

MEMORANDUM

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

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

**DATE:** October 19, 2010

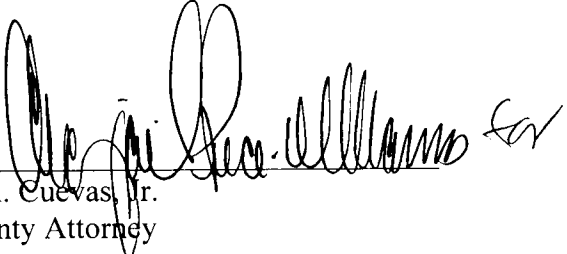
**FROM:** R. A. Cuevas, Jr.  
County Attorney

**SUBJECT:** Resolution urging the Florida  
Legislature to pass a joint resolution  
that would propose a constitutional  
amendment to provide for a local  
option to prohibit increases in the  
total property tax bill of homestead  
property of low and middle income  
senior citizens

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**This substitute differs from the original in that it places a ceiling on total homestead property taxes, not just assessed value; applies to low and middle income senior citizens rather than all senior citizens; ties eligibility to a recognition of the investment eligible senior citizens have made to local infrastructure measured by aggregate property taxes paid to the extent permitted by law; and clarifies that the proposal would be local option.**

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Vice-Chairman Jose "Pepe" Diaz.

  
\_\_\_\_\_  
R. A. Cuevas, Jr.  
County Attorney

RAC/cp



# MEMORANDUM

(Revised)

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**DATE:** October 19, 2010

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County Attorney

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**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 \_\_\_\_\_

Substitute  
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 PROVIDE FOR A  
LOCAL OPTION TO PROHIBIT INCREASES IN THE TOTAL  
PROPERTY TAX BILL OF HOMESTEAD PROPERTY OF  
LOW AND MIDDLE 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<<<sup>1</sup>

**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 or 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 and middle 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

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<sup>1</sup> The differences between the substitute 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 and middle 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 and middle income senior citizens' homes; and<<

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

>>WHEREAS, many senior citizens with modest incomes nonetheless exceed the current income limit of \$25,780 for the additional homestead exemption for low income senior citizens; and<<

**WHEREAS,** the Florida Legislature has the authority to place such constitutional amendments on the statewide ballot,

**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 >>to provide a local option to prohibit increases in, and impose a ceiling on, the total property tax bill of homestead property of low and middle income senior citizens whose annual income does not exceed \$50,000, with an escalator to account for inflation in future years. To the extent permitted by law, eligibility for such a property tax ceiling shall

include a recognition of the investment eligible senior citizens have made to local infrastructure measured by aggregate property taxes paid.<<

~~[[increases in the assessed value of homestead property of senior citizens.]]~~

**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 Vice-Chairman Jose "Pepe" Diaz. 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
Dorin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 19<sup>th</sup> 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.



Jess M. McCarty