

Council Substitute for
Committee Substitute for House Joint Resolution No. 833

A joint resolution proposing the amendment to Section 3 of Article VII of the State Constitution to create a joint legislative committee to conduct a review of all exemptions from the tax on sales, use, and other transactions imposed by law and all exclusions of sales of services from such taxation.

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

That the amendment of Section 3 of Article VII of the State Constitution is agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII
FINANCE AND TAXATION

SECTION 3. Taxes; exemptions.—

(a) All property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation. A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are used predominantly for educational, literary, scientific, religious or charitable purposes may be exempted by general law from taxation.

(b) There shall be exempt from taxation, cumulatively, to every head of a family residing in this state, household goods and personal effects to the value fixed by general law, not less than one thousand dollars, and to every widow or widower or person who is blind or totally and permanently disabled, property to the value fixed by general law not less than five hundred dollars.

(c) Any county or municipality may, for the purpose of its respective tax levy and subject to the provisions of this subsection and general law, grant community and economic development ad valorem tax exemptions to new businesses and expansions of existing businesses, as defined by general law. Such an exemption may be granted only by ordinance of the county or municipality, and only after the electors of the county or municipality voting on such question in a referendum authorize the county or municipality to adopt such ordinances. An exemption so granted shall apply to improvements to real property made by or for the use of a new business and improvements to real property related to the expansion of an existing business and shall also apply to tangible personal property of such new business and tangible personal property related to the expansion of an existing business. The amount or limits of the amount of such exemption shall be specified by general law. The period of time for which such exemption may be granted to a new business or expansion of an existing business shall be determined by general law. The authority to grant such exemption shall expire ten years from the date of approval by the electors of the county or municipality, and may be renewable by referendum as provided by general law.

(d) By general law and subject to conditions specified therein, there may be granted an ad valorem tax exemption to a renewable energy source device and to real property on which such device is installed and operated, to the value fixed by general law not to exceed the original cost of the device, and for the period of time fixed by general law not to exceed ten years.

(e) Any county or municipality may, for the purpose of its respective tax levy and subject to the provisions of this subsection and general law, grant historic preservation ad valorem tax exemptions to owners of historic properties. This exemption may be granted only by ordinance of the county or municipality. The amount or limits of the amount of this exemption and the requirements for eligible properties must be specified by general law. The period of time for which this exemption may be granted to a property owner shall be determined by general law.

(f) Legislative review of the tax on sales, use, and other transactions.—There is hereby created a joint committee consisting of six senators appointed by the President of the Senate and six representatives appointed by the Speaker of the House of Representatives, which committee shall conduct a review of all exemptions from the tax on sales, use, and other transactions imposed by law and all exclusions of sales of services from such taxation. The committee shall be governed by joint rules adopted by the legislature no later than the 2003 regular session pursuant to the authority to adopt rules under section 4 of Article III. Such rules shall establish a schedule for review of such exemptions and exclusions over a three-year period and shall provide criteria to be considered by the committee in conducting its review. No later than March 1 of 2004, 2005, and 2006, the committee shall submit its findings and recommendations to the presiding officers of each house of the legislature. Any decision to deauthorize an exemption or exclusion must be approved by seven members of the committee and shall be in the form of a resolution adopted by the committee, which shall be submitted to the legislature. The resolution shall set forth the specific changes to the statutes necessary to effectuate the deauthorization, which resolution shall have the force of law and shall become effective July 1 following the second regular session occurring after submission to the legislature, except for those exemptions or exclusions expressly rescinded by joint resolution of the legislature prior to that date. This section does not operate to deauthorize any exemption or exclusion not expressly deauthorized in such resolution, nor does it prohibit subsequent reenactment by law of any exemption or exclusion that was deauthorized. The joint committee is dissolved July 1, 2006.

BE IT FURTHER RESOLVED that the following statement be placed on the ballot:

CONSTITUTIONAL AMENDMENT
ARTICLE VII, SECTION 3

REVIEW OF EXEMPTIONS AND EXCLUSIONS FROM THE TAX ON SALES, USE, AND OTHER TRANSACTIONS.—Proposes to amend the State Constitution to create a joint legislative committee to conduct a review of exemptions from the tax on sales, use, and other transactions imposed by law and exclusions of sales of services from such taxation. Provides for

submission of the committee's findings and recommendations to the presiding officers of the Legislature not later than March 1, 2004, 2005, and 2006. Requires committee decisions to deauthorize any exemption or exclusion which are approved by a majority of the committee membership to be presented to the Legislature as a resolution, not subject to gubernatorial veto. Authorizes the Legislature to rescind decisions of the committee by joint resolution. Provides that the deauthorization of exemptions or exclusions shall take effect on July 1 of the calendar year following the second regular session following adoption of the committee's resolution. Retains the Legislature's authority to adopt or reauthorize exemptions or exclusions from such tax.

Filed in Office Secretary of State May 9, 2002.