

## CHAPTER 98-313

### Committee Substitute for House Bill No. 489

An act relating to ad valorem tax assessment; amending s. 193.461, F.S.; specifying the types of additional use factors that the property appraiser may consider in assessing agricultural land; providing that the property appraiser, when utilizing the income methodology approach, shall rely on 5-year moving average data for assessment; providing an effective date.

WHEREAS, it has been the declared policy of this state to conserve and protect and to encourage the development and improvement of its agricultural lands for the production of food and other agricultural products, and

WHEREAS, the Legislature declares that Florida's economic and environmental future is enhanced by a tax policy which encourages sustainable agricultural use of its lands, and

WHEREAS, s. 4(a), Art. VII of the State Constitution provides that agricultural land may be classified by general law and assessed solely on the basis of character or use, and

WHEREAS, to assist in implementing such policies, the Legislature, pursuant to the State Constitution, has enacted s. 193.461, Florida Statutes, the classified use assessment law, generally known as the "Greenbelt Law," which for assessment purposes values lands in bona fide agricultural use according to income typically produced on such properties, and

WHEREAS, the Greenbelt Law discourages pressures to otherwise develop said land in indiscriminate manners which often result in higher costs for public services, such as urban sprawl, while encouraging agricultural uses which often result in wildlife habitat and other benefits of green space, and

WHEREAS, two of Florida's District Courts of Appeal have made rulings which have resulted in unpredictable upturns and downturns in lawful Greenbelt assessments by county property appraisers, resulting in Florida's agricultural community requesting legislative relief, and

WHEREAS, the Legislature recognizes that agricultural commodities are grown under potentially severe and catastrophic conditions due to weather, invasive pests and disease, world market conditions, and other factors beyond the grower's control, and that these situations affect the value of the land where these commodities are grown, and

WHEREAS, value determinations made by property appraisers on agricultural lands should include typical risks present to the respective agricultural uses, and

WHEREAS, it is the intent of the Legislature that the property appraiser shall be able to use, when appropriate, data which is reflective of the typical risks present in standard practices of agricultural use and production, and

WHEREAS, the Commissioner of Agriculture appointed a Greenbelt advisory task force, which included representatives from the agricultural community, county property appraisers, and the Department of Revenue, which examined the entire Greenbelt Law and recommended only one amendment, that being a unanimous recommendation for the use of a 5-year moving average to calculate agricultural assessments, NOW, THEREFORE,

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

Section 1. Subsection (6) of section 193.461, Florida Statutes, is amended to read:

193.461 Agricultural lands; classification and assessment.—

(6)(a) In years in which proper application for agricultural assessment has been made and granted pursuant to this section, the assessment of land shall be based solely on its agricultural use. The property appraiser shall consider the following use factors only:

1. The quantity and size of the property;
2. The condition of the property;
3. The present market value of the property as agricultural land;
4. The income produced by the property;
5. The productivity of land in its present use;
6. The economic merchantability of the agricultural product; and
7. Such other agricultural factors as may from time to time become applicable, which are reflective of the standard present practices of agricultural use and production.

(b) Notwithstanding any provision relating to annual assessment found in s. 192.042, the property appraiser shall rely on 5-year moving average data when utilizing the income methodology approach in an assessment of property used for agricultural purposes.

~~(c)(b)~~ In years in which proper application for agricultural assessment has not been made, the land shall be assessed under the provisions of s. 193.011.

Section 2. This act shall take effect upon becoming a law, and shall first apply to assessments effective January 1, 1999.

Became a law without the Governor's approval May 30, 1998.

Filed in Office Secretary of State May 29, 1998.