

CHAPTER 2016-128

Committee Substitute for Committee Substitute for House Bill No. 499

An act relating to ad valorem taxation; amending s. 192.0105, F.S.; conforming provisions to changes made by the act; amending s. 193.073, F.S.; revising procedures for the revision of an erroneous or incomplete personal property tax return; amending s. 193.122, F.S.; specifying deadlines for value adjustment boards to complete certain hearings and final assessment roll certifications; providing exceptions; providing applicability; amending ss. 193.155, 193.1554, and 193.1555, F.S.; requiring a property appraiser to serve a notice of intent to record a notice of tax lien under certain circumstances; requiring certain taxpayers to be given a specified timeframe to pay taxes, penalties, and interest to avoid the filing of a lien; prohibiting the assessment of penalties and interest under certain circumstances; amending s. 194.011, F.S.; revising the procedures for filing petitions to the value adjustment board; providing applicability as to the confidentiality of certain taxpayer information; amending s. 194.014, F.S.; revising the entities authorized to determine under certain circumstances that a petitioner owes ad valorem taxes or is owed a refund of overpaid taxes; revising the rate at which interest accrues on unpaid and overpaid ad valorem taxes; defining the term “bank prime loan rate”; amending s. 194.032, F.S.; revising the purposes for which a value adjustment board may meet; revising requirements for the provision of property record cards to a petitioner for certain hearings; requiring the petitioner or property appraiser to show good cause to reschedule a hearing related to an assessment; defining the term “good cause”; amending s. 194.034, F.S.; revising requirements for an entity that may represent a taxpayer before the value adjustment board; requiring the Department of Revenue to adopt certain forms; prohibiting a taxpayer from contesting an assessment unless the return was timely filed; defining the term “timely filed”; revising provisions relating to findings of fact; amending s. 194.035, F.S.; specifying that certain petitions must be heard by a special magistrate; prohibiting consideration of assessment reductions recommended in previous hearings by special magistrates when appointing or when scheduling a special magistrate; amending s. 197.3632, F.S.; extending the dates for certain counties to adopt or certify non-ad valorem assessment rolls; reenacting and amending s. 1011.62(4)(e), F.S.; revising the time period for requirements and calculations applicable to the levy and adjustment of the Prior Period Funding Adjustment Millage before and after certification of the district’s final taxable value; repealing certain provisions of a rule adopted by the Department of Revenue; providing a finding of important state interest; providing effective dates.

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

Section 1. Paragraph (f) of subsection (2) of section 192.0105, Florida Statutes, is amended to read:

192.0105 Taxpayer rights.—There is created a Florida Taxpayer’s Bill of Rights for property taxes and assessments to guarantee that the rights, privacy, and property of the taxpayers of this state are adequately safeguarded and protected during tax levy, assessment, collection, and enforcement processes administered under the revenue laws of this state. The Taxpayer’s Bill of Rights compiles, in one document, brief but comprehensive statements that summarize the rights and obligations of the property appraisers, tax collectors, clerks of the court, local governing boards, the Department of Revenue, and taxpayers. Additional rights afforded to payors of taxes and assessments imposed under the revenue laws of this state are provided in s. 213.015. The rights afforded taxpayers to assure that their privacy and property are safeguarded and protected during tax levy, assessment, and collection are available only insofar as they are implemented in other parts of the Florida Statutes or rules of the Department of Revenue. The rights so guaranteed to state taxpayers in the Florida Statutes and the departmental rules include:

(2) THE RIGHT TO DUE PROCESS.—

(f) The right, in value adjustment board proceedings, to have all evidence presented and considered at a public hearing at the scheduled time, to be represented by a person specified in s. 194.034(1)(a), (b), or (c) an attorney or agent, to have witnesses sworn and cross-examined, and to examine property appraisers or evaluators employed by the board who present testimony (see ss. 194.034(1)(d) ~~194.034(1)(a) and (e)~~ and (4), and 194.035(2)).

Section 2. Subsection (1) of section 193.073, Florida Statutes, is amended to read:

193.073 Erroneous returns; estimate of assessment when no return filed.—

(1)(a) Upon discovery that an erroneous or incomplete statement of personal property has been filed by a taxpayer or that all the property of a taxpayer has not been returned for taxation, the property appraiser shall mail a notice informing the taxpayer that an erroneous or incomplete statement of personal property has been filed. Such notice shall be mailed at any time before the mailing of the notice required in s. 200.069. The taxpayer has 30 days after the date the notice is mailed to provide the property appraiser with a complete return listing all property for taxation. ~~proceed as follows:~~

~~(b)(a)~~ If the property is personal property and is discovered before April 1, the property appraiser shall make an assessment in triplicate. After attaching the affidavit and warrant required by law, the property appraiser

shall dispose of the additional assessment roll in the same manner as provided by law.

~~(c)~~(b) If the property is personal property and is discovered on or after April 1, or is real property discovered at any time, the property shall be added to the assessment roll then in preparation.

Section 3. Subsection (1) of section 193.122, Florida Statutes, is amended to read:

193.122 Certificates of value adjustment board and property appraiser; extensions on the assessment rolls.—

(1) The value adjustment board shall certify each assessment roll upon order of the board of county commissioners pursuant to s. 197.323, if applicable, and again after all hearings required by s. 194.032 have been held. These certificates shall be attached to each roll as required by the Department of Revenue. Notwithstanding an extension of the roll by the board of county commissioners pursuant to s. 197.323, the value adjustment board must complete all hearings required by s. 194.032 and certify the assessment roll to the property appraiser by June 1 following the assessment year. The June 1 requirement shall be extended until December 1 in each year in which the number of petitions filed increased by more than 10 percent over the previous year.

Section 4. The amendments made by this act to s. 193.122, Florida Statutes, first apply beginning with the 2018 tax roll.

Section 5. Subsection (10) of section 193.155, Florida Statutes, is amended to read:

193.155 Homestead assessments.—Homestead property shall be assessed at just value as of January 1, 1994. Property receiving the homestead exemption after January 1, 1994, shall be assessed at just value as of January 1 of the year in which the property receives the exemption unless the provisions of subsection (8) apply.

(10) If the property appraiser determines that for any year or years within the prior 10 years a person who was not entitled to the homestead property assessment limitation granted under this section was granted the homestead property assessment limitation, the property appraiser making such determination shall serve upon the owner a notice of intent to record in the public records of the county a notice of tax lien against any property owned by that person in the county, and such property must be identified in the notice of tax lien. Such property that is situated in this state is subject to the unpaid taxes, plus a penalty of 50 percent of the unpaid taxes for each year and 15 percent interest per annum. However, when a person entitled to exemption pursuant to s. 196.031 inadvertently receives the limitation pursuant to this section following a change of ownership, the assessment of such property must be corrected as provided in paragraph (9)(a), and the

person need not pay the unpaid taxes, penalties, or interest. Before a lien may be filed, the person or entity so notified must be given 30 days to pay the taxes and any applicable penalties and interest. If the property appraiser improperly grants the property assessment limitation as a result of a clerical mistake or an omission, the person or entity improperly receiving the property assessment limitation may not be assessed a penalty or interest.

Section 6. Subsection (10) of section 193.1554, Florida Statutes, is amended to read:

193.1554 Assessment of nonhomestead residential property.—

(10) If the property appraiser determines that for any year or years within the prior 10 years a person or entity who was not entitled to the property assessment limitation granted under this section was granted the property assessment limitation, the property appraiser making such determination shall serve upon the owner a notice of intent to record in the public records of the county a notice of tax lien against any property owned by that person or entity in the county, and such property must be identified in the notice of tax lien. Such property that is situated in this state is subject to the unpaid taxes, plus a penalty of 50 percent of the unpaid taxes for each year and 15 percent interest per annum. Before a lien may be filed, the person or entity so notified must be given 30 days to pay the taxes and any applicable penalties and interest. If the property appraiser improperly grants the property assessment limitation as a result of a clerical mistake or an omission, the person or entity improperly receiving the property assessment limitation may not be assessed a penalty or interest.

Section 7. Subsection (10) of section 193.1555, Florida Statutes, is amended to read:

193.1555 Assessment of certain residential and nonresidential real property.—

(10) If the property appraiser determines that for any year or years within the prior 10 years a person or entity who was not entitled to the property assessment limitation granted under this section was granted the property assessment limitation, the property appraiser making such determination shall serve upon the owner a notice of intent to record in the public records of the county a notice of tax lien against any property owned by that person or entity in the county, and such property must be identified in the notice of tax lien. Such property that is situated in this state is subject to the unpaid taxes, plus a penalty of 50 percent of the unpaid taxes for each year and 15 percent interest per annum. Before a lien may be filed, the person or entity so notified must be given 30 days to pay the taxes and any applicable penalties and interest. If the property appraiser improperly grants the property assessment limitation as a result of a clerical mistake or an omission, the person or entity improperly receiving the property assessment limitation may not be assessed a penalty or interest.

Section 8. Subsection (3) of section 194.011, Florida Statutes, is amended to read:

194.011 Assessment notice; objections to assessments.—

(3) A petition to the value adjustment board must be in substantially the form prescribed by the department. Notwithstanding s. 195.022, a county officer may not refuse to accept a form provided by the department for this purpose if the taxpayer chooses to use it. A petition to the value adjustment board must be signed by the taxpayer or be accompanied at the time of filing by the taxpayer's written authorization or power of attorney, unless the person filing the petition is listed in s. 194.034(1)(a). A person listed in s. 194.034(1)(a) may file a petition with a value adjustment board without the taxpayer's signature or written authorization by certifying under penalty of perjury that he or she has authorization to file the petition on behalf of the taxpayer. If a taxpayer notifies the value adjustment board that a petition has been filed for the taxpayer's property without his or her consent, the value adjustment board may require the person filing the petition to provide written authorization from the taxpayer authorizing the person to proceed with the appeal before a hearing is held. If the value adjustment board finds that a person listed in s. 194.034(1)(a) willfully and knowingly filed a petition that was not authorized by the taxpayer, the value adjustment board shall require such person to provide the taxpayer's written authorization for representation to the value adjustment board clerk before any petition filed by that person is heard, for 1 year after imposition of such requirement by the value adjustment board. A power of attorney or written authorization is valid for 1 assessment year, and a new power of attorney or written authorization by the taxpayer is required for each subsequent assessment year. A petition shall also describe the property by parcel number and shall be filed as follows:

(a) The clerk of the value adjustment board and the property appraiser shall have available and shall distribute forms prescribed by the Department of Revenue on which the petition shall be made. Such petition shall be sworn to by the petitioner.

(b) The completed petition shall be filed with the clerk of the value adjustment board of the county, who shall acknowledge receipt thereof and promptly furnish a copy thereof to the property appraiser.

(c) The petition shall state the approximate time anticipated by the taxpayer to present and argue his or her petition before the board.

(d) The petition may be filed, as to valuation issues, at any time during the taxable year on or before the 25th day following the mailing of notice by the property appraiser as provided in subsection (1). With respect to an issue involving the denial of an exemption, an agricultural or high-water recharge classification application, an application for classification as historic property used for commercial or certain nonprofit purposes, or a deferral, the petition must be filed at any time during the taxable year on or before the

30th day following the mailing of the notice by the property appraiser under s. 193.461, s. 193.503, s. 193.625, s. 196.173, or s. 196.193 or notice by the tax collector under s. 197.2425.

(e) A condominium association, cooperative association, or any homeowners' association as defined in s. 723.075, with approval of its board of administration or directors, may file with the value adjustment board a single joint petition on behalf of any association members who own parcels of property which the property appraiser determines are substantially similar with respect to location, proximity to amenities, number of rooms, living area, and condition. The condominium association, cooperative association, or homeowners' association as defined in s. 723.075 shall provide the unit owners with notice of its intent to petition the value adjustment board and shall provide at least 20 days for a unit owner to elect, in writing, that his or her unit not be included in the petition.

(f) An owner of contiguous, undeveloped parcels may file with the value adjustment board a single joint petition if the property appraiser determines such parcels are substantially similar in nature.

(g) An owner of multiple tangible personal property accounts may file with the value adjustment board a single joint petition if the property appraiser determines that the tangible personal property accounts are substantially similar in nature.

(h) The individual, agent, or legal entity that signs the petition becomes an agent of the taxpayer for the purpose of serving process to obtain personal jurisdiction over the taxpayer for the entire value adjustment board proceedings, including any appeals of a board decision by the property appraiser pursuant to s. 194.036. This paragraph does not authorize the individual, agent, or legal entity to receive or access the taxpayer's confidential information without written authorization from the taxpayer.

Section 9. Subsection (2) of section 194.014, Florida Statutes, is amended to read:

194.014 Partial payment of ad valorem taxes; proceedings before value adjustment board.—

(2) If the value adjustment board or the property appraiser determines that the petitioner owes ad valorem taxes in excess of the amount paid, the unpaid amount accrues interest at an annual percentage rate equal to the bank prime loan rate on July 1, or the first business day thereafter if July 1 is a Saturday, Sunday, or legal holiday, of the rate of 12 percent per year, beginning on ~~from~~ the date the taxes became delinquent pursuant to s. 197.333 until the unpaid amount is paid. If the value adjustment board or the property appraiser determines that a refund is due, the overpaid amount accrues interest at an annual percentage rate equal to the bank prime loan rate on July 1, or the first business day thereafter if July 1 is a Saturday, Sunday, or legal holiday, of the tax ~~the rate of 12 percent per year, beginning~~

on from the date the taxes became delinquent pursuant to s. 197.333 until a refund is paid. Interest on an overpayment related to a petition shall be funded proportionately by each taxing authority that was overpaid. Interest does not accrue on amounts paid in excess of 100 percent of the current taxes due as provided on the tax notice issued pursuant to s. 197.322. For purposes of this subsection, the term “bank prime loan rate” means the average predominant prime rate quoted by commercial banks to large businesses as published by the Board of Governors of the Federal Reserve System.

Section 10. Paragraph (a) of subsection (1) and paragraph (a) of subsection (2) of section 194.032, Florida Statutes, are amended to read:

194.032 Hearing purposes; timetable.—

(1)(a) The value adjustment board shall meet not earlier than 30 days and not later than 60 days after the mailing of the notice provided in s. 194.011(1); however, no board hearing shall be held before approval of all or any part of the assessment rolls by the Department of Revenue. The board shall meet for the following purposes:

1. Hearing petitions relating to assessments filed pursuant to s. 194.011(3).

2. Hearing complaints relating to homestead exemptions as provided for under s. 196.151.

3. Hearing appeals from exemptions denied, or disputes arising from exemptions granted, upon the filing of exemption applications under s. 196.011.

4. Hearing appeals concerning ad valorem tax deferrals and classifications.

5. Hearing appeals from determinations that a change of ownership under s. 193.155(3), a change of ownership or control under s. 193.1554(5) or s. 193.1555(5), or a qualifying improvement under s. 193.1555(5), has occurred.

(2)(a) The clerk of the governing body of the county shall prepare a schedule of appearances before the board based on petitions timely filed with him or her. The clerk shall notify each petitioner of the scheduled time of his or her appearance at least 25 calendar days before the day of the scheduled appearance. The notice must indicate whether the petition has been scheduled to be heard at a particular time or during a block of time. If the petition has been scheduled to be heard within a block of time, the beginning and ending of that block of time must be indicated on the notice; however, as provided in paragraph (b), a petitioner may not be required to wait for more than a reasonable time, not to exceed 2 hours, after the beginning of the block of time. ~~If the petitioner checked the appropriate box on the petition form to request a copy of the property record card containing relevant information used in computing the current assessment,~~ The

property appraiser must provide a the copy of the property record card containing information relevant to the computation of the current assessment, with confidential information redacted, to the petitioner upon receipt of the petition from the clerk regardless of whether the petitioner initiates evidence exchange, unless the property record card is available online from the property appraiser, in which case the property appraiser must notify the petitioner that the property record card is available online. Upon receipt of the notice, The petitioner and the property appraiser may each reschedule the hearing a single time for good cause by submitting to the clerk a written request to reschedule, at least 5 calendar days before the day of the originally scheduled hearing. As used in this paragraph, the term “good cause” means circumstances beyond the control of the person seeking to reschedule the hearing which reasonably prevent the party from having adequate representation at the hearing. If the hearing is rescheduled by the petitioner or the property appraiser, the clerk shall notify the petitioner of the rescheduled time of his or her appearance at least 15 calendar days before the day of the rescheduled appearance, unless this notice is waived by both parties.

Section 11. Subsections (1) and (2) of section 194.034, Florida Statutes, are amended to read:

194.034 Hearing procedures; rules.—

(1)(a) Petitioners before the board may be represented by an employee of the taxpayer or an affiliated entity, an attorney who is a member of The Florida Bar, a real estate appraiser licensed under chapter 475, a real estate broker licensed under chapter 475, or a certified public accountant licensed under chapter 473, retained by the taxpayer. Such person may ~~or agent and~~ present testimony and other evidence.

(b) A petitioner before the board may also be represented by a person with a power of attorney to act on the taxpayer’s behalf. Such person may present testimony and other evidence. The power of attorney must conform to the requirements of part II of chapter 709, is valid only to represent a single petitioner in a single assessment year, and must identify the parcels for which the taxpayer has granted the person the authority to represent the taxpayer. The Department of Revenue shall adopt a form that meets the requirements of this paragraph. However, a petitioner is not required to use the department’s form to grant the power of attorney.

(c) A petitioner before the board may also be represented by a person with written authorization to act on the taxpayer’s behalf, for which such person receives no compensation. Such person may present testimony and other evidence. The written authorization is valid only to represent a single petitioner in a single assessment year and must identify the parcels for which the taxpayer authorizes the person to represent the taxpayer. The Department of Revenue shall adopt a form that meets the requirements of this paragraph. However, a petitioner is not required to use the department’s form to grant the authorization.

(d) The property appraiser or his or her authorized representatives may be represented by an attorney in defending the property appraiser’s assessment or opposing an exemption and may present testimony and other evidence.

(e) The property appraiser, each petitioner, and all witnesses shall be required, upon the request of either party, to testify under oath as administered by the ~~chair~~ chairperson of the board. Hearings shall be conducted in the manner prescribed by rules of the department, which rules shall include the right of cross-examination of any witness.

~~(f)(b)~~ Nothing herein shall preclude an aggrieved taxpayer from contesting his or her assessment in the manner provided by s. 194.171, regardless of whether or not he or she has initiated an action pursuant to s. 194.011.

~~(g)(e)~~ The rules shall provide that no evidence shall be considered by the board except when presented during the time scheduled for the petitioner’s hearing or at a time when the petitioner has been given reasonable notice; that a verbatim record of the proceedings shall be made, and proof of any documentary evidence presented shall be preserved and made available to the Department of Revenue, if requested; and that further judicial proceedings shall be as provided in s. 194.036.

~~(h)(d)~~ Notwithstanding the provisions of this subsection, ~~a~~ no petitioner may not present for consideration, ~~and~~ nor may a board or special magistrate may not accept for consideration, testimony or other evidentiary materials that were requested of the petitioner in writing by the property appraiser of which the petitioner had knowledge but ~~and~~ denied to the property appraiser.

~~(i)(e)~~ Chapter 120 does not apply to hearings of the value adjustment board.

~~(j)(f)~~ An assessment may not be contested ~~unless~~ until a return as required by s. 193.052 ~~was timely~~ has been filed. For purposes of this paragraph, the term “timely filed” means filed by the deadline established in s. 193.062 or before the expiration of any extension granted under s. 193.063. If notice is mailed pursuant to s. 193.073(1)(a), a complete return must be submitted under s. 193.073(1)(a) for the assessment to be contested.

(2) In each case, except if the complaint is withdrawn by the petitioner or if the complaint is acknowledged as correct by the property appraiser, the value adjustment board shall render a written decision. All such decisions shall be issued within 20 calendar days after the last day the board is in session under s. 194.032. The decision of the board must contain findings of fact and conclusions of law and must include reasons for upholding or overturning the determination of the property appraiser. Findings of fact must be based on admitted evidence or a lack thereof. If a special magistrate has been appointed, the recommendations of the special magistrate shall be considered by the board. The clerk, upon issuance of a decision, shall, on a

form provided by the Department of Revenue, notify each taxpayer and the property appraiser of the decision of the board. This notification shall be by first-class mail or by electronic means if selected by the taxpayer on the originally filed petition. If requested by the Department of Revenue, the clerk shall provide to the department a copy of the decision or information relating to the tax impact of the findings and results of the board as described in s. 194.037 in the manner and form requested.

Section 12. Subsection (1) of section 194.035, Florida Statutes, is amended to read:

194.035 Special magistrates; property evaluators.—

(1) In counties having a population of more than 75,000, the board shall appoint special magistrates for the purpose of taking testimony and making recommendations to the board, which recommendations the board may act upon without further hearing. These special magistrates may not be elected or appointed officials or employees of the county but shall be selected from a list of those qualified individuals who are willing to serve as special magistrates. Employees and elected or appointed officials of a taxing jurisdiction or of the state may not serve as special magistrates. The clerk of the board shall annually notify such individuals or their professional associations to make known to them that opportunities to serve as special magistrates exist. The Department of Revenue shall provide a list of qualified special magistrates to any county with a population of 75,000 or less. Subject to appropriation, the department shall reimburse counties with a population of 75,000 or less for payments made to special magistrates appointed for the purpose of taking testimony and making recommendations to the value adjustment board pursuant to this section. The department shall establish a reasonable range for payments per case to special magistrates based on such payments in other counties. Requests for reimbursement of payments outside this range shall be justified by the county. If the total of all requests for reimbursement in any year exceeds the amount available pursuant to this section, payments to all counties shall be prorated accordingly. If a county having a population less than 75,000 does not appoint a special magistrate to hear each petition, the person or persons designated to hear petitions before the value adjustment board or the attorney appointed to advise the value adjustment board shall attend the training provided pursuant to subsection (3), regardless of whether the person would otherwise be required to attend, but shall not be required to pay the tuition fee specified in subsection (3). A special magistrate appointed to hear issues of exemptions, ~~and classifications, and determinations that a change of ownership, a change of ownership or control, or a qualifying improvement has occurred~~ shall be a member of The Florida Bar with no less than 5 years' experience in the area of ad valorem taxation. A special magistrate appointed to hear issues regarding the valuation of real estate shall be a state certified real estate appraiser with not less than 5 years' experience in real property valuation. A special magistrate appointed to hear issues regarding the valuation of tangible personal property shall be a designated member of a nationally recognized appraiser's organization with

not less than 5 years' experience in tangible personal property valuation. A special magistrate need not be a resident of the county in which he or she serves. A special magistrate may not represent a person before the board in any tax year during which he or she has served that board as a special magistrate. Before appointing a special magistrate, a value adjustment board shall verify the special magistrate's qualifications. The value adjustment board shall ensure that the selection of special magistrates is based solely upon the experience and qualifications of the special magistrate and is not influenced by the property appraiser. The special magistrate shall accurately and completely preserve all testimony and, in making recommendations to the value adjustment board, shall include proposed findings of fact, conclusions of law, and reasons for upholding or overturning the determination of the property appraiser. The expense of hearings before magistrates and any compensation of special magistrates shall be borne three-fifths by the board of county commissioners and two-fifths by the school board. When appointing special magistrates or when scheduling special magistrates for specific hearings, the board, the board attorney, and the board clerk may not consider the dollar amount or percentage of any assessment reductions recommended by any special magistrate in the current year or in any previous year.

Section 13. Paragraph (a) of subsection (4) and paragraph (a) of subsection (5) of section 197.3632, Florida Statutes, are amended to read:

197.3632 Uniform method for the levy, collection, and enforcement of non-ad valorem assessments.—

(4)(a) A local government shall adopt a non-ad valorem assessment roll at a public hearing held between January 1 and September 15, or between January 1 and September 25 for any county as defined in s. 125.011(1), if:

1. The non-ad valorem assessment is levied for the first time;
2. The non-ad valorem assessment is increased beyond the maximum rate authorized by law or judicial decree at the time of initial imposition;
3. The local government's boundaries have changed, unless all newly affected property owners have provided written consent for such assessment to the local governing board; or
4. There is a change in the purpose for such assessment or in the use of the revenue generated by such assessment.

(5)(a) By September 15 of each year, or by September 25 for any county as defined in s. 125.011(1), the chair of the local governing board or his or her designee shall certify a non-ad valorem assessment roll on compatible electronic medium to the tax collector. The local government shall post the non-ad valorem assessment for each parcel on the roll. The tax collector shall not accept any such roll that is not certified on compatible electronic medium and that does not contain the posting of the non-ad valorem assessment for

each parcel. It is the responsibility of the local governing board that such roll be free of errors and omissions. Alterations to such roll may be made by the chair or his or her designee up to 10 days before certification. If the tax collector discovers errors or omissions on such roll, he or she may request the local governing board to file a corrected roll or a correction of the amount of any assessment.

Section 14. Effective June 30, 2016, notwithstanding the expiration date in section 9 of chapter 2015-222, Laws of Florida, and notwithstanding the amendment made by section 16 of SB 1040, 2016 Regular Session, paragraph (e) of subsection (4) of section 1011.62, Florida Statutes, as amended by section 7 of chapter 2015-222, Laws of Florida, is reenacted and amended to read:

1011.62 Funds for operation of schools.—If the annual allocation from the Florida Education Finance Program to each district for operation of schools is not determined in the annual appropriations act or the substantive bill implementing the annual appropriations act, it shall be determined as follows:

(4) COMPUTATION OF DISTRICT REQUIRED LOCAL EFFORT.—The Legislature shall prescribe the aggregate required local effort for all school districts collectively as an item in the General Appropriations Act for each fiscal year. The amount that each district shall provide annually toward the cost of the Florida Education Finance Program for kindergarten through grade 12 programs shall be calculated as follows:

(e) *Prior period funding adjustment millage.*—

1. ~~There shall be~~ An additional millage to be known as the Prior Period Funding Adjustment Millage shall be levied by a school district if the prior period unrealized required local effort funds are greater than zero. The Commissioner of Education shall calculate the amount of the prior period unrealized required local effort funds as specified in subparagraph 2. and the millage required to generate that amount as specified in this subparagraph. The Prior Period Funding Adjustment Millage shall be the quotient of the prior period unrealized required local effort funds divided by the current year taxable value certified to the Commissioner of Education pursuant to sub-subparagraph (a)1.a. This levy shall be in addition to the required local effort millage certified pursuant to this subsection. Such millage shall not affect the calculation of the current year's required local effort, and the funds generated by such levy shall not be included in the district's Florida Education Finance Program allocation for that fiscal year. For purposes of the millage to be included on the Notice of Proposed Taxes, the Commissioner of Education shall adjust the required local effort millage computed pursuant to paragraph (a) as adjusted by paragraph (b) for the current year for any district that levies a Prior Period Funding Adjustment Millage to include all Prior Period Funding Adjustment Millage. For the purpose of this paragraph, ~~there shall be~~ a Prior Period Funding Adjustment Millage shall be levied for each year certified by the Department of Revenue pursuant to

sub-subparagraph (a)2.a. since the previous year certification and for which the calculation in sub-subparagraph 2.b. is greater than zero.

2.a. As used in this subparagraph, the term:

(I) “Prior year” means a year certified under sub-subparagraph (a)2.a.

(II) “Preliminary taxable value” means:

(A) If the prior year is the 2009-2010 fiscal year or later, the taxable value certified to the Commissioner of Education pursuant to sub-subparagraph (a)1.a.

(B) If the prior year is the 2008-2009 fiscal year or earlier, the taxable value certified pursuant to the final calculation as specified in former paragraph (b) as that paragraph existed in the prior year.

(III) “Final taxable value” means the district’s taxable value as certified by the property appraiser pursuant to s. 193.122(2) or (3), if applicable. This is the certification that reflects all final administrative actions of the value adjustment board.

b. For purposes of this subsection and with respect to each year certified pursuant to sub-subparagraph (a)2.a., if the district’s prior year preliminary taxable value is greater than the district’s prior year final taxable value, the prior period unrealized required local effort funds are the difference between the district’s prior year preliminary taxable value and the district’s prior year final taxable value, multiplied by the prior year district required local effort millage. If the district’s prior year preliminary taxable value is less than the district’s prior year final taxable value, the prior period unrealized required local effort funds are zero.

c. ~~For the 2015-2016 fiscal year only,~~ If a district’s prior period unrealized required local effort funds and prior period district required local effort millage cannot be determined because such district’s final taxable value has not yet been certified pursuant to s. 193.122(2) or (3), ~~for the 2015 tax levy,~~ the Prior Period Funding Adjustment Millage for such fiscal year shall be levied, if not previously levied, ~~in 2015~~ in an amount equal to 75 percent of such district’s most recent unrealized required local effort for which a Prior Period Funding Adjustment Millage was determined as provided in this section. Upon certification of the final taxable value in accordance with s. 193.122(2) or (3) for a the 2012, 2013, or 2014 tax roll rolls for which a 75 percent Prior Period Funding Adjustment Millage was levied in accordance with s. 193.122(2) or (3), the next Prior Period Funding Adjustment Millage levied ~~in 2015 and 2016~~ shall be adjusted to include any shortfall or surplus in the prior period unrealized required local effort funds that would have been levied ~~in 2014 or 2015,~~ had the district’s final taxable value been certified pursuant to s. 193.122(2) or (3) ~~for the 2014 or 2015 tax levy.~~ If this adjustment is made for a surplus, the reduction in prior period millage may not exceed the prior period funding adjustment millage

calculated pursuant to subparagraph 1. and sub-subparagraphs a. and b., or pursuant to this sub-subparagraph, whichever is applicable, and any additional reduction shall be carried forward to the subsequent fiscal year.

Section 15. Subsections (4) and (5) of rule 12D-9.019, Florida Administrative Code, relating to scheduling and notice of a hearing of the Department of Revenue, are repealed, and the Department of State shall update the Florida Administrative Code to remove those subsections of the rule.

Section 16. The Legislature finds that this act fulfills an important state interest.

Section 17. Except as otherwise expressly provided in this act, and except for this section, which shall take effect June 30, 2016, this act shall take effect July 1, 2016.

Approved by the Governor March 25, 2016.

Filed in Office Secretary of State March 25, 2016.