16 So.3rd 294 (Fla. 1st DCA 2009), affirmed the trial court's order finding that the Article VII, Section 4(c) of the Florida Constitution did not violate the plaintiffs' rights under the equal protection clause, the privileges and immunities clause or the commerce clause of the United

States Constitution. The plaintiffs argued that the amendment discriminated against nonresidents. The court held that the tax benefit was based upon the manner in which the property was used, and not on the status of the landowner as a resident or non-resident. The court noted that federal constitutional challenges had all been rejected in previous similar cases, including *Nordlinger v. Hahn*, 505 U.S. 1 (1992), in which the U.S. Supreme Court upheld California's constitutional amendment limiting property tax increases to 2% per year.

2. Homestead Assessment Limitation. Any change resulting from the annual reassessment of homestead property, effective January 1 of each year, shall not exceed the lesser of the following:

(a) Three percent (3%) of the assessed value of the property for the prior year; or

(b) The percentage change in the Consumer Price Index for All Urban Consumers, U.S. City Average, all items 1967=100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics.

3. Qualification for Assessment Limitation Benefit.

(a) Only property qualifying for a homestead exemption is eligible for the assessment limitation. Section 193.155(6), Florida Statutes. Leasehold property that qualifies for homestead exemption qualifies for the assessment limitation. Section 193.155(3)(b), Florida Statutes.

(b) The limitation benefit is only available after a homestead exemption has been granted and approved for the base line year. *Zingule v. Powell*, 855 So.2d 277 (Fla. 2004).

4. Change in Ownership. The annual limitation on an increase in valuation continues each year until there is a change in ownership. When a change in ownership occurs, the property is reassessed at its full just value effective January 1 of the year following the transfer.

A change in ownership is broadly defined as any sale, foreclosure or the transfer of legal or beneficial title to any person. Section 193.155(3)(a), Florida Statutes. The following are exceptions and do not constitute a "change in ownership" under section 193.155:

(a) Subsequent to the change or transfer, the same person is entitled to the homestead exemption as was previously and (i) the transfer of title was to correct an error, or (ii) the transfer is between legal and equitable title, or between equitable and equitable title, and no additional person applies for homestead with respect to the property, or (iii) the transfer is by means of an instrument in which the owner is listed as both the "grantor" and

“grantee” and one or more additional persons are named as a grantee (provided none of the additional persons named as a grantee applies for homestead);

(b) Legal or equitable title is transferred between a husband and wife, including a transfer to a surviving spouse or due to a dissolution of marriage;

(c) The transfer occurs by operation of law as to the surviving spouse or minor children under the homestead descent requirements of section 732.401, Florida Statutes; or

(d) Upon the death of the owner, the transfer is between the owner and another who is a permanent resident of the property and is legally or naturally dependent on the owner.

5. Caution on Homestead Transfers. Transfers of title to homestead property should be undertaken with caution where no sale is occurring to avoid inadvertently eliminating the homestead assessment limitation. Unless one of the above exceptions applies, any transfer of title will cause the property to be reassessed the following year at the full just value. The following are examples of how reassessment can inadvertently be triggered:

(a) If one of two joint owners is removed from the ownership of homestead property, the entire property must be reassessed at its just value as of January 1 of the following year, unless (i) the removal results from a transfer between husband and wife, or (ii) it is a transfer upon the death of an owner to a dependant permanent resident of the property. Op. Atty Gen. 2002-28 (April 16, 2002).

(b) When a sole owner of homestead property adds a co-owner in a transaction which does not meet one of the statutory exceptions, the assessed value should be returned to the full just value on January 1 of the following year. Op. Atty. Gen. 2001-31 (April 26, 2001).

(c) The transfer of property from a revocable trust to a taxpayer upon the settlor’s death constitutes a change of ownership which requires that the assessed valuation return to the full just value of the property. *Vega v. Robbins*, 2006 WL 779734 (unreported 2006).

(d) Upon the end of a Settlor’s reserved term under a QPRT, when beneficial and/or legal title to the trust property vests in the beneficiaries.

Avoiding the inadvertent loss of homestead exemption and Save Our Homes cap protection requires careful planning. In the case of QPRTs, the solution is the use of a lease between the Settlor and the beneficiaries of the QPRT for a term of 98

years or more. As noted above, a 98 year or longer lease provides equitable title allowing the leaseholder to qualify for a homestead exemption. Since the lease is a transfer “between equitable and equitable title” and the same person is entitled to the homestead exemption, the lease also does not constitute a change of ownership that causes the property to be reassessed at its full just value.

6. Effect of Modifications, Additions and Improvements to Homestead Property. The general rule is that modifications, additions or improvements to homestead property shall be assessed at just value as of the first January 1 after the changes, additions or improvements are substantially completed. Section 193.155(4)(a), Florida Statutes.

Modifications, additions or improvements which can cause an increased assessment include improvements made to common areas, or other improvements made to property other than to the homestead property, by the owner or by an owner association which directly benefit the homestead property. Such changes, additions or improvements are assessed at just value, and the just value is to be apportioned among the parcels benefiting from the improvement. Section 193.155(4)(c), Florida Statutes.

(a) Force Majeure Exceptions. The following exceptions to the foregoing general rule are applicable to changes which are commenced within three (3) years after the January 1 following the damage or destruction of the homestead.

(1) Changes, additions or improvements that replace all or a portion of homestead property damaged or destroyed by misfortune or calamity shall not increase the homestead property’s assessed value (i) when the square footage of the homestead property as changed or improved does not exceed 110 percent of the square footage of the homestead property before the damage or destruction, or (ii) if the total square footage of the homestead property as changed or improved does not exceed 1,500 square feet. Changes, additions or improvements that do not cause the total to exceed 110 percent of the total square footage of the homestead property before the damage or destruction or that do not cause the total to exceed 1,500 total square feet shall be reassessed subject to the lesser of three percent (3%) and CPI change cap. Section 193.155(4)(b), Florida Statutes.

(2) Homestead property damaged or destroyed by misfortune or calamity which, after being changed or improved, has a square footage of less than 100 percent of the homestead property’s total square footage before the damage or destruction shall be assessed with a reduction based on the assessed value attributable to the portion which is not reconstructed. Likewise, when property is

destroyed or removed and not replaced, the assessed value of the parcel shall be reduced by the assessed value attributable to the destroyed or removed property.

(b) Non-Homestead. The force majeure exceptions provided for in section 193.155(4)(b) are also available to non-homestead property if the owner of such property:

- (1) Was permanently residing on such property when the damage or destruction occurred;
- (2) Was not entitled to receive homestead exemption on such property as of January 1 of that year; and
- (3) Applies for and receives homestead exemption on such property the following year.

7. Non-Homestead 10% Cap. Taxpayers should remember that a 2008 amendment to the state constitution provides for a 10% cap on annual assessment increases for most non-homestead, commercial property.

C. Portability. In 2008, Florida voters approved Amendment 1, which allows Florida residents who owned property qualifying as homestead property for tax purposes in 2007 or later to transfer the benefit of their "Save Our Homes" homestead assessment cap (or a portion thereof) to subsequently acquired Florida homestead property. The portability benefit can be used an unlimited number of times and can be transferred from county to county within the state. The maximum portability benefit is \$500,000.00.

1. Qualification.

(a) Application Filed. In order to qualify for portability benefits, the taxpayer must timely file an application on Florida Department of Revenue Form DR-501T. This form is in addition to the regular homestead application form.

(b) Homestead Received in Prior Two Years. The person must have received a homestead exemption for the prior home as of January 1 of either of the two immediately preceding years. Thus, if you purchase a new homestead you must apply for portability within the required two years or lose your right to the benefit. Section 193.155(8), Florida Statutes.

2. Portable Benefit Amount. The portability benefit allows taxpayers to transfer their entire assessment savings (up to a maximum of \$500,000) to their new residence if "upsizing" and a pro-rated portion of their assessment savings (not exceeding \$500,000) to a "downsized" new residence.

(a) Upsizing. If the just value of the new homestead as of January 1 is greater than or equal to the just value of the immediate prior homestead as of January 1 of the year in which the immediate prior homestead was abandoned, the assessed value of the new homestead is equal to the just value of the new homestead minus an amount equal to the difference between the just value and the assessed value of the immediate prior homestead as of January 1 of the year in which the prior homestead was abandoned (up to a maximum of \$500,000). Section 193.155(8)(a), Florida Statutes.

For example, if the just value of the new homestead is \$600,000 and the just value of the prior homestead was \$500,000 with an assessed value of \$200,000, (i) the portability benefit applicable to the new homestead is $\$500,000 - \$200,000 = \$300,000$ (which is less than the \$500,000 maximum), and (ii) as a result the assessed value of the new home would be \$300,000 (\$600,000 less the \$300,000 portability benefit).

(b) Downsizing. If the just value of the new homestead as of January 1 is less than the just value of the immediate prior homestead as of January 1 of the year in which the immediate prior homestead was abandoned, the assessed value of the new homestead is equal to the just value of the new homestead divided by the just value of the immediate prior homestead and multiplied by the assessed value of the immediate prior homestead. However, if the difference between the just value of the new homestead and the assessed value of the new homestead is greater than \$500,000, the assessed value of the new homestead will be increased so that the difference between the just value and the assessed value equals \$500,000. Section 193.155(8)(b), Florida Statutes.

For example, if the just value of the new homestead is \$500,000 and the just value of the prior homestead was \$600,000 with an assessed value of \$200,000, the assessed value of the new homestead is \$500,000 divided by \$600,000, equals 83.33%, multiplied by \$200,000 equals \$166,667.00. Since the portability benefit is less than \$500,000, no further adjustment is needed.

(c) Benefit Apportioned to Joint Owners. If two persons receive a homestead exemption for the prior home, unless they both join in acquiring the new home, they are each entitled to their proportionate interest in the portability benefit. Section 193.155(8)(d), Florida Statutes.

For example, assume A and B own Blackacre on a 50%/50% basis and receive a homestead exemption on it. Also assume A and B sell Blackacre when it has a \$400,000 portability benefit (that is, there is a \$400,000 difference between the just value of Blackacre and the assessed value of Blackacre due to the homestead assessment cap limitation). If upon the

sale A and B go their separate ways, each purchasing separate new homestead properties, each of them will take 50% of the portability benefit (\$200,000 if they upsize) with her or him to their new residence.

3. Example Calculations. The calculation of the portability can be complicated in the context of households downsizing, splitting up or joining together. Attached is a diagram prepared by the Hillsborough County Property Appraiser which illustrates portability in the basic “upsizing” and “downsizing” situations, as well as a set of examples prepared by the Florida Department of Revenue which illustrate how portability works in the various contexts where families split up and join.

4. Appeals. The appeal of a property appraiser’s determination concerning a taxpayer’s Save Our Homes cap or calculation of the portable portion thereof is similar to any other challenge of the correctness of the property appraiser’s assessment. The assessment should be appealed to the VAB, or alternatively, an action may be brought in circuit court within 60 days of the certification of the tax role by the property appraiser. The sixty (60) day time period is jurisdictional, and a taxpayer’s failure to bring an action within the 60 day period precludes her or his right to appeal. *Nikolits v. Delaney*, 719 So.2d 348 (Fla. 4th DCA 1998). If the appeal is made to the VAB and the taxpayer decides to contest the VAB’s decision, an appeal must be filed in circuit court within 60 days of the VAB’s decision (the period is only 15 days for the denial of a homestead exemption). Prior to filing an action in circuit court, the taxpayer must pay the year’s taxes or so much thereof as she or he admits in good faith to be owing.

D. Penalties for Improper Receipt of Homestead Benefits. There are significant penalties for the improper receipt of homestead exemptions, which are provided for in section 196.161, Florida Statutes. A similar penalty is provided for in section 193.155(10), Florida Statutes, with respect to the improper receipt of homestead assessment limitations.

1. The property appraiser has a ten (10) year look-back/statute of limitations.
2. The penalty is fifty percent (50%) of the unpaid taxes plus fifteen percent (15%) interest.
3. The property appraiser can assert a lien on the property to secure payment of the penalty and interest.

Homestead Exemption

Article VII, Section 6, of the Florida Constitution provides that every person who on January 1st has legal or equitable title to real estate and maintains it as his/her permanent residence is entitled to a \$25,000 homestead property tax exemption or a percentage thereof if the ownership interest is less than 100%. This Constitutional provision also states that only one homestead exemption shall be allowed to any individual or family unit.

To receive the benefit of the homestead tax exemption a taxpayer must qualify on or before January 1st and must make an application with the Property Appraiser on or before **March 1st** of the year in which the benefit is first requested. It is important to remember that the homestead exemption benefit **does not automatically transfer** to a new residence. In accordance with State law, a new application is required if you move or if you change the manner in which title is held on your existing homestead.

Documents Required For All Owners Filing For Homestead Exemption

- ✓ Florida Driver's License, or, if you do not drive, a Florida Identification Card;
- ✓ Florida Vehicle Registration, for all vehicles owned or leased by you, or registered to your business;
- ✓ Brevard County Voter Registration Card, if you are registered to vote;
- ✓ Social Security card or other official document that includes the social security number. (Social Security documentation is required for the spouse of each applicant even if said spouse has no ownership interest in the homestead property);
- ✓ If you are not a U.S. citizen, a Permanent Resident Alien Card ("Green Card");
- ✓ If property is in trust, a copy of the trust agreement or a copy of a recorded Memorandum of Trust;
- ✓ If the taxpayer owns property in any other State or Country, a letter from the appropriate agency verifying that the taxpayer does not receive benefits based on permanent residency in that jurisdiction;
- ✓ A copy of your recorded deed or tax bill for property identification purposes;
- ✓ If the dwelling is a manufactured home, registration(s) or title(s) for the manufactured home.

Additional Homestead Exemption Up to \$25,000 - This additional homestead exemption is automatically applied to any property that receives the original \$25,000 homestead tax exemption. To receive the full additional \$25,000 homestead exemption the property's assessed value must be at least \$75,000. If the assessed value is lower than \$75,000, the additional homestead exemption will be less than \$25,000. For example:

Assessed Value	Additional Homestead Exemption
	\$0
\$50,000 or Less	(\$50,000 - \$50,000 = \$0) - No Additional Homestead -
	\$3,890
\$53,890	(\$53,890 - \$50,000 = \$3,890) - Partial Additional Homestead -
	\$17,250
\$67,250	(\$67,250 - \$50,000 = \$17,250) - Partial Additional Homestead -
	\$25,000
\$75,000	(\$75,000 - \$50,000 = \$25,000) - Maximum Additional Homestead -

Other Personal Exemptions and Assessment Reductions

\$500 Widow/Widower Exemption - Must be a widow or widower prior to January 1st and cannot be remarried; must be a permanent resident of Florida and provide a copy of spouse's death certificate to the Property Appraiser when applying; this exemption can be applied to any ONE property owned by the eligible person.

Disability Exemptions:

\$500 Disability Exemption - Must be a permanent resident of Florida and provide a Physician's Certificate from one Florida licensed doctor, or documentation from the Social Security Administration; this exemption can be applied to any ONE property owned by the eligible person.

\$500 Exemption for Blind Persons - Must be a permanent resident of Florida and provide an Optometrist's Certification of Disability, a certificate from the Division of Blind Services or the United States Department of Veterans Affairs or the Social Security Administration certifying the applicant to be blind; this exemption can be applied to any ONE property owned by the eligible person.

Exemption for Totally & Permanently Disabled Persons (Civilian) - Must be (1) a quadriplegic, or (2) a paraplegic, hemiplegic or other totally and permanently disabled person who must be confined to a wheel chair for mobility, or is legally blind; in addition the annual household gross income requirements, as set forth by statute must not exceed an amount determined annually by the Department of Revenue based on the Consumer Price Index (this amount is provided to the Property Appraiser's office by the Department of Revenue in mid-January each year); also must provide a Physician's Certificate from two, non-affiliated, licensed Florida doctors. This exemption may only be applied to homestead property.

\$5,000 Exemption for Disabled Veterans - Must be a Florida resident and have a service-connected disability rated between 10% and 100%; must provide a certificate from the United States Government or a letter from Veterans Affairs; under certain circumstances, the benefit of this exemption can carry over to the veteran's surviving spouse (who is not remarried); this exemption can be applied to any ONE property owned by the eligible person.

Service-Connected Total & Permanent Disability Exemption - Veteran must be considered totally and permanently disabled due to a service-connected cause, or be the surviving spouse (who is not remarried) of a qualifying veteran; or the surviving spouse (who is not remarried) of a Florida resident veteran who died from service-connected causes while on active duty with the United States Armed Forces; must provide a certificate from the United States Government or a letter from Veterans Affairs, and may be requested to provide additional documents to prove the residency of a deceased veteran; this exemption applies only to homestead property.

Additional Exemption for Limited-Income Seniors 65 Years and Older - Must be 65 years old or older on or by January 1st of the current tax year and receive homestead exemption; must have an adjusted household income not exceeding an amount determined annually by the Department of Revenue based on the Consumer Price Index (this amount is provided to the Property Appraiser's office by the Department of Revenue in mid-January each year). An initial application must be filed with the Property Appraiser's office together with a copy of the prior year's Federal income tax returns if filed, and any wage and earning statements (W-2, 1099); an annual affirmation of income is required.

Reduction in Assessment for Living Quarters of Parents or Grandparents ("Granny Flat") - Property must have an existing homestead exemption; construction or reconstruction of the quarters must be properly permitted; the occupant of the quarters must be a parent or grandparent of the owner; the occupant must be at least 62 years old and permanently reside on the property on or before January 1st of the year in which the reduction is requested; and the occupant cannot receive any benefits in any other county or state based on permanent

residency. An initial application must be filed with the Property Appraiser's office, together with plans, permits and certificate of occupancy; an annual affirmation is required.

Homestead Tax Discount for Veterans Age 65 or Older with a Combat-Related Disability

- Must be 65 years old or older on January 1st; must be honorably discharged from military service; and must have a service-connected disability of 10% or higher that is combat related. The discount is equal to the percentage of combat related disability as determined by the U.S. Department of Veteran's Affairs.

Deployed Military Exemption - Available to service members who receive homestead exemption and who were deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in connection with a designated military operation. The current designated military operations are Operation Freedom which began October 7, 2001; Operation Iraqi Freedom which began on March 19, 2003 and ended on August 31, 2010; or Operation New Dawn which began on September 1, 2010. The amount of the exemption is determined by the number of days deployed. An application must be filed with the Property Appraiser's office on or before March 1st of the year following the qualified deployment, together with documentation proving the dates of deployment.

Filing Deadline: March 1st

File in Person

File by Mail

File Online for first-time filers for Homestead Exemption Only

Agricultural Classification - General Information

1. An agricultural classification is not an across-the-board exemption, but rather is a classification of different types of agricultural property that often results in an assessment that is less than market value.
2. Agricultural zoning of your property does not automatically entitle you to an agricultural classification for property tax purposes as they are not the same.
3. To be considered for an agricultural classification an application must be filed with the Property Appraiser's office between **January 2nd and March 1st** of the year in which the classification is first requested.
4. An agricultural classification is not transferable. A new application must be filed with the Property Appraiser's office if the property is sold or transferred.

Bona Fide Commercial Agricultural Use of Land

Pursuant to section 193.461, Florida Statutes "No lands shall be classified as agricultural lands unless an application is filed on or before March 1st of each year. Only lands which are used primarily for bona fide agricultural purposes shall be classified agricultural." **BONA FIDE AGRICULTURAL PURPOSES MEANS GOOD FAITH COMMERCIAL AGRICULTURAL USE OF LAND.** In determining whether the use of the land for agricultural purposes is bona fide, the following factors may be taken into consideration:

1. The length of time the land has been so utilized;
2. Whether the use has been continuous;
3. The purchase price paid;
4. Size, as it relates to the specific agricultural use, but in no event shall a minimum acreage be required for agricultural assessment;
5. Whether an indicated effort has been made to care sufficiently and adequately for the land in accordance with the accepted commercial agricultural practices, including, without limitation, fertilizing, liming, tilling, mowing, reforestation, and other accepted agricultural practices;
6. Whether such land is under lease and, if so, the effective length, terms, and conditions of the lease;

Such factors as may from time to time become applicable;

January 1st is the statutory assessment date, therefore, there must be a bona fide commercial agricultural use of the land on this date or a reasonable effort must have been made, and continues to be made, to place the property in agricultural use at or near January 1st of the given tax year.

Agricultural Use Guidelines

The guidelines, while specific, are still "guidelines." The granting or denying of all or part of a particular application for Agricultural Classification is a decision made after analyzing the all relevant facts and circumstances of the property in accordance with §193.461, Florida Statutes, Rule 12D-5 of the Florida Administrative Code, and applicable case law. Any owner or applicant whose land is denied an agricultural classification by the Property Appraiser may appeal to the Value Adjustment Board.

Pasture

Property must be fenced if used for livestock. Hay or pasture sod (i.e. Bahia) operations need not be fenced to qualify.

Must make a noticeable effort to maintain and care sufficiently and adequately for this type of land (i.e. fertilizing, liming, tilling, mowing, etc.).

It is recommended that pasture be at least 10 acres or part of a larger operation.

In regard to livestock in relation to the size of the parcel; one cow on one acre cannot be construed as a commercial agricultural operation; while 70 cattle on 100 acres could be. Obviously, the smaller the tract of land, the more concentrated the use. On tracts of 10 acres or less, it would take at least 6 head of cattle to verify a commercial operation.

Horse farms fall within this category and the rule of thumb, one horse to one acre, must be modified to fit the facts in each case. The minimum size for a horse farm should be at least 5 acres.

If property is used for horse breeding, there should be at least one registered stallion. A copy of registration and State breeding licenses must be provided.

If property is used for horse boarding, there should be a written agreement between the parties involved. This agreement must include the terms for the lease of pasture land. Classification is not normally granted for horses in a stable only. An occupational license is required for horse boarding. The boarding of the owner's horses do not qualify.

The commercial raising of goats or sheep qualifies for the Classification. On tracts of 5 acres or less, it would take at least 15 goats or sheep to validate a commercial operation.

If property is leased to others, the lease must be in effect as of January 1st and a copy of the lease must be on file with the Property Appraiser's office. It is the responsibility of the property owner, not the lessee, to keep this office informed of the agriculture use of the land.

Receipts from the sale of stock and expenses incurred from the agricultural operation must be provided to the Property Appraiser's office.

Licenses, permits, or agricultural certifications that are required by federal, state, or local governments should be submitted to the Property Appraiser's office.

Submission of IRS Schedule "F" will be requested from time to time as proof of an ongoing commercial agricultural operation.

Citrus

It is recommended that groves be at least 5 acres or part of a larger operation.

Trees must be planted prior to January 1st, or at the very least, the land must be prepared for citrus planting.

A minimum of 100 trees per acre is the current standard. Anything less than 70 trees per acre could be considered a hobby and not a true commercial venture.

Agricultural values for citrus are based on the type of fruit and the effective age of the grove. An Agricultural Grove Questionnaire must be submitted with the application.

Proper care and management of the grove must be evident and records must be provided upon request by the Property Appraiser's office. Best Management Practices should be used.

Income and expense receipts, including pick tickets from fruit harvest, must be submitted to the Property Appraiser's office.

Licenses, permits, or agricultural certifications that are required by federal, state, or local governments should be submitted to the Property Appraiser's office.

Submission of IRS Schedule "F" will be requested from time to time as proof of an ongoing commercial agricultural operation.

Row Crops

This category is in reference to those agriculture products referred to as vegetables. Production of crops for your own use does not qualify.

Parcels should be of sufficient size so that the sale of the crop products produces enough income to sustain the entire operation. (Rule of Thumb: 5 to 10 acres).

However, operations as low as 2 acres will be considered.

Proper care and management of the crop must be evident and records provided upon request. Best Management Practices should be used.

Submit any income and expense receipts from the sale and management of the crop.

Licenses, permits, or agricultural certifications that are required by federal, state, or local governments should be submitted.

Submission of IRS Schedule "F" will be requested from time to time as proof of an ongoing commercial agricultural operation.

Timberland

Timber operations are recommended to be at least 20 acres or part of larger timber operations.

A Forest Management Plan, prepared by a professional forester, must be submitted with the application.

Ongoing activities, such as cutting of fire lanes, thinning of trees, under brushing, reforestation, burning, cruising (inventorying), and any other activity recommended by the Management Plan should be readily apparent to the agricultural field appraiser.

Receipts from the sale of timber and expenses incurred from the timber operation must be provided.

Licenses, permits, or agricultural certifications that are required by federal, state, or local governments should be submitted.

Submission of IRS Schedule "F" will be requested from time to time as proof of an ongoing commercial agricultural operation.

Nurseries

Nurseries should have a state agricultural certificate. Sales can be on a wholesale or retail level, but plants for sale must be grown on the premises.

Only land areas actually used for the nursery and service area shall be classified.

Plant nurseries are recommended to be at least 1 acre. Best Management Practices should be used.

A list of the type of plants grown in the nurseries must be submitted with the application.

Receipts from the sale of stock and expenses incurred from the Ag operation will be required. This applies even if the property is leased.

Types of Nurseries:

In Ground: ornamentals and woody ornamentals

Above Ground: in containers

Flower Farm: flowers only

Licenses, permits, or agricultural certifications that are required by federal, state, or local governments should be submitted.

Submission of IRS Schedule "F" will be requested from time to time as proof of an ongoing commercial agricultural operation.

Miscellaneous Agriculture

Miscellaneous operations may include fish hatcheries, poultry, swine, aquaculture, bees, fruit and nuts, grapes, etc., will be handled on a case by case basis.

For a bee/honey operation you must be a registered Florida Beekeeper and have your own, or have access to, honey extracting equipment, hive building and repair facility, etc. Bee leases will be reviewed on a case by case basis and applied to only that portion of the land necessary to support the operation.

All operations should be of sufficient size so that the income produced will sustain the entire operation.

Receipts from the sale of stock and expenses incurred from the agricultural operation should be attached to the application.

Licenses, permits, or agricultural certifications that are required by federal, state, or local governments should be submitted.

Submission of IRS Schedule "F" will be requested from time to time as proof of an ongoing commercial agricultural operation.

Additional Information

All applications are field checked to verify the use and to ensure correct assessments. Additional information will be periodically requested from the property owner to determine the continuance of eligibility. This information is usually in the form of income and expense documents. This office is required by law to keep all financial documents provided by the owner confidential.

If a property is leased, a copy of the lease must be provided with the application. The lease must have the name and address of both the lessor and lessee, and be for a term of not less than 5 years. A lease can have a 6 month escape or termination clause. The property owner is responsible for obtaining from the lessee any income and expense information or Schedule "F" that supports a commercial agricultural operation.

If the application is approved, a notification will be sent on or before July 1st. If the application is denied, a certified letter will be mailed on or before July 1st. The letter will explain the appeal process.

Any residence or other building on the property that has a non-agricultural use, together with a sufficient amount of land to support those non-agricultural use structures, is excluded from the agriculture classification.

What is the difference between Market Value, Assessed Value, and Taxable Value?

Market Value – the most probable price which the property should bring in a competitive and open market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently and knowledgeably, and neither being under duress to act, and represents the estimated net proceeds to the seller, i.e. – Just Value

Assessed Value – assessed value on properties with homestead exemption is the base year market value, adjusted for annual percentage factor (3% or Consumer Price Index (CPI), whichever is less), plus new construction.

- ① Assessed value cannot exceed market value.
- ② On properties that do not have homestead exemption: assessed value increase limited to 10% per year

Taxable Value – the assessed value of property minus the amount of any applicable exemptions. Property taxes are calculated by multiplying the taxable value by the applicable millage (tax) rate.

Portability

Transfer of Your 'Save Our Homes' Cap to a Different Florida Homestead

The 'Save Our Homes Portability' benefit became available in 2008, and is an opportunity to transfer the dollar value difference between the assessed value and market value of the prior homestead property to a new homestead property anywhere in the state of Florida.

The maximum amount that can be transferred to a new homestead is **\$500,000**. Many homestead property owners find they are unable to downsize or relocate to a new residence because purchasing a replacement property starts a new assessment and tax basis at current market values. Portability enables relocation while, at the same time, retaining the limitation on assessed value.

How and when to apply for Portability:

Taxpayers should apply for Portability when they apply for Homestead Exemption by using form DR-501T (Transfer of Homestead Assessment Difference). This application is required in addition to the Homestead Exemption application.

Deadlines:

The application deadline is March 1st. To transfer a Save Our Homes cap, one must establish a new homestead on or before January 1st of the second year after a prior homestead is abandoned.

If a homeowner is porting savings from another county to Brevard, they should advise the BCPA. The prior Property Appraiser will issue a Certificate of Portability form DR-501RVSH and return the form to the BCPA for processing.

How Portability Works

EXAMPLE 1: Porting Up

When moving to a home that is equal in value or more expensive than a prior homestead, the statute allows for the following:

" . . . the assessed value of the new homestead shall be the just value of the new homestead minus an amount equal to the lesser of \$500,000 or the DIFFERENCE between the just value and assessed value of the immediate prior . . . "

Porting Up: Calculation

If moved to a property with a HIGHER Market Value

Prior Home:

Market Value	\$400,000
Assessed Value	\$250,000
Portable Cap ($\$400,000 - \$250,000$)	\$150,000

New Home:

Market Value	\$600,000
MINUS Portable Cap	- \$150,000
Assessed Value	\$450,000

EXAMPLE 2: Porting Down

When moving to a home that is less expensive than your prior homestead, the statute allows for the following:

" . . . the assessed value of the new homestead shall be equal to the just value of the new homestead divided by the just value of the immediate prior homestead and multiplied by the assessed value of the immediate prior homestead . . . "

Porting Down: Calculation

If moved to a property with a LOWER Market Value

Prior Home:

Market Value	\$400,000
Assessed Value	\$250,000
Difference ($\$400,000 - \$250,000$)	\$150,000

New Home:

Market Value	\$275,000
Assessed Value ($\$275,000 / \$400,000 = 68.7\% \times \$250,000$)	\$171,875

If You Disagree with the Value of Your Property or Your Application for Exemption or Classification has been Denied by the Property Appraiser you may:

1. Request an Informal Conference with your Property Appraiser

You have the right to an informal conference with your property appraiser to discuss your value or application for a property exemption or classification. By having an informal conference, you may be able to settle the issue without going to a hearing or going to court. At this informal conference, you may:

- Bring any documentation you have that may support a change in your assessment or eligibility for an exemption or property classification.
- Ask the property appraiser to present facts that support the assessment of your property or the denial of an application for an exemption or classification.

Having an informal conference with the property appraiser **does not extend your deadline** to file a petition with the value adjustment board.

2. File a Petition with the Value Adjustment Board

If you petition the VAB, you must still pay all your non ad valorem assessments and the required portion of your ad valorem taxes before they become delinquent, usually on April 1.

Many counties have quick and easy electronic applications, including Brevard. All petition forms should be filed on line at <https://vweb1.brevardclerk.us/axia/axiaweb2014/> or submitted to the Brevard County Clerk of Circuit Court, Clerk to the VAB.

Petitions are NOT filed with the office of the Property Appraiser.

3. File a Lawsuit in Circuit Court

You may file a lawsuit in circuit court to challenge the property appraiser's assessment or denial of an exemption or classification. You are not required to participate in an informal conference with the property appraiser or file a petition with the value adjustment board before filing a lawsuit. Even if you do meet with the property appraiser or file a petition with the value adjustment board, you can still file a lawsuit. You must file within 60 days of the date of a VAB decision or the property appraiser's certification of the tax roll, whichever is later.



PETITIONS TO THE VALUE ADJUSTMENT BOARD

The value adjustment board provides an independent forum for property owners to appeal their property value or denial of an exemption, classification or tax deferral.

Property Tax Oversight

Value Adjustment Boards

Each county has a value adjustment board (VAB). The VAB has five members: two from the county's board of commissioners; one from the county's school board; and two citizens.

Many counties use special magistrates to conduct hearings and recommend decisions to the VAB. The VAB makes all final decisions. Special magistrates are qualified to review property valuation and denials of exemptions, classifications and deferrals.

Before You File a Petition

If you disagree with the:

- assessment of your property's value,
- denial of an exemption or classification, or
- denial of a tax deferral, or
- portability decision

request an informal conference with your property appraiser, and file an appeal to your VAB. You can do either or both at the same time. Most property appraisers have websites where you can search for records on your property or you can contact or visit their office.

In hearings before a VAB you may represent yourself, seek assistance from a family member or a friend, or have an attorney or agent represent you.

If an agent who is someone other than a licensed professional represents you, you must sign the petition or provide written authorization for your agent.

Florida law sets the deadlines for filing a petition. These deadlines do not change, even if you choose to discuss the issue with your appraiser. The VAB may charge up to \$15 for filing a petition.

Time Frames to File Your Petition

Assessment Appeal: Within 25 days after the property appraiser mails your Notice of Proposed Property Taxes (TRIM notice), usually in mid-August.

Exemption or Classification Appeal: Within 30 days after the property appraiser mails the denial notice. The property appraiser must mail all denial notices by July 1.

Tax Deferral Appeal: Within 30 days after the tax collector mails the denial notice.

Portability Appeal: Within 25 days after the property appraiser mails your TRIM notice.

How to File Your Petition

You must file the completed petition with the VAB clerk (clerk) within the timeframes listed and pay the filing fee, if any. If your petition is complete, the clerk will acknowledge receiving the petition and send a copy of the petition to the property appraiser.

The petition form and all other VAB forms are available on the Department's website: <http://dor.myflorida.com/dor/property/vab/>

Petition forms are also available from the property appraiser or clerk in your county.

Contact the clerk for more information.

VAB Hearing Deadlines

Days Before the Hearing

25	VAB notifies taxpayer of hearing time.
15	Taxpayer gives evidence to appraiser. *See exchange of evidence section.
7	Appraiser gives evidence to taxpayer.
5	Taxpayer notifies VAB, if rescheduling.

Paying Your Taxes

Florida law requires the VAB to deny a petition if the taxpayer does not make a required payment before the taxes become delinquent, usually on April 1. These payment requirements are summarized below.

For petitions on the value, including portability, the required payment must include:

- All of the non-ad valorem assessments, and
- A partial payment of at least 75 percent of the ad valorem taxes,
- Less applicable discounts under section 197.162, Florida Statutes.

For petitions on the denial of an exemption or classification, or based on an argument that the property was not substantially complete on January 1, the required payment must include:

- All of the non-ad valorem assessments, and
- The amount of the tax that the taxpayer admits in good faith to owe,
- Less applicable discounts under section 197.162, Florida Statutes.

After You File Your Petition

You will receive a notice with the date, time, and location of your hearing at least 25 days before your hearing date. You can reschedule your hearing once without providing a reason. To reschedule, send a written request to the clerk at least 5 calendar days before your scheduled hearing.

Exchange of Evidence

At least 15 days before your hearing, you must give the property appraiser a list and a summary of evidence with copies of documentation that you will present at the hearing.

If you want the property appraiser to give you a list and a summary of the evidence and copies of documentation that he or she will present at the hearing, you must ask in writing. The property appraiser must provide the information to you at least 7 days before the hearing. If the property appraiser does not provide it, you can ask the clerk to reschedule the hearing to a later date.

You may still be able to present evidence and the VAB or special magistrate may accept your evidence even if you did not provide it earlier. Also, if you can show good cause to the clerk why you couldn't provide the information within the 15 day timeframe but the property appraiser is unwilling to agree to a shorter time for review, the clerk can reschedule the hearing to allow time for the evidence exchange.

If the property appraiser asked you in writing for specific evidence that you had but refused to provide, you cannot use the evidence during the hearing.

The Department of Revenue's website has more information about the Value Adjustment Board and contact information for county officials.

<http://dor.myflorida.com/dor/property/vab/>

At the Hearing

You and the property appraiser will have an opportunity to present evidence. The hearing schedule should be followed as closely as possible to ensure that each party will be heard.

You or the property appraiser may ask that all witnesses be sworn in at the time of your hearing.

If your hearing has not started within 2 hours after it was scheduled, you are not required to wait. Tell the chairperson that you are leaving and the clerk will reschedule your hearing.

After the Hearing

If a special magistrate heard your petition, the magistrate will provide a written recommendation to the clerk. The clerk will send copies to the property appraiser and you.

The clerk will notify you of the date, time, and place the VAB will meet to make a final decision. All meetings of the VAB are open to the public.

The clerk will notify you of the VAB's final decision. The decision notice will explain whether any changes were made. It will list the information that was considered, as well as the legal basis for the decision.

The VAB must issue all final decisions within 20 calendar days of the last day the VAB was in session.

You may file a lawsuit in circuit court if you do not agree with the decision of the VAB.

Property tax rates

Local Taxing Authorities

Taxing authorities set property tax rates. They may include a city, county, school board, or water management or other special district. They hold advertised public hearings and invite the public to comment on the proposed tax rate.

Deferral of tax payments

County Tax Collector

This office sends tax bills, collects payments, approves deferrals, and sells tax certificates on properties with delinquent taxes. They answer questions about payment options and deferrals.

Property value or exemptions

County Property Appraiser

Property appraisers establish the value of your property each year as of January 1st. They review and apply exemptions, assessment limitations, and classifications that may reduce your property's taxable value.

Appeals

County Value Adjustment Board (VAB)

The VAB hears appeals regarding exemptions, classifications, property assessments, tax deferrals, and homestead portability.



VALUE ADJUSTMENT BOARD CALENDAR

Consult the statutory reference before taking action.

Property Tax Oversight

Most dates are deadlines; activities usually can be completed earlier. Deadlines that fall on a weekend or holiday are moved to the next business day. Dates may vary, depending on the date of an earlier action.

Dates		VALUE ADJUSTMENT BOARD CALENDAR	Florida Statute
January 1	Appraiser	Assessment date for real and tangible personal property.	192.042(1) and (2)
March 1	Taxpayer	Apply to property appraiser for exemption, property classification, and portability. <i>By March 1.</i>	196.011(1); 193.052(2); 193.155(8)(h)
March 31	Taxpayer	Apply to tax collector for tax deferral for last year's taxes. <i>By March 31.</i>	197.2423(1)
March 31	Taxpayer	If a taxpayer has a pending VAB petition, last day to make partial payment of last year's taxes. If not paid, petition will be dismissed.	194.014(1)
April 20	VAB	Deny petition of any taxpayer who has not made a required partial payment.	194.014(1)(c)
April to May	Collector	Approve or deny all applications for deferrals. <i>By 45 days after application or as soon as practical.</i>	197.2423(6)
	Taxpayer	After a disapproval notice is mailed, taxpayer has 30 days to file with the VAB to appeal the disapproval of the tax deferral application.	197.2425
May 15	VAB	Earliest date to publish a notice of a meeting of the VAB to hear appeals on exemptions. <i>Not before May 15, but at least two weeks before the meeting.</i>	196.194(2)
July 1	Appraiser	Approve or deny all applications for exemptions, classifications, and portability. Notify taxpayers in writing of denials of exemption, classification, or portability transfer.	196.193(5)(a); 196.151; 193.155(8)(l); 193.461
	Taxpayer	After denial notice is mailed, taxpayer has 30 days to file with the VAB to appeal a denial of exemption or classification.	194.011(3)(d); 193.461(3)(a)
	VAB	Can begin to hear appeals of denials of exemptions, classifications, or deferrals. <i>July 1 and after.</i>	194.032(1)(b)
August	Appraiser	Mail notice of proposed taxes (TRIM Notice) to taxpayer.	200.065(2)(b)
August, September	Taxpayer	Can request an informal conference with the property appraiser at any time during the year. <i>Often in August or September, after the TRIM notice.</i>	194.011
September	Taxpayer	File with the clerk of the VAB for petitions about the value of real or tangible personal property, portability, or denial for late filing. <i>By the 25th day after the TRIM notice was mailed. Filing deadline can be found on the TRIM notice.</i>	194.011(3)(d); 196.011(8); 193.155(8)(j); 193.461(3)(a)
November, December, or later	VAB	Certify each assessment roll on Form DR-488 and attach certificate to each roll. <i>After all hearings have been held.</i>	193.122(1)
	VAB	For tax bills to be mailed on time, the board of county commissioners can order the VAB to certify each assessment roll with an initial certificate, Form DR-488P, even if hearings are not finished.	193.122(1)
	VAB	Publish a notice of tax impact, Form DR-529. <i>After all VAB hearings are completed.</i>	194.037(1)
	Appraiser	Make all required extensions and certify tax rolls. <i>After VAB certification by Form DR-488 or DR-488P.</i>	193.122(1) and (2)

INDIVIDUAL TIMELINES FOR PETITIONS AND HEARINGS			Florida Statute
At least 25 days before hearing	VAB	Notify petitioner of his or her scheduled time of appearance	194.032(2)
At least 15 days before hearing	Taxpayer	Give the property appraiser a list and summary of evidence and copies of documents to be presented at the hearing.	194.011(4)(a)
At least 7 days before hearing	Appraiser	Give the petitioner a list and summary of evidence and copies of documents to be presented at the hearing, if the petitioner asked in writing.	194.011(4)(b)
At least 5 days before hearing	Taxpayer	May reschedule the hearing by written request. The taxpayer can do this only one time without showing good cause to reschedule.	194.032(2)
HEARING AND DECISION			
Up to 15 days after decision	Taxpayer	Can appeal a VAB decision about homestead exemption or tax deferral to the circuit court of the county.	196.151
	Appraiser Collector		197.2425
Up to 60 days after decision	Taxpayer	Can appeal a VAB decision about assessment value and portability denial to the circuit court of the county.	193.155(3)(a)
	Appraiser		193.155(8)(l)
			194.171(2)
By 20 days after the last day the board is in session	VAB	Issue a written decision and send the decision to the petitioner.	194.034(2)

2013 NOTICE OF PROPOSED PROPERTY TAXES

Brevard County Taxing Authorities

Post Office Box 429 • Titusville, Florida 32781-0429

BLICKLEY, BRIAN R
BLICKLEY, DANA R H/W
3425 HERON LN
TITUSVILLE FL 32780-3716



FOR PERMANENT CHANGE OF ADDRESS: Detach and mail completed form to PO Box 429, Titusville, FL 32781-0429

New Address _____

Phone (____) _____

Authorized Signature _____ 2300908

DO NOT PAY — THIS IS NOT A BILL

TAX ACCOUNT NUMBER 2300908	23 350525 460	PROPERTY IDENTIFICATION 3425 HERON LN TITUSVILLE 32780	MILLAGE CODE 1300
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2013 TAXING AUTHORITY TAX INFORMATION

TAXING AUTHORITIES	COLUMN 1				COLUMN 2		COLUMN 3		COLUMN 4	
	Last Year's Property Tax Information				This Year's Exemptions	This Year's Taxable Value	Your tax rate and taxes this year if NO budget change.		Your tax rate and taxes this year if proposed budget change adopted	
	Exemptions	Taxable Value	Tax Rate	Taxes			Tax Rate	Taxes	Tax Rate	Taxes
COUNTY COMMISSION										
GENERAL FUND	50000	114450	4.9063	561.53	50000	117240	4.7276	554.26	4.8239	565.55
BREVARD LIBRARY DISTRICT	50000	114450	0.5986	68.51	50000	117240	0.5764	67.58	0.5896	69.12
BREVARD MOSQUITO CONTROL	50000	114450	0.2151	24.62	50000	117240	0.2071	24.28	0.2119	24.84
ENV END LAND & WTR AREAS LTD	50000	114450	0.0422	4.83	50000	117240	0.0406	4.76	0.0566	6.64
N BREV REC DIST 1/TITUS 01-20	50000	114450	0.0000	0.00	50000	117240	0.0000	0.00	0.0000	0.00
BREVARD COUNTY PUBLIC SCHOOLS										
BY STATE LAW	25000	139450	5.5980	780.64	25000	142240	5.3903	766.72	5.3580	762.12
BY LOCAL BOARD	25000	139450	0.9980	139.17	25000	142240	0.9610	136.69	0.7480	106.40
SCHOOL CAPITAL OUTLAY	25000	139450	1.5000	209.18	25000	142240	1.4443	205.44	1.5000	213.36
MUNICIPAL SERVICES/COUNTY MSTU										
FIRE CONTROL MSTU	50000	114450	0.8135	93.11	50000	117240	0.7837	91.88	0.8005	93.85
REC DIST 1 MSTU INCL TITUSVIL	50000	114450	0.6896	78.92	50000	117240	0.7028	82.40	0.7045	82.60
LAW ENFORCEMENT MSTU	50000	114450	1.3574	155.35	50000	117240	1.3269	155.57	1.3378	156.84
ROAD & BRIDGE DISTRICT 1 MSTU	50000	114450	0.5712	65.37	50000	117240	0.5567	65.27	0.5682	66.62
WATER MANAGEMENT DISTRICTS										
ST JOHNS RIVER WATER MGMT DIS	50000	114450	0.3313	37.92	50000	117240	0.3283	38.49	0.3283	38.49
INDEPENDENT SPECIAL DISTRICTS										
FLA INLAND NAVIGATION DIST	50000	114450	0.0345	3.95	50000	117240	0.0332	3.89	0.0345	4.04
VOTER APPROVED DEBT PAYMENTS										
ENV END LAND & WTR AREAS (DBT	50000	114450	0.1577	18.05	50000	117240	0.1577	18.49	0.1159	13.59
N BREV REC DIST 1/TITUS (DBTP	50000	114450	0.8000	91.56	50000	117240	0.8000	93.79	0.8000	93.79
TOTAL TAXES				2332.71				2309.51		2297.85

PROPERTY APPRAISER VALUE INFORMATION

	MARKET VALUE	ASSESSED VALUE APPLIES TO SCHOOL MILLAGE	ASSESSED VALUE APPLIES TO NON-SCHOOL MILLAGE
THIS YEAR	174010	167240	167240
LAST YEAR	164450	164450	164450

ASSESSED VALUE REDUCTION	APPLIES TO	2013 AMOUNT
"Save Our Homes" Assessment Cap	All Tax Levies	6770
Non-Homestead 10% Cap	Non-School Tax Levies	0
Agricultural Classification	All Tax Levies	0
Other	All Tax Levies	0
EXEMPTIONS	APPLIES TO	2013 AMOUNT
First Homestead	All Tax Levies	25000
Additional Homestead	Non-School Tax Levies	25000
Limited Income Senior (County)	County General Fund Tax Levy	0
Limited Income Senior (City)	City Tax Levy	0
Widow/Widower	All Tax Levies	0
Other	All Tax Levies	0

SEE REVERSE SIDE FOR DATES, TIMES, AND LOCATIONS OF BUDGET HEARINGS.

If you feel the market value of the property is inaccurate or does not reflect fair market value as of **January 1, 2013**, or if you are entitled to an exemption or classification that is not reflected, please contact the Brevard County Property Appraiser's office:

Real Property: Titusville: 321-264-6700; Melbourne: 321-255-4440; Palm Bay: 321-952-4574; Viera: 321-690-6880; Merritt Island: 321-454-6620

Tangible Personal Property: Titusville: 321-264-6703; All other locations: 321-633-2199 X-6703

If the Property Appraiser's Office is unable to resolve the matter as to the market value, classification, or an exemption, you may file a petition for adjustment with the Value Adjustment Board. Petition forms are available from the Brevard County Clerk of Courts or brevardclerk.us.

Petitions must be filed on or before SEPTEMBER 13, 2013

PROPERTY TAX OVERSIGHT

Florida's property taxes are administered by locally elected officials and supervised by the Florida Department of Revenue. Florida does not have a state-level property tax.

PTO

1 Property Tax Base

Property Appraisers

Florida's Constitution requires property appraisers to establish the property tax base for their county annually. In doing so, property appraisers determine the just, or market, value of each parcel of property as of January 1 of each year. Then, they apply all valid exemptions, classifications and assessment limitations to determine each property's taxable value, or relative tax burden. The property appraiser does not determine the property tax rate or the amount of property taxes levied.

Department of Revenue

The Department reviews the property tax rolls of each county in July and August of every year. These reviews are conducted to ensure the tax base established by the property appraiser is equitable, uniform, and in compliance with Florida law. The Department also reviews and approves each property appraiser's annual budget.

7 Funding of Public Education and Local Services

Tax Collectors

The tax collector distributes property taxes to the local governments and taxing authorities. Roughly, 50 percent of Florida's public education funding and 30 percent of its local government revenues come from property taxes.

Department of Revenue

Provides vital statistics to Department of Education to ensure adequate funding for public education.

2 Property Tax Rates

Locally Elected Officials

Florida has more than 640 local governments that levy a property tax. These include cities, counties, school boards, and special districts. Each year, usually in August and September, locally elected officials in each jurisdiction set a millage, or tax, rate for the upcoming fiscal year, usually beginning on October 1. Millage rates for each jurisdiction are uniform across all property types.

Department of Revenue

The Department ensures that local government millage rates do not exceed state-mandated caps. In addition, the Department confirms that local governments properly and timely send notices and advertise public hearings to adopt millage rates and annual budgets.



3 Annual Truth-in-Millage (TRIM) Notice

Property Appraisers and Locally Elected Officials

In August, the property appraiser sends each property owner a Notice of Proposed Property Taxes, or TRIM notice. This notice contains the property's value on January 1, the millage rates proposed by each local government, and an estimate of the amount of property taxes owed based on the proposed millage rates. The date, time, and location of each local government's budget hearing are also provided on the notice. This provides property owners the opportunity to attend the hearings and comment on the millage rates before approval.

Department of Revenue

The Department verifies that the information supplied to property owners is accurate and in compliance with Florida Truth-in-Millage requirements.



4 Appeals Process

Value Adjustment Boards

Each county has a five-member value adjustment board, which hears and rules on challenges to a property's assessment, classification, or exemptions. The value adjustment board is independent from the property appraiser and tax collector. Value adjustment boards cannot change the millage, or property tax, rates adopted by local governments.

Department of Revenue

The Department provides annual training to value adjustment boards. The Department also issues mandatory procedures and forms in order to promote fair, impartial, and uniform hearings for all taxpayers.



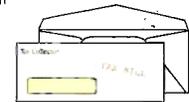
5 Billing and Payment

Tax Collectors

Following the adoption of millage rates by local governments, county tax collectors send annual property tax bills, usually in late October or early November. Full payment is due by the following March 31. Discounts of up to four percent are given for early payment.

Department of Revenue

The Department provides training and certification to tax collectors and their staff in order to promote uniform and cost-effective tax collection practices. The Department also reviews and approves the annual budgets of most tax collectors.



6 Collections and Refunds

Tax Collectors

If a property tax bill is not paid by the following March 31, the tax collector sells a tax certificate on that property in order to collect the unpaid taxes. A tax deed may be sold if the property owner has not paid all back taxes, interest, and fees within two years. Tax collectors also process and issue refunds for overpayment of property taxes.

Department of Revenue

The Department assists those who have questions about the local property tax process. The Department also reviews property tax refunds of \$2,500 or more to verify they were issued in accordance with Florida law.



Additional information is available at: <http://dor.myflorida.com/dor/property/>

