



News for Broward Taxpayers

Winter - Spring 2008



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Visit us online at WWW.BCPA.NET or call 954.357.6830

RESIDENTIAL PROPERTY SURVEY

The Broward County Property Appraiser's Office is currently in the process of upgrading our computer appraisal system to better serve the taxpayers. We are seeking your assistance in improving and updating our property records. Our existing computer system is rather antiquated and never tracked physical details of properties such as the number of bedrooms and bathrooms, carports, etc. While completing the property survey below is purely voluntary, any assistance you provide will help ensure you pay no more than your fair share of taxes.



If you received this newsletter in the mail with your homestead renewal notice, you also have the option of completing this quick survey online at www.bcpa.net/survey using the PIN number printed on your renewal receipt. If you do not have a PIN number, you must use this printed form to participate.

Thank you, in advance, for your help.


Lori Parrish, CFA
Broward County Property Appraiser
lori@bcpa.net

NAME: _____ PARCEL ID (if known): _____

PROPERTY ADDRESS: _____

CITY: _____ Number of Buildings: _____ Number of Bedrooms: _____

Number of Bathrooms: _____ Family Room: Y N Fireplace: Y N Florida Room/Den: Y N

Carport: Y N If Yes, number of car spaces: _____ Garage: Y N If Yes, number of car spaces: _____

Central A/C: Y N In-Ground Pool: Y N If Yes, is the pool screened: Y N In-Ground Jacuzzi: Y N

Porch: Y N If Yes, is it screened: Y N Driveway Type: Asphalt Concrete Brick Pavers Gravel None

Please fax this page to **954.357.8474** or mail it to:

Property Appraiser's Office
Attn: Residential Division
115 S. Andrews Avenue, Room 111
Fort Lauderdale, FL 33301

Questions about this survey? Please call our Residential Division at 954.357.6831 or email dstaruch@bcpa.net

Our Main Office: 115 South Andrews Avenue, Room 111, Fort Lauderdale, Florida 33301
Our Branch Office: 1 N. University Drive, Suite 111-A, Plantation, Florida 33324 - 954.370.3700

>>> VOTE JANUARY 29, 2008 <<<

The Proposed Tax Reform Amendment: Something for Everyone

On January 29, Floridians will have an opportunity to cast ballots on a proposed constitutional amendment to cut property taxes. While the relief may be less than many hoped for, it contains four key types of tax savings. The proposed amendment requires the approval of at least 60% of the voters to become law. If approved, the tax relief will take effect starting in Tax Year 2008.

Portability of Savings

Homesteaded owners will be able to move their Save Our Homes (SOH) benefit -- up to \$500,000 -- from one homesteaded property to the next within Florida. To be eligible to move these SOH savings, the new Homestead must be purchased within two years of the abandonment of Homestead at the previously Homesteaded property. Owners of Homesteaded properties sold in 2007 will be eligible to move their SOH savings to a newly purchased property so long as it is Homesteaded by January 1, 2009. Portability applies to both upsizing and downsizing in value, based upon specified formulas (see p. 2). Portability may be used an unlimited amount of times and may be used for moves to anywhere within Florida.

Additional \$25,000 Homestead

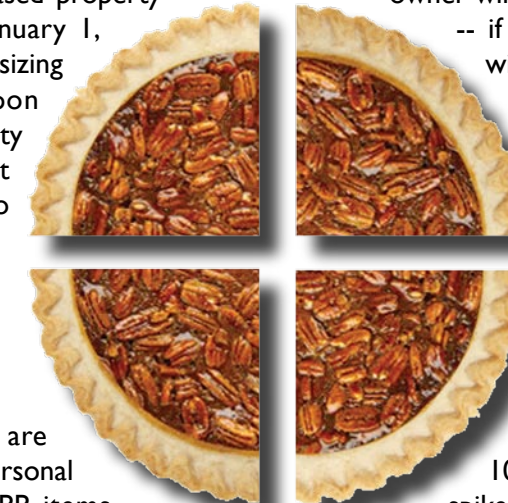
The Homestead Exemption would double to \$50,000 for all Broward homesteaded properties with an assessed value of at least \$75,000. In a slight twist, the additional exemption applies to the third \$25,000 in a property's value (meaning the portion of your property worth above \$50,000). The second \$25,000 exemption does not apply to the school portion of your tax bill, meaning that the average Broward homesteaded owner will save an additional \$308 -- starting this year -- if the amendment is approved. Properties with an assessed value of under \$50,000 will not receive any benefit from this additional exemption.

10% Cap for All Other Property

The annual growth of taxable value for non-Homesteaded properties -- such as businesses, apartments and other rental properties, and second homes -- is limited to 10% per year. The cap will protect against high spikes in taxes from year to year. The proposal would set 2008 as the base year for the cap, and owners could start seeing financial savings as soon as Tax Year 2009. While property values will not rise 10% every year, the cap still offers some relief and protection to properties in high-value markets like Broward from unpredictable tax increases. These properties would be subject to reassessment at full just (market) value upon a change in ownership or use of the property. The cap does not apply to the school portion of the property tax bill (approximately 36% of your annual property tax bill).

Business Equipment Exemption

Currently, all businesses in Florida are subject to an annual tax on tangible personal property (TPP). For a business, TPP items include equipment, computers, desks, phones, shelving, etc. In the case of small rental properties, TPP may include beds, refrigerators, etc. To give relief to small businesses, the amendment creates a \$25,000 TPP exemption. This would result in a massive paperwork reduction for small businesses as they would no longer be required to file TPP returns after the first year, so long as the total value of TPP items remained under \$25,000. This exemption will result in an average savings of \$508 for each business -- and end the filing requirement for approximately 80% of all businesses.



Want to see how your portability will work? Estimate your taxes under this proposal? Visit our website at WWW.BCPA.NET to use our online tools and get the answers you need.

Frequently Asked Questions:

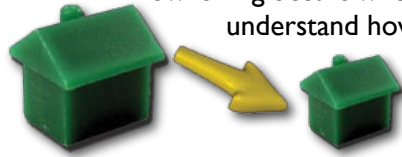
How will portability upsizing work?

Upsizing occurs when you buy a new home with a higher Just (Market) Value than your current Homestead. To understand how portability works for upsizing, subtract your 2007 Save Our Homes value from your 2007 Just (Market) Value. The difference -- up to a maximum of \$500,000 -- is your portability value. For the new home, calculate 85% of your estimated purchase price and deduct the portability value. (*Important Note: the 85% figure is a rough approximation, representing the Just Value after deducting for costs of sale, as the actual percentage may vary.*) The remaining balance is the estimated Save Our Homes value for the new home. Of course, all of this is dependent upon the voters approving the amendment on January 29.



How will portability downsizing work?

Downsizing occurs when you buy a new home with a lower Just (Market) Value than your current Homestead. To understand how portability works for downsizing, calculate 85% of your anticipated new home purchase price, then divide that number by the 2007 Just Value of your current home. Multiply that amount by your 2007 Save Our Homes value and the final result will be your estimated new Save Our Homes value. (*Note: As above, the 85% is an approximation and may vary.*)



If the amendment passes, are additional future tax cuts dead?

No. Voters can approve the January 29 amendment and continue demanding additional tax reforms in November 2008 (and later). There is already talk the Florida Legislature will make large additional tax cuts during the March-May 2008 session. Likewise, some groups are circulating petitions to place additional property tax reform amendments on future statewide ballots. Others are still advocating for a first-time homebuyer exemption, more spending cuts, and other proposals.

I own two homes, so will portability let me move to the other house?

There is no clear answer yet to this question. The amendment appears to only allow using portability to move to a newly acquired property. However -- as there is some confusion about the statutory wording of this -- we expect the Florida Department of Revenue will issue an advisory opinion resolving this issue if the amendment is approved by the voters.

Sale prices dropped in 2007. When will I see this in my assessment?

The January 1, 2008, assessment date -- used to determine the values for the November 2008 tax bills -- determines the value based upon the sale prices of similar properties in similar locations during the previous year. Florida law requires the valuation process be done in arrears. In years when values are rising, this protects owners by delaying increases. However, in years when values are dropping, this also delays the tax savings from those declines. The weakened South Florida real estate market of 2007 will be reflected on the 2008 TRIM Notices and tax bills.

Do I need to refile for Homestead if I move?

Yes. This is a common misunderstanding of homesteaded owners. A Homestead Exemption does **NOT** move with an owner from place to place. You **MUST** file for a new Homestead Exemption if you move. The Homestead you obtained at one location is only good for you at that location. To obtain a Homestead Exemption on any other property, you must apply for it. This is true regardless of whether or not the January 29 amendment passes. Portability will not eliminate this filing requirement.



Can I add my children to my title and still protect my Homestead Exemption and Save Our Homes value?

Yes, if you do this correctly. There are various ways you could add someone to the title while keeping your exemptions and Save Our Homes value intact. These include adding joint tenants with rights of survivorship, creating life estates with the remainder to your children, or placing the property into a trust. All of these changes are done through the preparation and recording of a new deed. We strongly urge you to speak with an attorney and visit www.bcpa.net/deeds.asp to learn more before making any deed changes.

Learn More About Other Tax-Saving Exemptions

Additional Personal Exemptions for Eligible Seniors, Surviving Spouses, Disabled Veterans, Disabled Persons, and Others

Florida Statutes also grant additional tax-saving exemptions to qualified property owners. **IMPORTANT: A Homestead Exemption is required as a pre-condition for obtaining nearly all of the following additional exemptions.** Below is what you must do to claim these additional exemptions. Please call [954.357.6830](tel:954.357.6830) if you have any questions.

Additional \$25,000 Senior Citizen Exemption: Applicants must be 65 years of age or older as of January 1 of the year for which they are applying and the total household adjusted gross income must not exceed \$24,214 (based on the 2007 limit). This amount is adjusted annually for inflation and **this exemption must be renewed annually**. You must complete an initial application between January 1-March 3, 2008, and provide us (by June 2) with a copy of last year's IRS tax return or proof of non-filing. Late filing is March 4-December 31 (note: the Value Adjustment Board will charge you a \$15 fee and require additional paperwork). **The renewal process is simplified and merely involves signing and returning a postcard, which is mailed to eligible seniors in early February.** It will save you approximately \$300 per year in taxes.



\$500 Widow's/Widower's Exemption: Provide our office with a copy of your spouse's death certificate, newspaper obituary, or memorial card. You are not eligible if you remarry. It will save you about \$10 each year in taxes.

\$500 Disability/Blindness Exemption: Provide our office with one letter from a Florida physician stating you are "totally and permanently disabled" or with a certificate from the Florida Division of Blind Services or the US Department of Veterans Affairs certifying the applicant to be legally blind. Unlike the Full Exemption (see below), this disability/blindness exemption has no household income requirement. It will save you approximately \$10 each year in taxes.

\$5,000 Veteran's Disability Exemption: Provide us with a copy of your Certificate of Disability from the US Government or the US Department of Veterans Affairs (or predecessor agency). The disability must be military service-related and have occurred during a period of wartime service or by misfortune. The service-related disability must be to a degree of at least 10% before January 1 of the year for which you are applying. The **surviving spouse** of a disabled former service member may also claim this exemption, providing the spouse has not remarried. This exemption also requires that the applicant be Homesteaded somewhere within Florida. It will save you about \$100 each year in taxes. Note: Significant additional savings are available if you are a **Combat-Disabled Veteran** who was a Florida resident at the time you entered the military, was awarded a Purple Heart medal for combat injury, and who was age 65 or older as of January 1. Contact us for more information if you meet these additional conditions.



Full Exemption for Veteran's Service-Connected Total and Permanent Disability: Provide us with a certificate from the US Government or US Department of Veterans Affairs showing you are an honorably discharged veteran with a service-connected total and permanent disability. Surviving spouses of qualifying veterans or of Florida-resident soldiers who died from service-connected causes while on active duty are also entitled to the full exemption (so long as the spouse has not remarried). This exemption will fully exempt you from paying all *ad valorem* property taxes each year.

Full Exemption for Totally and Permanently Disabled Persons: Provide our office with certificates from two licensed Florida physicians, or one certificate from the US Department of Veterans Affairs stating you are a: (1) quadriplegic OR (2) paraplegic, hemiplegic or other totally and permanently disabled person who must use a wheelchair for mobility or who is legally blind. For persons entitled to this exemption under the second (non-quadruplegic) category, the prior year's gross income of all persons residing in the Homestead must not exceed \$23,604 (based on last year's amount; adjusted annually for inflation). A statement of gross income must accompany the application. It will fully exempt you from paying any and all *ad valorem* property taxes each year.

"Granny Flat" Exemption: Taxpayers who build additions onto an existing Homestead or perform extensive renovations to provide living quarters for a parent or grandparent may be entitled to an exemption equal to the amount of the new construction (up to 20% of the homestead value). This exemption is complicated, so please call [954.357.6871](tel:954.357.6871) for details.

Have you visited WWW.BCPA.NET recently? You can file for a Homestead Exemption online, research property records, download forms, view aerial photos and building sketches, use our helpful property tax tools, check our community outreach calendar, browse our research library, and much more.