

Florida Property Tax Definitions

"Ad valorem tax" means a tax based upon the assessed value of property. The term "property tax" may be used interchangeably with the term "ad valorem tax."

"Ad valorem tax roll" means the roll prepared by the property appraiser and certified to the tax collector for collection.

"Assessed value of property" means an annual determination of the just or fair market value of an item or property or the value of the homestead property as limited pursuant to s. 4(c), Art. VII of the State Constitution or, if a property is assessed solely on the basis of character or use or at a specified percentage of its value, pursuant to s. 4(a) or (b), Art. VII of the State Constitution, its classified use value or fractional value.

"County property appraiser" means the county officer charged with determining the value of all property within the county, with maintaining certain records connected therewith, and with determining the tax on taxable property after taxes have been levied. He or she shall also be referred to in these statutes as the "property appraiser" or "appraiser."

"County tax collector" means the county officer charged with the collection of ad valorem taxes levied by the county, the school board, any special taxing districts within the county, and all municipalities within the county.

"Couple" means a husband and wife legally married under the laws of any state or territorial possession of the United States or of any foreign country.

"Department" means the Department of Revenue.

"Enterprise zone" means an area designated as an enterprise zone pursuant to s. 290.0065. This subsection shall stand repealed on December 31, 2005.

"Extend on the tax roll" means the arithmetic computation whereby the millage is converted to a decimal number representing one one-thousandth of a dollar and then multiplied by the taxable value of the property to determine the tax on such property.

"Exempt use of property" or "use of property for exempt purposes" means predominant or exclusive use of property owned by an exempt entity for educational, literary, scientific, religious, charitable, or governmental purposes, as defined in this chapter.

"Fee timeshare real property" means the land and buildings and other improvements to land that are subject to timeshare interests which are sold as a fee interest in real property.

"Governing body" means any board, commission, council, or individual acting as the executive head of a unit of local government.

"Homestead" means that property described in s. 6(a), Art. VII of the State Constitution.

"Levy" means the imposition of a tax, stated in terms of "millage," against all appropriately located property by a governmental body authorized by law to impose ad valorem taxes.

"Mill" means one one-thousandth of a United States dollar.

"Millage" may apply to a single levy of taxes or to the cumulative of all levies.

"Non-ad valorem assessment roll" means a roll prepared by a local government and certified to the tax collector for collection.

"Permanent resident" means a person who has established a permanent residence as defined in subsection (18).

"Permanent residence" means that place where a person has his or her true, fixed, and permanent home and principal establishment to which, whenever absent, he or she has the intention of returning. A person may have only one permanent residence at a time; and, once a permanent residence is established in a foreign state or country, it is presumed to continue until the person shows that a change has occurred.

"Personal property," for the purposes of ad valorem taxation, shall be divided into four categories as follows:

(a) *"Household goods"* means wearing apparel, furniture, appliances, and other items ordinarily found in the home and used for the comfort of the owner and his or her family. Household goods are not held for commercial purposes or resale.

(b) *"Intangible personal property"* means money, all evidences of debt owed to the taxpayer, all evidences of ownership in a corporation or other business organization having multiple owners, and all other forms of property where value is based upon that which the property represents rather than its own intrinsic value.

(c) *"Inventory"* means only those chattels consisting of items commonly referred to as

goods, wares, and merchandise (as well as inventory) which are held for sale or lease to customers in the ordinary course of business. Supplies and raw materials shall be considered to be inventory only to the extent that they are acquired for sale or lease to customers in the ordinary course of business or will physically become a part of merchandise intended for sale or lease to customers in the ordinary course of business. Partially finished products which when completed will be held for sale or lease to customers in the ordinary course of business shall be deemed items of inventory. All livestock shall be considered inventory. Items of inventory held for lease to customers in the ordinary course of business, rather than for sale, shall be deemed inventory only prior to the initial lease of such items. For the purposes of this section, fuels used in the production of electricity shall be considered inventory.

(d) "*Tangible personal property*" means all goods, chattels, and other articles of value (but does not include the vehicular items enumerated in s. 1(b), Art. VII of the State Constitution and elsewhere defined) capable of manual possession and whose chief value is intrinsic to the article itself. "Construction work in progress" consists of those items of tangible personal property commonly known as fixtures, machinery, and equipment when in the process of being installed in new or expanded improvements to real property and whose value is materially enhanced upon connection or use with a preexisting, taxable, operational system or facility. Construction work in progress shall be deemed substantially completed when connected with the preexisting, taxable, operational system or facility. Inventory and "Predominant use of property" means use of property for exempt purposes in excess of 50 percent but less than exclusive household goods are expressly excluded from this definition.

"Predominant use of property" means use of property for exempt purposes in excess of 50 percent but less than exclusive.

"Procedure" The property appraiser is the elected constitutional officer responsible for determining and listing the value of all property in each county. All questions of assessment are initially determined by him. If a property owner objects to a proposed assessment, the owner may appeal to the Value Adjustment Board (VAB) for that county. The Board consists of three members of the county commission and two members of the school board. The Board members may choose to employ special masters to conduct the VAB hearing for them. The Department of Revenue, Ad Valorem Tax Division, assesses the property of railroad and private car line companies and certifies the assessed values to the counties.

"Real estate used and owned as a homestead" means real property to the extent provided in s. 6(a), Art. VII of the State Constitution, but less any portion thereof used for commercial purposes, with the title of such property being recorded in the official records of the county in which the property is located. Property rented for more than 6 months is presumed to be used for commercial purposes.

"Real property" means land, buildings, fixtures, and all other improvements to land. The terms "land," "real estate," "realty," and "real property" may be used interchangeably. Real property includes all other permanent improvements on the land and is broadly classified, based on land use, as follows:

- a. Single family and multi-family residential, condominiums, cooperatives, townhouses, time-share developments and mobile homes; Vacant residential and unimproved acreage; Commercial/Industrial, vacant or improved; and, Agricultural.
- b. By July 1 of each year, the property appraiser must report the just value of all real property in the county as of January 1. Factors to be considered in determining just value are: present cash value; use; location; quantity or size; cost; replacement value of improvements; condition; income from property; and net proceeds if the property is sold.
- c. The tax due for each parcel is calculated by multiplying the taxable value by the tax rate (millage) levied by the taxing authorities within that county. The proposed tax bill is mailed to the taxpayer, usually in August or September. Any timely appeal of the tax assessment shall be made against this notice. The actual tax bill is mailed to the taxpayer, usually by November 1. The payment must be made to the tax collector by April 1 of the following year. There are discounts for early payment and penalties for delinquency.

"Taxable value" means the assessed value of property minus the amount of any applicable exemption provided under s. 3 or s. 6, Art. VII of the State Constitution and chapter 196.

"Tax certificate" means a legal document, representing unpaid delinquent real property taxes, non-ad valorem assessments, including special assessments, interest, and related costs and charges, issued in accordance with this chapter against a specific parcel of real property and becoming a first lien thereon, superior to all other liens, except as provided by s. 197.573(2).

"Tax notice" means the tax bill sent to taxpayers for payment of any taxes or special assessments collected pursuant to this chapter, or the bill sent to taxpayers for payment of the total of ad valorem taxes and non-ad valorem assessments collected pursuant to s. 197.3632.

"Tax rate (millage)" is set by the taxing authority for the governmental unit within which the property is located. The Florida Constitution directly authorized counties, school districts, and municipalities to levy ad valorem taxes. It also provides that special districts may be created and authorized by law to levy ad valorem taxes.

The total tax rate is the combined tax rates (millage's) of all taxing authorities having jurisdiction over property in the county. That part of the rate for general county operations and maintenance is constitutionally limited to a maximum of ten mills and is set by the county commissioners. The remainder of the county tax rate consists of various referendum-approved debt service millage for bonds and millage required by state law. Also, school districts and municipalities are limited to a maximum of ten mills for operations and maintenance. The Florida Constitution provides that no state ad valorem tax will be levied. However, each year the legislature prescribes a required local millage for each school district to provide revenue for the Florida Education Finance Program. Each special district tax rate is levied by the district taxing authority against the property lying within the special district itself. Such districts include hospital, drainage, and lighting districts. Special districts are usually less than county-wide; some districts, such as the water management districts, may cover several counties. Each tax bill consists of the total of all millage applicable to the particular property. The tax bill also includes the related taxes due for all the taxing authorities having jurisdiction over the property.

"Tax receipt" means the paid tax notice.

"Tax rolls" and **"assessment rolls"** are synonymous and mean the rolls prepared by the property appraiser pursuant to chapter 193 and certified pursuant to s. 193.122.

"Taxpayer" means the person or other legal entity in whose name property is assessed, including an agent of a timeshare period titleholder.

"Timeshare period titleholder" means the purchaser of a timeshare period sold as a fee interest in real property, whether organized under chapter 718 or chapter 721.

"Totally and permanently disabled person" means a person who is currently certified by two licensed physicians of this state who are professionally unrelated, by the United States Department of Veterans Affairs or its predecessor, or by the Social Security Administration, to be totally and permanently disabled.

"Use" means the exercise of any right or power over real or personal property incident to the ownership of the property.