MEMORANDUM

Alternate
Agenda Item No. 11(A)(5)

TO: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

DATE: October 19, 2010

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution urging the Florida Legislature to pass a joint resolution that would propose a constitutional amendment to prohibit increases in the assessed value of homestead property of low income senior citizens

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This alternate differs from the original in that it applies only to low income senior citizens rather than all senior citizens.

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Joe A. Martinez.

R. A. Cuevas, Jr.
County Attorney

RAC/up

MEMORANDUM
(Revised)

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SUBJECT: Agenda Item No. Alternate 11(A)(5)

Please note any items checked.

_____ **"3-Day Rule" for committees applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

✓ **No committee review**

_____ **Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous _____) to approve**

_____ **Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor
Veto _____
Override _____

Alternate
Agenda Item No. 11(A)(5)
10-19-10

RESOLUTION NO. _____

RESOLUTION URGING THE FLORIDA LEGISLATURE TO PASS A JOINT RESOLUTION THAT WOULD PROPOSE A CONSTITUTIONAL AMENDMENT TO PROHIBIT INCREASES IN THE ASSESSED VALUE OF HOMESTEAD PROPERTY OF LOW INCOME SENIOR CITIZENS

WHEREAS, senior citizens retire to lower or often fixed incomes, and have few opportunities to increase their incomes; and

WHEREAS, the current economic downturn has hit senior citizens particularly hard; and

WHEREAS, Social Security payments did not have a cost of living increase this year for the first time in over two decades; and

WHEREAS, many senior citizens who thought they had saved enough money for retirement saw their investments plummet as the stock market declined; and

WHEREAS, senior citizens often have higher health care, insurance, and energy costs than their younger counterparts; and

WHEREAS, Florida law currently provides some property tax relief to senior citizens allowing them to remain in their homes despite rising property values and property taxes; and

WHEREAS, options are available to some senior citizens under Florida law to defer property taxes; and

WHEREAS, homeowners 65 years of age and older also can receive an additional homestead exemption if they do not surpass certain household income limits that is in addition to the homestead exemptions available to all homestead property owners; and

>>**WHEREAS**, the additional homestead exemption for low income senior citizens

currently is available if a senior citizen's annual adjusted household income does not exceed $25,780; and<<[1]

WHEREAS, the household income limitations to qualify for the additional homestead exemption for low income senior citizens is tied to the Consumer Price Index (CPI) pursuant to Florida law, and increases and decreases each year with changes in the CPI; and

WHEREAS, senior citizens with a homestead exemption also benefit from the Save Our Homes cap, which limits increases in the assessed value of the property each year by 3 percent or the CPI, whichever is lower; and

>>**WHEREAS**, the CPI was set at 2.7 percent for 2010, meaning the assessed value of homestead property could increase no more than 2.7 percent for the current year pursuant to Save Our Homes; and

WHEREAS, in many cases, the market value of homestead property declined in the current year, but many low income senior citizens nonetheless saw the assessed value of their homestead properties increase by 2.7 percent because of the Recapture Rule, which required property appraisers to increase the prior year's assessed value of a homestead property by 2.7 percent, whenever the assessed value is lower than the market value; and<<

WHEREAS, despite the Save Our Homes cap, the cumulative effect of small annual increases in assessed value over many years has lead to significantly higher property taxes for senior citizens who have lived in their homes for many years; and

[1] The differences between the alternate and the original item are indicated as follows: words stricken through and/or [[double bracketed]] shall be deleted, words underscored and/or >>double arrowed<< constitute the amendment proposed.

WHEREAS, >>low income<< senior citizens are still in need of property tax relief particularly during the current economic downturn; and

WHEREAS, some states, >>including Connecticut, Illinois and New Jersey,<< have prohibited increases in the assessed value of homestead property of senior citizens receiving homestead exemption >>and whose annual income does not exceed certain thresholds, essentially freezing or capping the assessed values of low income senior citizens' homes<< ; and

WHEREAS, while this prohibition on increases in assessed value does not completely prevent property tax increases based on increases in millage rates by various taxing authorities, it would prohibit the assessed value of property from increasing so long as a low income senior citizen lives in the homesteaded property and does not exceed the income limits; and

WHEREAS, a constitutional amendment approved by the Florida voters would be necessary to prohibit increases in the assessed value of homestead property of >>low income<< senior citizens; and

WHEREAS, the Florida Legislature has the authority to place such a constitutional amendment on the statewide ballot to provide property tax relief to >>low income<< senior citizens,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board:

Section 1. Urges the Florida Legislature to pass a joint resolution that would propose a constitutional amendment prohibiting increases in the assessed value of homestead property of >>low income<< senior citizens, >>with income limitations tied to the existing additional homestead exemption for low income senior citizens, which currently is available to a senior citizen whose adjusted household income does not exceed $25,780<<.

Section 2. Directs the Clerk of the Board to transmit a certified copy of this resolution to the Governor, Senate President, House Speaker, and the Chair and Members of the Miami-Dade County State Legislative Delegation.

Section 3. Directs the County's state lobbyists to advocate against the legislation set forth in Section 1 above, and authorizes and directs that the Office of Intergovernmental Affairs to include this item in the 2011 State Legislative Package.

The Prime Sponsor of the foregoing resolution is Commissioner Joe A. Martinez. It was offered by Commissioner , who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

Dennis C. Moss, Chairman
Jose "Pepe" Diaz, Vice-Chairman

Bruno A. Barreiro	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Barbara J. Jordan	Joe A. Martinez
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 19th day of October, 2010. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By:_____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency. JMM

Jess M. McCarty