

AGENDA
FLORIDA DEPARTMENT OF REVENUE

Meeting Material Available on the web at:
<http://dor.myflorida.com/dor/opengovt/meetings.html>

MEMBERS

Governor Rick Scott
Attorney General Pam Bondi
Chief Financial Officer Jeff Atwater
Commissioner Adam H. Putnam

March 20, 2012

Contacts: Lisa Vickers, Executive Director
French Brown, Deputy Director, Technical
Assistance & Dispute Resolution
(850-717-6309)
MaryAnn Murphy, Executive Asst. II
(850-717-7138)

9:00 A.M.
LL-03, The Capitol
Tallahassee, Florida

ITEM	SUBJECT	RECOMMENDATION
-------------	----------------	-----------------------

- | | | |
|----|---|---------------------------|
| 1. | Respectfully request approval of the minutes December 6, 2011.

(ATTACHMENT 1) | RECOMMEND APPROVAL |
| 2. | Respectfully request approval and authority to publish Notice of Proposed Rule in the Florida Administrative Weekly for the following rules:

Statutory Changes to Property Tax Oversight:
Propose amendment to general property tax rules clarifying legislative changes including mapping requirements and removing the requirement that the Department provide paper forms to counties with populations fewer than 100,000 people. [<i>Rules 12D-1.009 and 12D-1.010, Florida Administrative Code (F.A.C.)</i>]

Propose amendment to add a definition of the term "centrally assessed property" as requested by the Joint Administrative Procedures Committee during the Department's implementation of prior legislation. [<i>Rule 12D-2.001, F.A.C.</i>]

Propose rules related to agricultural and conservation lands in accordance with statutory changes. [<i>Rules 12D-5.004 and 12D-5.014, F.A.C.</i>]

Propose rules based on legislative changes to various property tax exemptions, including deployed military servicemembers, total and permanently disabled persons, property dedicated in perpetuity to conservation, the additional \$25,000 homestead exemption, and tangible personal property exemptions. Also propose updates regarding the abandonment of homestead properties consistent with legislation. [<i>Rules 12D-7.0055, 12D-7.006, 12D-7.013, 12D-7.0142, 12D-7.0143, 12D-7.019, and 12D-7.020, F.A.C.</i>] | |

Propose rules based on statutory changes related to assessment rolls, including change of ownership, transfer of homestead assessment limitation difference (portability), and fiscally constrained counties. [*Rules 12D-8.0061, 12D-8.0065, 12D-8.00659, 12D-8.022, F.A.C.*]

Propose amendment to tax collector notification process and appeal procedures to the value adjustment board. The amendments also update the rules to confirm with statutory changes. [*Rules 12D-9.015 and 12D-9.036, F.A.C.*]

Propose amendment removing requirement for the Department to provide paper forms to counties with populations fewer than 100,000, in accord with statutory change. The amendments also update the Department's forms. [*Rules 12D-16.001 and 12D-16.002, F.A.C.*]

Propose permanent rules for procedures relating to maximum millage rate, violations by taxing authorities, notification of noncompliance, and remedial procedures, in accord with statutory change. [*Rules 12D-17.004, 12D-17.005 and 12D-17.006, F.A.C.*]

Propose permanent rule for process of compiling and providing annual non-ad valorem assessment report to the Department, in accord with statutory change. [*Rule 12D-18.012, F.A.C.*]

(ATTACHMENT 2)

RECOMMEND APPROVAL

3. Respectfully request adoption and approval to file and certify with the Secretary of State under Chapter 120, Florida Statutes, for the following rules:

Statutory Changes to Documentary Stamp Tax: propose rules clarifying the application, reporting, and payment of the tax due on transfers of ownership interests in legal entities. [*Rules 12B-4.003 and 12B-4.060, F.A.C.*]

(ATTACHMENT 3)

RECOMMEND APPROVAL

T H E C A B I N E T
S T A T E O F F L O R I D A

Representing:

CITIZENS PROPERTY INSURANCE CORPORATION BOARD REPORT

DEPARTMENT OF REVENUE

FINANCIAL SERVICES COMMISSION, OFFICE OF
INSURANCE REGULATION

BOARD OF ADMINISTRATION, DEBT AFFORDABILITY REPORT
PRESENTATION

BOARD OF ADMINISTRATION, DIVISION OF BOND FINANCE

BOARD OF TRUSTEES, INTERNAL IMPROVEMENT TRUST FUND

DEPARTMENT OF VETERANS' AFFAIRS

The above agencies came to be heard before
THE FLORIDA CABINET, Honorable Governor Scott
presiding, in the Cabinet Meeting Room, LL-03,
The Capitol, Tallahassee, Florida, on December 6,
2011, commencing at 9:37 a.m.

Reported by:
CAROLYN L. RANKINE
Registered Professional Reporter
Notary Public

ACCURATE STENOGRAPHY REPORTERS, INC.
2894 REMINGTON GREEN LANE
TALLAHASSEE, FLORIDA 32308
850.878.2221

ATTACHMENT # 1

APPEARANCES:

Representing the Florida Cabinet:

RICK SCOTT
Governor

ADAM H. PUTNAM
Commissioner of Agriculture

PAM BONDI
Attorney General

JEFF ATWATER
Chief Financial Officer

* * *

INDEX

2012 CABINET AND CLEMENCY MEETING SCHEDULE

ITEM	ACTION	PAGE
1	APPROVED	5

CITIZENS PROPERTY INSURANCE CORPORATION BOARD REPORT
(Presented by CARLOS LACASA and CHRISTINE ASHBURN)

ITEM	ACTION	PAGE
1	NO ACTION	6

DEPARTMENT OF REVENUE
(Presented by LISA VICKERS)

ITEM	ACTION	PAGE
1	APPROVED	36
2	APPROVED	38

FINANCIAL SERVICES COMMISSION
OFFICE OF INSURANCE REGULATION
(Presented by Kevin McCarty)

ITEM	ACTION	PAGE
1	APPROVED	39
2	APPROVED	40
3	APPROVED	41

STATE BOARD OF ADMINISTRATION
(Presented by J. BEN WATKINS, III)

ITEM	ACTION	PAGE
1	NO ACTION	43

STATE BOARD OF ADMINISTRATION
DIVISION OF BOND FINANCE
(Presented by J. BEN WATKINS, III)

ITEM	ACTION	PAGE
1	APPROVED	91
2	APPROVED	91
3	APPROVED	92
4	APPROVED	93

STATE BOARD OF ADMINISTRATION
 DIVISION OF BOND FINANCE CONTINUED
 (Presented by J. BEN WATKINS, III)

ITEM	ACTION	PAGE
5	APPROVED	93
6	APPROVED	94
7	APPROVED	95

BOARD OF TRUSTEES OF THE INTERNAL IMPROVEMENT TRUST
 FUND (Presented by HERSCHEL T. VINYARD, JR.)

ITEM	ACTION	PAGE
1	APPROVED	98
2	APPROVED	99

BOARD OF TRUSTEES OF THE INTERNAL IMPROVEMENT TRUST
 FUND (Presented by NICK WILEY)

ITEM	ACTION	PAGE
3	APPROVED	111

DEPARTMENT OF VETERANS' AFFAIRS
 (Presented by COL. MARK PRENDERGAST)

ITEM	ACTION	PAGE
1	APPROVED	115
2	APPROVED	135
3	APPROVED	137
4	APPROVED	142

DEPARTMENT OF VETERANS' AFFAIRS
 (Presented by CHRISTINA PORTER)

ITEM	ACTION	PAGE
5	NO ACTION	142

CERTIFICATE OF COURT REPORTER		151
-------------------------------	--	-----

1 GOVERNOR SCOTT: Okay. Next is the
2 Department of Revenue agenda presented by
3 Lisa Vickers.

4 MS. VICKERS: Good morning.

5 GOVERNOR SCOTT: Good morning.

6 MS. VICKERS: We have a very short agenda
7 this morning. Item 1, respectfully request
8 approval of the minutes from the August 16th
9 and September 20th meetings.

10 GOVERNOR SCOTT: Is there a motion to
11 approve?

12 ATTORNEY GENERAL BONDI: Move to approve.

13 GOVERNOR SCOTT: Is there a second?

14 CFO ATWATER: Second.

15 GOVERNOR SCOTT: Moved and seconded,
16 Item 1 is approved without objection.

17 MS. VICKERS: Item 2, we respectfully
18 request adoption and approval to file and
19 certify with the Secretary of State several
20 rule amendments to the following chapters:

21 To Chapter 12C-3, amendments to extend the
22 provisions of the estate tax filing
23 requirement. This is a statutory change that
24 extends the requirement to not file a return to
25 December 31st, 2012.

1 Next, statutory changes to calculate
2 communications services tax. This changes the
3 rounding requirements that apply to
4 communications services tax, and are amendments
5 12A-19.

6 Amendments to 12B-5 related to the fuel
7 tax licensing requirements. This clarifies
8 provisions regarding refund procedures.

9 Amendments to Chapter 12-29. These will
10 incorporate statutory changes to Florida Tax --
11 Florida Tax Credit Scholarship Program which
12 eliminates certain credit limitations and
13 allows for the extension and carryforward
14 increase from three to five years for those
15 credits.

16 And amendments to Chapter 12-22 to clarify
17 the confidentiality requirements related to the
18 RISE Program.

19 And finally, our annual update to numerous
20 tax returns and forms to remove obsolete
21 provisions and to clarify provisions. We
22 request approval of these amendments.

23 GOVERNOR SCOTT: Is there a motion to
24 approve Item 2?

25 ATTORNEY GENERAL BONDI: Move to approve.

1 GOVERNOR SCOTT: Is there a second?

2 CFO ATWATER: Second.

3 GOVERNOR SCOTT: Moved and seconded,

4 Item 2 is approved without objection.

5 MS. VICKERS: Thank you.

6 GOVERNOR SCOTT: Thank you very much,

7 Lisa.

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25



Executive Director
Lisa Vickers

March 20, 2012

MEMORANDUM

TO: The Honorable Rick Scott, Governor
Attention: Marc Slager, Deputy Chief of Staff/Cabinet Affairs Director
Rachel Goodson, Cabinet Aide

The Honorable Jeff Atwater, Chief Financial Officer
Attention: Robert Tornillo, Chief Cabinet Aide

The Honorable Pam Bondi, Attorney General
Attention: Kent Perez, Associate Deputy Attorney General
Rob Johnson, Cabinet Affairs

The Honorable Adam Putnam, Commissioner of Agriculture and Consumer Services
Attention: Jim Boxold, Chief Cabinet Aide
Brooke McKnight, Cabinet Aide

FROM: French Brown, Deputy Director, Technical Assistance and Dispute Resolution

SUBJECT: Requesting Approval to Hold a Public Hearing on Proposed Rules

Statement of Sections 120.54(3)(b) and 120.541, F.S., Impact. No impact.

The Department has reviewed the proposed rules for compliance with Sections 120.54(3)(b) and 120.541, F.S. The proposed rules will not likely have an adverse impact on small business, small counties, or small cities, and they are not likely to have an increased regulatory cost in excess of \$200,000 within one year. Additionally, the proposed rules are not likely to have an adverse impact or increased regulatory costs in excess of \$1,000,000 within five years.

What is the Department Requesting? Section 120.54(3)(a), F.S., requires the Department to obtain Cabinet approval to hold public hearings for proposed new rules and amendments. The Department therefore requests approval to publish Notices of Proposed Rule in the Florida Administrative Weekly for the following proposed Property Tax Oversight rules:

- Chapter 12D-1, General Rules, including amendments to Rules 12D-1.009 and 12D-1.010, F.A.C.

ATTACHMENT #2

Child Support Enforcement – Ann Coffin, Director • General Tax Administration – Jim Evers, Director
Property Tax Oversight – James McAdams, Director • Information Services – Tony Powell, Director

www.myflorida.com/dor
Tallahassee, Florida 32399-0100

- Chapter 12D-2, Assessment of the Property of Railroads, Railroad Terminal Companies, Private Car, Freight Line and Equipment Companies by the Department of Revenue, including an amendment to Rule 12D-2.001, F.A.C.
- Chapter 12D-5, Agricultural and Outdoor Recreational or Park Lands, including amendment to Rule 12D-5.004 and proposed new Rule 12D-5.014, F.A.C.
- Chapter 12D-7, Exemptions, including proposed new Rule 12D-7.0055, amendment to Rule 12D-7.006, amendment to Rule 12D-7.013, proposed new Rule 12D-7.0142, amendment to Rule 12D-7.0143, proposed new Rule 12D-7.019, and proposed new Rule 12D-7.020, F.A.C.
- Chapter 12D-8, Assessment Roll Preparation and Approval, including amendment to Rule 12D-8.0061, proposed new Rule 12D-8.0065, proposed new Rule 12D-8.00659, and proposed new Rule 12D-8.022, F.A.C.
- Chapter 12D-9, Requirements for Value Adjustment Boards in Administrative Reviews; Uniform Rules of Procedure for Hearings Before Value Adjustment Board, including amendments to Rules 12D-9.015 and 12D-9.036, F.A.C.
- Chapter 12D-16, Administration of Forms, including amendments to Rules 12D-16.001 and 12D-16.002, F.A.C.
- Chapter 12D-17, Truth in Millage (TRIM) Compliance, including amendments to Rules 12D-17.004, 12D-17.005, and 12D-17.006, F.A.C.
- Chapter 12D-18, Non-Ad Valorem Assessments and Special Assessments, including proposed new Rule 12D-18.012, F.A.C.

Rule 12D-1.009, Mapping Requirements

Why is the proposed rule necessary? The proposed rule amendment is needed to clarify reporting requirements for property parcel numbers in order to provide substantially uniform maps throughout the state, as required by s. 195.022, F.S.

What does this proposed rule do? The proposed rule requires the entire parcel number to be used on property maps as listed on the county tax roll, rather than only the last four digits as provided in the current rule.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. A comment was received on paragraph (1)(b) of the proposed language, and draft text was removed from the first sentence of this paragraph.

Rule 12D-1.010, Reconciliation of Interim Tax Rolls – Form of Notification

Why is the proposed rule necessary? The proposed rule amendment is needed to comply with the amendment made to s. 195.022, F.S., by Section 1 of Chapter 2009-67, L.O.F. The statutory amendment removed the requirement for the Department of Revenue to provide paper forms to counties with populations of 100,000 or fewer.

What does this proposed rule do? The proposed rule amendment removes the requirement that the Department provide paper forms. The Department will continue to provide an electronic version on its website for the counties' use. This proposed change was made to create a cost benefit to the state.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-2.001, Definitions

Why is the proposed rule necessary? The proposed rule amendment is needed to address a request from the Joint Administrative Procedures Committee that arose during the Department's implementation of Chapter 2008-173, L.O.F. The proposed amendment is also needed to address an existing requirement of s. 195.073, F.S., addressing the classification of property.

What does this proposed rule do? Defines the term "centrally assessed property" for one of the classifications of property on the tax roll.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-5-004, Other Factors Applicable to Classification of Agricultural Land

Why is the proposed rule necessary? The proposed rule amendment is needed to implement changes made to s. 193.461(3)(b), F.S., by Section 2 of Chapter 2008-197, L.O.F. The statutory amendment prohibits the establishment of a minimum acreage size as a condition for a parcel to be considered to be used for "bona fide agricultural purposes."

What does this proposed rule do? The statutory amendment prohibiting minimum acreage size is added to the rule for clarification for county property appraisers.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. The Department received two written comments prior to the workshop. These comments were discussed and the rule title was amended for consistency with the proposed amendment.

Rule 12D-5.014, Conservation Easement, Environmentally Endangered or Outdoor Recreational or Park Property Assessed Under Section 193.501, F.S.

Why is the proposed rule necessary? Creation of the proposed rule is needed to implement amendments to s. 193.501, F.S., made by Section 2 of Chapter 2009-157, L.O.F. The statutory amendments add a requirement that an application be filed with the property appraiser for a conservation easement assessment and requires the Department of Revenue to prepare a short form to reapply annually.

What does this proposed rule do? The proposed rule provides instructions for Forms DR-482C, Land Used for Conservation Assessment Application, and DR-482CR, Land Used for Conservation Assessment Reapplication and describes the usage of the two forms.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-7.0055, Exemption for Deployed Servicemembers.

Why is the proposed rule necessary? Creation of the proposed rule is needed to implement s. 196.173, F.S., created by Section 1 of Chapter 2011-93, L.O.F. The new statute adds an exemption

for deployed servicemembers engaged in specified military operations outside the continental United States, Alaska, or Hawaii, and requires the Department to create a form for the exemption application. The proposed rule was previously certified as Emergency Rule 12DER11-18 on November 29, 2011.

What does this proposed rule do? The proposed rule gives definitions, application instructions, and information for the property appraiser. Form DR-501M, Deployed Military Exemption Application, was created for application by the servicemember to the property appraiser.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. Comments were received and taken into consideration.

Rule 12D-7.006, Exemption for Totally and Permanently Disabled Persons.

Why is the proposed rule necessary? The proposed rule amendment is needed to implement changes made to s. 196.101, F.S., by Section 1 of Chapter 2007-121, L.O.F. The statutory amendment adds an option for a total and permanently disabled person, as a result of legal blindness, to use an optometrist's certification as one of the certificates of disability to be filed with the property appraiser to receive the disability exemption.

What does this proposed rule do? Form DR-501S, Eligibility Criteria to Qualify for Property Tax Exemption, is removed from the proposed rule and the information found on that form is proposed to be added to Form DR-501, Original Application for Homestead and Related Tax Exemptions. Subsection (5) of the proposed rule adds the provisions for the additional certification for blind persons to be completed by a licensed optometrist to qualify for the disability exemption.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-7.013, Homestead Exemptions – Abandonment.

Why is the proposed rule necessary? The proposed rule amendment is needed to implement changes made to s. 196.031(6), F.S., by Section 1 of Chapter 2010-176, L.O.F. The statutory amendment provides that, after a set period, the expiration, lapse, nonrenewal, or revocation of a building permit issued to a property owner for repairs or rebuilding constitutes abandonment of the property as homestead.

What does this proposed rule do? The proposed rule adds the statutory change regarding abandonment of property as homestead provided by the amendment to s. 196.031(6), F.S.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-7.0142, Additional Homestead Exemption.

Why is the proposed rule necessary? The proposed new rule is needed to implement changes made to s. 196.031(1)(b), F.S., by Section 8 of Chapter 2008-173, L.O.F. The statute provides up to a \$25,000 exemption on the assessed valuation greater than \$50,000 for all levies other than school

district levies. The proposed rule was previously certified as Emergency Rule 12DER11-08 on May 27, 2011.

What does this proposed rule do? The proposed rule explains the additional homestead exemption and how the current Form DR-501, Original Application for Homestead and Related Tax Exemptions, is used as the application for the exemption.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-7.0143, Additional Homestead Exemption Up to \$50,000 for Persons 65 and Older Whose Household Income Does Not Exceed \$20,000 Per Year.

Why is the proposed rule necessary? The proposed rule amendment is needed to implement changes made to s. 196.075, F.S., by Section 1 of Chapter 2007-4, L.O.F. The statutory amendment increased the exemption amount from \$25,000 up to \$50,000 for qualified property owners. Tax rolls for years 2008 through the present year reflect the increase.

What does this proposed rule do? The proposed rule amendment reflects the statutory change in the exemption amount from \$25,000 to \$50,000.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-7.019, Tangible Personal Property Exemption.

Why is the proposed rule necessary? The proposed new rule is needed to implement the creation of s. 196.183, F.S., by Section 8 of Chapter 2007-339, L.O.F., and the amendment of the statute by Section 9 of Chapter 2008-173, L.O.F. The statute provides an exemption of \$25,000 for tangible personal property tax. The proposed rule was previously certified as Emergency Rule 12DER11-07 on May 27, 2011.

What does this proposed rule do? The proposed rule implements the \$25,000 statutory exemption, describes the usage of proposed new form DR-405W, Notice to Taxpayer Whose Tangible Personal Property was Waived in the Previous Year, and instructs the property appraiser on using the proposed form.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-7.020, Exemption for Real Property Dedicated in Perpetuity for Conservation.

Why is the proposed rule necessary? The proposed new rule is needed to implement s. 196.26, F.S., created by Section 1 of Chapter 2009-157, L.O.F. The new statute establishes criteria for an exemption for real property dedicated in perpetuity for conservation purposes, requiring an application and annual renewal application for the exemption. The proposed rule was previously certified as Emergency Rule 12DER10-01 on April 8, 2010 and included Form DR-418C, Real Property Dedicated in Perpetuity for Conservation, Exemption Application.

What does this proposed rule do? The proposed rule explains the process for applying for the exemption provided in s. 196.26, F.S., and describes the usage of Forms DR-418C, Real Property Dedicated in Perpetuity for Conservation, Exemption Application, and DR-418CR, Real Property Dedicated in Perpetuity for Conservation, Exemption Renewal.

Were comments received from external parties? Public workshops were held February 15, 2010, July 19 and 20, 2011. Comments were received and taken into consideration; appropriate changes were made to the proposed Rule language or forms.

Rule 12D-8.0061, Assessments; Homestead Property Assessments at Just Value.

Why is the proposed rule necessary? The proposed rule amendment is needed to implement statutory changes made to s. 193.155(3), F.S., by Section 1 of Chapter 2010-109, L.O.F. The statute provides when there is no change of ownership for purposes of determining the assessed value of homestead property.

What does this proposed rule do? The proposed amendment reflects the additional statutory criteria that do not constitute a change of ownership.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-8.0065, Transfer of Homestead Assessment Difference; “Portability;” Sworn Statement Required; Denials; Late Applications.

Why is the proposed rule necessary? The proposed new rule is needed to implement amendments made to s. 193.155(8), F.S., by Section 5 of Chapter 2007-339, L.O.F., and Section 3 of Chapter 2008-173, L.O.F., addressing the transfer of the homestead assessment difference amount when a homestead is abandoned. The proposed rule was previously certified as Emergency Rules 12DER11-03 and 12DER11-06 on May 27, 2011, and are being merged into one rule for ease of use.

What does this proposed rule do? The proposed rule implements the procedures for the transfer of homestead assessment limitation difference (portability), provides necessary forms to apply for portability, and provides instructions to the property appraisers.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-8.00659, Notice of Change of Ownership or Control of Non-Homestead Property.

Why is the proposed rule necessary? The proposed new rule is needed to implement s. 193.1556, F.S., created by Section 14 of Chapter 2007-339, L.O.F., and amended in Section 6 of Chapter 2008-173, L.O.F., and ss. 193.155, 193.1554, 193.1555, and 193.1556, F.S., amended by Chapter 2010-109, L.O.F. Each of these statutes addresses change of property ownership.

What does this proposed rule do? The proposed rule provides certain property owners with the procedures they should use to inform property appraisers about any change of ownership.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. A written comment was received prior to the workshop, considered by the Department, and could not be incorporated into the draft Rule.

Rule 12D-8.022, Reporting of Fiscal Data by Fiscally Constrained Counties to the Department of Revenue.

Why is the proposed rule necessary? The proposed new rule is needed to implement the provisions of Section 16 of Chapter 2008-173, L.O.F. This law creates appropriations to offset the reductions in ad valorem tax revenue experienced by fiscally constrained counties. The appropriation money was provided in 2009 by Ch. 2009-81, L.O.F., pg 358; in 2010 by Ch. 2010-152, L.O.F., pg. 376; and in 2011 by Ch. 2011-69, L.O.F., pg. 350; see General Appropriations Act. The proposed rule was previously certified as Emergency Rule 12DER11-09 on May 27, 2011.

What does this proposed rule do? The rule establishes procedures for fiscally constrained counties to comply with the requirements of ss. 218.12 and 218.125, F.S.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-9.015, Petition; Form and Filing Fee.

Why is the proposed rule necessary? The proposed rule amendment is needed to implement the provisions of s. 197.2425, F.S., by Section 13 of Chapter 2011-151, L.O.F., relating to deferrals of taxes and non-ad valorem assessments for homestead property, affordable housing property and working waterfront property.

What does this proposed rule do? The proposed rule outlines the process for tax collectors to notify taxpayers of their determination of eligibility for deferrals and to provide an appeal procedure to the Value Adjustment Board in cases where the deferral is denied. Paragraphs (b) and (e) of subsection (7) removes the term ‘homestead’ to allow for all types of deferrals. Paragraph (e) also removes a due date to reflect the creation of s. 197.2425, F.S. The due dates are the same for all types of deferral denials.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. A written comment was received prior to the workshop, considered by the Department, and incorporated into the draft Rule.

Rule 12D-9.036, Procedures for Petitions on Denials of Tax Deferrals.

Why is the proposed rule necessary? The proposed rule amendment is needed to implement s. 197.2425, F.S., created by Section 13 of Chapter 2011-151, L.O.F. That statute addresses the procedure for appealing the denial of a tax deferral and was previously found in s. 197.253, F.S.

What does this proposed rule do? The proposed amendment removes repealed statutory references and adds a reference to newly created s. 197.2425, F.S.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-16.001, Administration of Forms.

Why is the proposed rule necessary? The proposed rule amendment is needed to implement changes made to s. 195.022, F.S. by Section 1 of Chapter 2009-67, L.O.F. The statutory amendment removed the requirement for the Department to furnish paper copies of forms to counties with populations of 100,000 or fewer. The county officer is to reproduce forms at their own expense. The Department will continue to provide electronic copies on its website.

What does this proposed rule do? The proposed rule amendment conforms with the law change by removing the statement that the Department will furnish forms to counties with a population of 100,000 or less and removing information relating to the requisition of certain forms by those counties.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-16.002, Index to Forms.

Why is the proposed rule necessary? The proposed rule amendment is needed to update the Department's list of forms to reflect the most recent version dates and effective dates of the proposed new and revised forms.

What does this proposed rule do? The proposed rule amendment reflects the corrections to titles, new or amended revision dates and effective dates. It also adds new forms implementing and amending existing forms due to legislative changes and updates.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-17.004, Taxing Authority's Certification of Compliance; Notification by Department.

Why is the proposed rule necessary? The proposed rule amendment is needed to implement changes made to s. 200.065, F.S., by Section 2 of Chapter 2007-321, L.O.F, and Section 11 of Ch 2008-173, L.O.F. The statute addresses the maximum millage rate that may be imposed and the circumstances under which the millage rate may exceed the maximum rate. The proposed rule was previously certified as Emergency Rule 12DER11-11 on May 27, 2011.

What does this proposed rule do? The proposed rule amendment sets out the procedures to be used to establish compliance with s. 200.065, F.S.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-17.005, Taxing Authorities in Violation of Section 200.065, Florida Statutes.

Why is the proposed rule necessary? The proposed rule amendment is needed to implement the changes made to s. 200.065, F.S., by Section 11 of Ch 2008-173 L.O.F. The statute addresses the maximum millage rate that may be imposed and the circumstances under which the millage rate

may exceed the maximum rate. The proposed rule was previously certified as emergency rule 12DER11-11, effective May 27, 2011.

What does this proposed rule do? The proposed rule amendment provides that any taxing authority that violates s. 200.065(5), F.S., must remedy the violation or will forfeit the one-half cent sales tax revenue, as provided by s. 200.065(13), F.S.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-17.006, Notification of Noncompliance; Withholding and Escrow of State Revenue Sharing Funds.

Why is the proposed rule necessary? The proposed rule amendment is needed to implement the changes made to s. 200.065, F.S., by Section 11 of Ch. 2008-173, L.O.F. The statute addresses the maximum millage rate that may be imposed and the circumstances under which the millage rate may exceed the maximum rate. The proposed rule was previously certified as Emergency Rule 12DER11-11 on May 27, 2011.

What does this proposed rule do? The proposed rule incorporates the process of notification of noncompliance when a taxing authority is in violation of s. 200.065(5), F.S. and describes the procedure to be used by the taxing authority to remedy the noncompliance, as provided by s. 200.065(13)(d), F.S..

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Rule 12D-18.012, Tax Collector Non-Ad Valorem Assessment Roll Reports.

Why is the proposed rule necessary? The proposed new rule is needed to implement the amendment of s. 197.3632, F.S., by Section 10 of Ch. 2008-173, L.O.F., requiring an annual copy of the non-ad valorem assessment roll containing data elements as prescribed by the Department of Revenue. The proposed rule was previously certified as Emergency Rule 12DER11-04 on May 27, 2011.

What does this proposed rule do? The proposed rule outlines a uniform process for tax collectors to compile and provide the annual non-ad valorem assessment report to the Department as required under s. 197.3632(5)(b), F.S.

Were comments received from external parties? Public workshops were held July 19 and 20, 2011. No comments were received.

Attached are copies of:

- Summaries of the proposed rules, which include:
 - Statements of facts and circumstances justifying the rules; and
 - Federal comparison statements.
- Notices of Proposed Rules
- Rule text

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-1, FLORIDA ADMINISTRATIVE CODE
AMENDING RULES 12D-1.009 and 12D-1.010, F.A.C.

SUMMARY OF PROPOSED RULES

The proposed amendment to Rule 12D-1.009, F.A.C., removes outdated language and clarifies reporting the parcel numbers on the property maps.

The proposed amendment to Rule 12D-1.010, F.A.C., removes language instructing the Department to provide paper forms to the county offices.

FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULES

The purpose of the proposed amendment to Rule 12D-1.009, F.A.C., (Mapping Requirements) is to clarify reporting requirements for parcel numbers on the tax rolls. The uniform requirement addressed in this amendment is that the property appraiser shall maintain the full parcel number.

The purpose of amending Rule 12D-1.010, F.A.C., (Reconciliation of Interim Tax Rolls – Form of Notification) is to conform with changes to s. 195.022, Florida Statutes, made by Chapter 2009-67, Laws of Florida, which remove requirements that the Department is to provide paper forms to the counties.

FEDERAL COMPARISON STATEMENT

The provisions contained in these proposed rules do not conflict with comparable federal laws, policies, or standards.

SUMMARY OF RULE DEVELOPMENT WORKSHOP

Two public workshops were held on July 19 and 20, 2011. These dates were published in the Florida Administrative Weekly on July 1, 2011, see Volume 37, Number 26, pp1785-1792. Interested parties and county officials were invited to attend in person and through the internet using WebEx.

NOTICE OF PROPOSED RULE

FLORIDA DEPARTMENT OF REVENUE

PROPERTY TAX OVERSIGHT PROGRAM

RULE NO: RULE TITLE:

12D-1.009 Mapping Requirements.

12D-1.010 Reconciliation of Interim Tax Rolls – Form of Notification.

PURPOSE AND EFFECT: The purpose of the proposed amendment to Rule 12D-1.009, F.A.C., (Mapping Requirements) is to clarify reporting requirements for parcel numbers linked to the property maps. The uniform requirement addressed in this amendment is that the property appraiser shall maintain the full parcel number. The purpose of amending Rule 12D-1.010, F.A.C., (Reconciliation of Interim Tax Rolls – Form of Notification) is to conform with changes to s. 195.022, Florida Statutes, made by Chapter 2009-67, Laws of Florida, which remove requirements that the Department is to provide paper forms to the counties.

SUMMARY: The proposed amendment to Rule 12D-1.009, F.A.C., removes outdated language and clarifies reporting the parcel numbers on the tax rolls. The proposed amendment to Rule 12D-1.010, F.A.C., removes language instructing the Department to provide paper forms to the county offices.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND

LEGISLATIVE RATIFICATION: The Agency has determined that this rule will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A Statement of Estimated Regulatory Cost has not been prepared by the agency. The Agency has determined that the proposed rule is not expected to require legislative ratification based on the

Statement of Estimated Regulatory Cost or if no Statement of Estimated Regulatory Cost is required, the information expressly relied upon and described herein: 1) no requirement for the Statement of Economic Regulatory Costs (SERC) was triggered under Section 120.541(1), F.S.; and 2) based on past experiences with activities for providing the public tax information and rules of this nature, the adverse impact or regulatory cost, if any, do not exceed nor would exceed any one of the economic analysis criteria in a SERC, as set forth in Section 120.541(2)(a), F.S. Any person who wishes to provide information regarding a Statement of Estimated Regulatory Costs, or provide a proposal for a lower cost regulatory alternative, must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 193.085(2), 195.027(1), 213.06(1) FS.

LAW IMPLEMENTED: 193.1145, 193.122, 195.022, 195.062, 197.162, 197.172, 197.322, 197.333, 197.343, 197.344, 197.432, 197.443, 213.05 FS.

A HEARING WILL BE HELD AT THE DATE TIME AND PLACE SHOWN BELOW:

DATE AND TIME: XX, 2012 beginning at 10:00 a.m.

PLACE: Conference Room 1220, Building 2, Capital Circle Office Complex, 2450 Shumard Oak Blvd., Tallahassee Florida. The public can also participate in this hearing through a simultaneous electronic broadcast of this event by the Department of Revenue using WebEx and conference calling technology from their home or office. The requirements to participate are access to the Internet and a telephone. Specific information about how to participate in this electronic meeting will be included in the Agenda for this hearing posted on the Department's site at: <http://dor.myflorida.com/dor/property/legislation/09/>.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Janice Forrester, Tax Law Specialist, telephone (850) 617-8886 or email ForrestJ@dor.state.fl.us.

THE FULL TEXT OF THE PROPOSED RULE IS:

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-1, FLORIDA ADMINISTRATIVE CODE
GENERAL RULES
AMENDING RULES 12D-1.009 AND 12D-1.010, F.A.C.

12D-1.009 Mapping Requirements.

(1) Each county property appraiser shall have and maintain the following:

(a) Aerial photography suitable for the needs of his office.

(b) Property ownership maps which will reflect the following:

1. through 2. - No change.

3. Parcel number corresponding to that as listed on the current county tax roll (~~normally the last four digits of the property identification number~~).

(2) Suggested procedures for establishing and maintaining an adequate cadastral mapping program to meet these requirements are contained in the mapping guidelines of the Department of Revenue's Manual of Instructions.

Rulemaking Authority 193.085(2), 195.027(1), 213.06(1) FS. Law Implemented 195.022, 195.062 FS. History-New 10-12-76, Formerly 12D-1.09, Amended _____.

12D-1.010 Reconciliation of Interim Tax Rolls – Form of Notification.

(1) through (14) - No change.

(15) Forms, as required by this rule, shall be ~~reproduced~~ ordered by the property appraiser or tax collector ~~from the Department~~. ~~Provided, However however, that~~ for good cause shown as provided in Rule 12D-16.001(5), F.A.C., the Department ~~shall~~ may approve a change in the format or content of any form required by this rule. ~~The Department shall furnish the forms required by this rule within a reasonable period of time.~~

(16) through (19) - No change.

Rulemaking Authority 195.027(1), 213.06(1) FS. Law Implemented 193.1145, 193.122, 197.162, 197.172, 197.322, 197.333, 197.343, 197.344, 197.432, 197.443 FS. History—New 11-23-83, Amended 12-26-85, Formerly 12D-1.10, Amended 12-3-01, _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Janice Forrester, Tax Law Specialist,
Property Tax Oversight Program, Department of Revenue, P.O. Box 3000, Tallahassee, Florida
32315-3000, telephone (850) 617-8886.

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: [To be inserted
upon approval.]

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: [To be inserted upon approval.]

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: July 1, 2011
(Vol. 37, No. 26, pp. 1785 – 1792) Florida Administrative Weekly.

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-2, FLORIDA ADMINISTRATIVE CODE
AMENDING RULE 12D-2.001, F.A.C.

SUMMARY OF PROPOSED RULES

The proposed amendment to Rule 12D-2.001, F.A.C., adds a definition of Centrally Assessed Property as requested by Joint Administrative Procedures Committee.

FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULES

The purpose of the proposed amendment to Rule 12D-2.001, F.A.C. (Definitions), is to add a definition of “centrally assessed property” to fully implement the exemption in s. 196.183, Florida Statutes, for such property consistent with procedures for assessments of such property to be certified to the property appraiser by the Department of Revenue as required by s. 193.085, F.S.

FEDERAL COMPARISON STATEMENT

The provisions contained in these proposed rules do not conflict with comparable federal laws, policies, or standards.

SUMMARY OF RULE DEVELOPMENT WORKSHOP

Two public workshops were held on July 19 and 20, 2011. These dates were published in

the Florida Administrative Weekly on July 1, 2011, see Volume 37, Number 26, pp1785-1792.

Interested parties and county officials were invited to attend in person and through the internet using WebEx.

NOTICE OF PROPOSED RULE

FLORIDA DEPARTMENT OF REVENUE

PROPERTY TAX OVERSIGHT PROGRAM

RULE NO: RULE TITLE:

12D-2.001 Definitions.

PURPOSE AND EFFECT: The purpose of the proposed amendment to Rule 12D-2.001, F.A.C. (Definitions), is to add a definition of “centrally assessed property” to fully implement the exemption in s. 196.183, Florida Statutes, for such property consistent with procedures for assessments of such property to be certified to the property appraiser by the Department of Revenue as required by s. 193.085, F.S.

SUMMARY: The proposed amendment to Rule 12D-2.001, F.A.C., adds a definition of Centrally Assessed Property as requested by Joint Administrative Procedures Committee.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND

LEGISLATIVE RATIFICATION: The Agency has determined that this rule will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A Statement of Estimated Regulatory Cost has not been prepared by the agency. The Agency has determined that the proposed rule is not expected to require legislative ratification based on the Statement of Estimated Regulatory Cost or if no Statement of Estimated Regulatory Cost is required, the information expressly relied upon and described herein: 1) no requirement for the Statement of Economic Regulatory Costs (SERC) was triggered under Section 120.541(1), F.S.; and 2) based on past experiences with activities for providing the public tax information and rules of this nature, the adverse impact or regulatory cost, if any, do not exceed nor would exceed

any one of the economic analysis criteria in a SERC, as set forth in Section 120.541(2)(a), F.S. Any person who wishes to provide information regarding a Statement of Estimated Regulatory Costs, or provide a proposal for a lower cost regulatory alternative, must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 193.085(4), 195.027(1), 213.06(1) FS.

LAW IMPLEMENTED: 193.085, 195.073, 196.183, 213.05 FS.

A HEARING WILL BE HELD AT THE DATE TIME AND PLACE SHOWN BELOW:

DATE AND TIME: XX, 2012 beginning at 10:00 a.m.

PLACE: Conference Room 1220, Building 2, Capital Circle Office Complex, 2450 Shumard Oak Blvd., Tallahassee Florida. The public can also participate in this hearing through a simultaneous electronic broadcast of this event by the Department of Revenue using WebEx and conference calling technology from their home or office. The requirements to participate are access to the Internet and a telephone. Specific information about how to participate in this electronic meeting will be included in the Agenda for this hearing posted on the Department's site at: <http://dor.myflorida.com/dor/property/legislation/09/>.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Janice Forrester, Tax Law Specialist, telephone (850) 617-8886 or email ForrestJ@dor.state.fl.us.

THE FULL TEXT OF THE PROPOSED RULE IS:

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-2, FLORIDA ADMINISTRATIVE CODE
ASSESSMENT OF THE PROPERTY OF RAILROADS, RAILROAD TERMINAL
COMPANIES, PRIVATE CAR, FREIGHT LINE AND EQUIPMENT COMPANIES BY THE
DEPARTMENT OF REVENUE
AMENDING RULE 12D-2.001, F.A.C.

12D-2.001 Definitions.

(1) through (10) - No change.

(11) Centrally Assessed Property – All railroad operating property subject to assessment according to Section 193.085(4)(a), F.S., and rolling stock of private car and freight line and equipment companies subject to assessment by the department under Section 193.085(4)(b), F.S.

Rulemaking Authority 193.085(4), 195.027(1), 213.06(1) FS. Law Implemented 193.085, 195.073, 196.183 FS. History—New 11-9-76, Formerly 12D-2.01, Amended 12-31-98,

_____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Janice Forrester, Tax Law Specialist,
Property Tax Oversight Program, Department of Revenue, P.O. Box 3000, Tallahassee, Florida
32315-3000, telephone (850) 617-8886.

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: [To be inserted
upon approval.]

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: [To be inserted upon approval.]

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: July 1, 2011
(Vol. 37, No. 26, pp. 1785 – 1792) Florida Administrative Weekly.

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-5, FLORIDA ADMINISTRATIVE CODE
AMENDING RULE 12D-5.004 and CREATING RULE 12D-5.014, F.A.C.

SUMMARY OF PROPOSED RULES

The proposed amendment to Rule 12D-5.004, F.A.C., is to include a factor for classification of agricultural lands and to revise the title of the rule.

The proposed creation of Rule 12D-5.014, F.A.C., is to implement an application to be filed with the property appraiser for a conservation easement assessment and a short form to annually reapply.

FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULES

The purpose of the proposed amendment to Rule 12D-5.004, F.A.C. (Other Factors that May Become Applicable to Classification of Agricultural Land), is to implement an additional factor, added by Chapter 2008-197, Laws of Florida, for the property appraiser to use to determine the use of land for agricultural purposes. This change complies with the amendment to section 193.461, Florida Statutes.

The purpose of the proposed Rule 12D-5.014, F.A.C. (Conservation Easement, Environmentally Endangered or Outdoor Recreational or Park Property Assessed Under Section 193.501, F.S.), is to implement provisions of Chapter 2009-157, L.O.F., amending s. 193.501, F.S. This rule implements an application to be filed with the property appraiser for a

conservation easement assessment and a short form to annually reapply.

FEDERAL COMPARISON STATEMENT

The provisions contained in these proposed rules do not conflict with comparable federal laws, policies, or standards.

SUMMARY OF RULE DEVELOPMENT WORKSHOP

Two public workshops were held on July 19 and 20, 2011. These dates were published in the Florida Administrative Weekly on July 1, 2011, see Volume 37, Number 26, pp1785-1792. Interested parties and county officials were invited to attend in person and through the internet using WebEx.

NOTICE OF PROPOSED RULE

FLORIDA DEPARTMENT OF REVENUE

PROPERTY TAX OVERSIGHT PROGRAM

RULE NO: RULE TITLE:

12D-5.004 Other Factors Applicable to Classification of Agricultural Land.

12D-5.014 Conservation Easement, Environmentally Endangered or Outdoor
 Recreational or Park Property Assessed Under Section 193.501, F.S.

PURPOSE AND EFFECT: The purpose of the proposed amendment to Rule 12D-5.004, F.A.C. (Other Factors that May Become Applicable to Classification of Agricultural Land), is to implement an additional factor, added by Chapter 2008-197, Laws of Florida, for the property appraiser to use to determine the use of land for agricultural purposes. This change complies with the amendment to section 193.461, Florida Statutes. The purpose of the proposed Rule 12D-5.014, F.A.C. (Conservation Easement, Environmentally Endangered or Outdoor Recreational or Park Property Assessed Under Section 193.501, F.S.), is to implement provisions of Chapter 2009-157, L.O.F., amending s. 193.501, F.S. This rule implements an application to be filed with the property appraiser for a conservation easement assessment and a short form to annually reapply.

SUMMARY: The proposed amendment to Rule 12D-5.004, F.A.C., is to include a factor for classification of agricultural lands and to revise the title of the rule. The proposed creation of Rule 12D-5.014, F.A.C., is to implement an application to be filed with the property appraiser for a conservation easement assessment and a short form to annually reapply.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND

LEGISLATIVE RATIFICATION: The Agency has determined that this rule will not have an

adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A Statement of Estimated Regulatory Cost has not been prepared by the agency. The Agency has determined that the proposed rule is not expected to require legislative ratification based on the Statement of Estimated Regulatory Cost or if no Statement of Estimated Regulatory Cost is required, the information expressly relied upon and described herein: 1) no requirement for the Statement of Economic Regulatory Costs (SERC) was triggered under Section 120.541(1), F.S.; and 2) based on past experiences with activities for providing the public tax information and rules of this nature, the adverse impact or regulatory cost, if any, do not exceed nor would exceed any one of the economic analysis criteria in a SERC, as set forth in Section 120.541(2)(a), F.S. Any person who wishes to provide information regarding a Statement of Estimated Regulatory Costs, or provide a proposal for a lower cost regulatory alternative, must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 195.027(1), 213.06(1) FS.

LAW IMPLEMENTED: 193.461, 193.501, 213.05 FS.

A HEARING WILL BE HELD AT THE DATE TIME AND PLACE SHOWN BELOW:

DATE AND TIME: XX, 2012 beginning at 10:00 a.m.

PLACE: Conference Room 1220, Building 2, Capital Circle Office Complex, 2450 Shumard Oak Blvd., Tallahassee Florida. The public can also participate in this hearing through a simultaneous electronic broadcast of this event by the Department of Revenue using WebEx and conference calling technology from their home or office. The requirements to participate are access to the Internet and a telephone. Specific information about how to participate in this

electronic meeting will be included in the Agenda for this hearing posted on the Department's site at: <http://dor.myflorida.com/dor/property/legislation/09/>.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Janice Forrester, Tax Law Specialist, telephone (850) 617-8886 or email ForrestJ@dor.state.fl.us.

THE FULL TEXT OF THE PROPOSED RULE IS:

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-5, FLORIDA ADMINISTRATIVE CODE
AGRICULTURAL AND OUTDOOR RECREATIONAL OR PARK LANDS
AMENDING RULE 12D-5.004 AND CREATING RULE 12D-5.014

12D-5.004 Other Factors ~~that May Become~~ Applicable to Classification of Agricultural Lands.

(1) through (2) - No Change

(3) A minimum acreage cannot be required for agricultural assessment in determining whether the use of the land for agricultural purposes is bona fide.

Rulemaking Specific Authority 195.027(1), 213.06(1) FS. Law Implemented 193.461, 213.05 FS.

History--New 10-12-76, Amended 11-10-77, Formerly 12D-5.04, Amended _____.

12D-5.014 Conservation Easement, Environmentally Endangered or Outdoor Recreational or Park Property Assessed Under Section 193.501, F.S.

(1) To apply for the assessment of lands subject to a conservation easement, environmentally endangered lands, or lands used for outdoor recreational or park purposes when land development rights have been conveyed or conservation restrictions have been covenanted, a

property owner must submit an original application to the property appraiser by March 1, as outlined in Section 193.501, F.S.

(2) The Department prescribes Form DR-482C, Land Used for Conservation, Assessment Application, and incorporated by reference in Rule 12D-16.002, F.A.C., for property owners to apply for the assessment in Section 193.501, F.S.

(3) The Department prescribes Form DR-482CR, Land Used for Conservation, Assessment Reapplication, incorporated by reference in Rule 12D-16.002, F.A.C., for property owners to reapply for the assessment after the first year a property is assessed under Section 193.501, F. S., when the property owner and use have not changed. The property owner must complete and return the reapplication to the property appraiser by March 1.

Rulemaking Authority 195.027(1), 213.06(1) FS. Law Implemented 193.501, 213.05 FS. History-
New _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Janice Forrester, Tax Law Specialist,
Property Tax Oversight Program, Department of Revenue, P.O. Box 3000, Tallahassee, Florida
32315-3000, telephone (850) 617-8886.

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: [To be inserted
upon approval.]

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: [To be inserted upon approval.]

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: July 1, 2011
(Vol. 37, No. 26, pp. 1785 – 1792) Florida Administrative Weekly.

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-7, FLORIDA ADMINISTRATIVE CODE
AMENDING OR CREATING RULES 12D-7.0055, 12D-7.006, 12D-7.013, 12D-7.0142,
12D-7.0143, 12D-7.019, AND 12D-7.020

SUMMARY OF PROPOSED RULES

The proposed creation of Rule 12D-7.0055, F.A.C., implements an additional homestead exemption for active duty servicemembers deployed outside the continental US, Alaska, or Hawaii in support of a designated operation.

The proposed amendment to Rule 12D-7.006, F.A.C., implements legislation that allows an optometrist to be one of the practitioners to certify blindness to qualify a person for an exemption.

The proposed amendment to Rule 12D-7.013, F.A.C., implements a statutory condition that constitutes an abandonment of homestead property for homestead exemption purposes.

The proposed creation of Rule 12D-7.0142, F.A.C., provides an additional \$25,000 exemption for qualified homesteads.

The proposed amendment to Rule 12D-7.0143, F.A.C., updates the homestead exemption amount to \$50,000 for persons 65 and older whose annual income does not exceed \$20,000.

The proposed Rule 12D-7.019, F.A.C., is created to explain the tangible personal property exemption and the procedure to apply for and receive the exemption.

The proposed Rule 12D-7.020, F.A.C., is created to identify the exemption for real

property dedicated in perpetuity for conservation and incorporate the form DR-418C, Real Property Dedicated in Perpetuity for Conservation-Exemption Application.

FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULES

The purpose of proposed Rule 12D-7.0055, F.A.C. (Exemption for Deployed Servicemembers), is to implement the provisions of Chapter 2011-93, Laws of Florida, replacing Emergency Rule 12DER11-12. This proposed Rule implements an additional homestead exemption for active duty servicemembers deployed outside the continental United States, Alaska, or Hawaii in support of a designated operation.

The purpose of the amended Rule 12D-7.006, F.A.C. (Exemption for Totally and Permanently Disabled Persons), is to implement the provisions of Chapter 2007-121, L.O.F., which allows for a second form from an optometrist to be used for blind persons to show evidence of entitlement to the exemption.

The purpose of amending Rule 12D-7.013, F.A.C. (Homestead Exemptions – Abandonment), is to implement the provisions of Chapter 2010-176, L.O.F., containing an additional condition that constitutes an abandonment of homestead property for homestead exemption purposes.

The purpose of proposed Rule 12D-7.0142, F.A.C. (Additional Homestead Exemption), is to implement the provisions of Chapter 2008-173, L.O.F., replacing Emergency Rule 12DER11-08. This proposed rule will provide for the additional homestead exemption.

The purpose of amending Rule 12D-7.0143, F.A.C. (Additional Homestead Exemption Up To \$50,000 for Persons 65 and Older Whose Household Income Does Not Exceed \$20,000 Per Year), is to implement the provisions of Chapter 2007-4, L.O.F., to reflect the exemption

amount and form number for an earnings statement.

The purpose of proposed Rule 12D-7.019, F.A.C. (Tangible Personal Property Exemption), is to implement the provisions of Chapter 2008-173, L.O.F., replacing Emergency Rule 12DER11-07. This proposed rule will implement the tangible personal property exemption and the procedure to apply for and receive the exemption.

The purpose of proposed Rule 12D-7.020, F.A.C. (Exemption for Real Property Dedicated in Perpetuity for Conservation), is to implement the provisions of Chapter 2009-157, L.O.F. This proposed Rule implements an additional exemption for real property dedicated in perpetuity for conservation.

FEDERAL COMPARISON STATEMENT

The provisions contained in these proposed rules do not conflict with comparable federal laws, policies, or standards.

SUMMARY OF RULE DEVELOPMENT WORKSHOP

Two public workshops were held on July 19 and 20, 2011. These dates were published in the Florida Administrative Weekly on July 1, 2011, see Volume 37, Number 26, pp1785-1792. Interested parties and county officials were invited to attend in person and through the internet using WebEx.

NOTICE OF PROPOSED RULE

FLORIDA DEPARTMENT OF REVENUE

PROPERTY TAX OVERSIGHT PROGRAM

RULE NO:	RULE TITLE:
12D-7.0055	Exemption for Deployed Servicemembers.
12D-7.006	Exemption for Totally and Permanently Disabled Persons.
12D-7.013	Homestead Exemptions – Abandonment.
12D-7.0142	Additional Homestead Exemption.
12D-7.0143	Additional Homestead Exemption Up To \$50,000 for Persons 65 and Older Whose Household Income Does Not Exceed \$20,000 Per Year.
12D-7.019	Tangible Personal Property Exemption.
12D-7.020	Exemption for Real Property Dedicated in Perpetuity for Conservation.

PURPOSE AND EFFECT: The purpose of proposed Rule 12D-7.0055, F.A.C. (Exemption for Deployed Servicemembers), is to implement the provisions of Chapter 2011-93, Laws of Florida, replacing Emergency Rule 12DER11-12. This proposed Rule implements an additional homestead exemption for active duty servicemembers deployed outside the continental United States, Alaska, or Hawaii in support of a designated operation. The purpose of the amended Rule 12D-7.006, F.A.C. (Exemption for Totally and Permanently Disabled Persons), is to implement the provisions of Chapter 2007-121, L.O.F., which allows for a second form from an optometrist to be used for blind persons to show evidence of entitlement to the exemption. The purpose of amending Rule 12D-7.013, F.A.C. (Homestead Exemptions – Abandonment), is to implement the provisions of Chapter 2010-176, L.O.F., containing an additional condition that

constitutes an abandonment of homestead property for homestead exemption purposes. The purpose of proposed Rule 12D-7.0142, F.A.C. (Additional Homestead Exemption), is to implement the provisions of Chapter 2008-173, L.O.F., replacing Emergency Rule 12DER11-08.

This proposed rule will provide for the additional homestead exemption. The purpose of amending Rule 12D-7.0143, F.A.C. (Additional Homestead Exemption Up To \$50,000 for Persons 65 and Older Whose Household Income Does Not Exceed \$20,000 Per Year), is to implement the provisions of Chapter 2007-4, L.O.F., to reflect the exemption amount and form number for an earnings statement. The purpose of proposed Rule 12D-7.019, F.A.C. (Tangible Personal Property Exemption), is to implement the provisions of Chapter 2008-173, L.O.F., replacing Emergency Rule 12DER11-07. This proposed rule will implement the tangible personal property exemption and the procedure to apply for and receive the exemption. The purpose of proposed Rule 12D-7.020, F.A.C. (Exemption for Real Property Dedicated in Perpetuity for Conservation), is to implement the provisions of Chapter 2009-157, L.O.F. This proposed Rule implements an additional exemption for real property dedicated in perpetuity for conservation.

SUMMARY: The proposed creation of Rule 12D-7.0055, F.A.C., implements an additional homestead exemption for active duty servicemembers deployed outside the continental US, Alaska, or Hawaii in support of a designated operation. The proposed amendment to Rule 12D-7.006, F.A.C., implements legislation that allows an optometrist to be one of the practitioners to certify blindness to qualify a person for an exemption. The proposed amendment to Rule 12D-7.013, F.A.C., implements a statutory condition that constitutes an abandonment of homestead property for homestead exemption purposes. The proposed creation of Rule 12D-7.0142, F.A.C., provides an additional \$25,000 exemption for qualified homesteads. The proposed amendment to

Rule 12D-7.0143, F.A.C., updates the homestead exemption amount to \$50,000 for persons 65 and older whose annual income does not exceed \$20,000. The proposed Rule 12D-7.019, F.A.C., is created to explain the tangible personal property exemption and the procedure to apply for and receive the exemption. The proposed Rule 12D-7.020, F.A.C., is created to identify the exemption for real property dedicated in perpetuity for conservation and incorporate the form DR-418C, Real Property Dedicated in Perpetuity for Conservation-Exemption Application.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND

LEGISLATIVE RATIFICATION: The Agency has determined that this rule will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A Statement of Estimated Regulatory Cost has not been prepared by the agency. The Agency has determined that the proposed rule is not expected to require legislative ratification based on the Statement of Estimated Regulatory Cost or if no Statement of Estimated Regulatory Cost is required, the information expressly relied upon and described herein: 1) no requirement for the Statement of Economic Regulatory Costs (SERC) was triggered under Section 120.541(1), F.S.; and 2) based on past experiences with activities for providing the public tax information and rules of this nature, the adverse impact or regulatory cost, if any, do not exceed nor would exceed any one of the economic analysis criteria in a SERC, as set forth in Section 120.541(2)(a), F.S. Any person who wishes to provide information regarding a Statement of Estimated Regulatory Costs, or provide a proposal for a lower cost regulatory alternative, must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 195.027(1), 196.075(5), 213.06(1) FS.

LAW IMPLEMENTED: 192.047, 193.063, 193.072, 193.074, 193.114, 196.001, 196.011, 196.012, 196.031, 196.071, 196.075, 196.082, 196.101, 196.173, 196.183, 196.196, 196.24, 196.26, 213.05 FS.

A HEARING WILL BE HELD AT THE DATE TIME AND PLACE SHOWN BELOW:

DATE AND TIME: XX, 2012 beginning at 10:00 a.m.

PLACE: Conference Room 1220, Building 2, Capital Circle Office Complex, 2450 Shumard Oak Blvd., Tallahassee Florida. The public can also participate in this hearing through a simultaneous electronic broadcast of this event by the Department of Revenue using WebEx and conference calling technology from their home or office. The requirements to participate are access to the Internet and a telephone. Specific information about how to participate in this electronic meeting will be included in the Agenda for this hearing posted on the Department's site at: <http://dor.myflorida.com/dor/property/legislation/09/>.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Janice Forrester, Tax Law Specialist, telephone (850) 617-8886 or email ForrestJ@dor.state.fl.us.

THE FULL TEXT OF THE PROPOSED RULE IS:

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-7, FLORIDA ADMINISTRATIVE CODE
EXEMPTIONS

AMENDING OR CREATING RULES 12D-7.0055, 12D-7.006, 12D-7.013, 12D-7.0142,
12D-7.0143, 12D-7.019, AND 12D-7.020

12D-7.0055 Exemption for Deployed Servicemembers.

(1) This rule applies to the exemption provided in Section 196.173, F.S., for servicemembers who receive a homestead exemption and who were deployed during the previous tax year. For the purposes of this rule the following definitions must apply:

(a) "Servicemember" means a member or former member of

1. Any branch of the United States military or military reserves,
2. The United States Coast Guard or its reserves, or
3. The Florida National Guard.

(b) "Deployed" means:

1. On active duty,
2. Outside of the continental United States, Alaska or Hawaii, and
3. In support of a designated operation.

(c) "Designated Operation" means an operation designated by the Florida Legislature. The Department must annually provide all property appraisers with a list of operations which have been designated.

(2)(a) Application for this exemption must be made by March 1 of the year following the qualifying deployment. If the servicemember fails to make a timely application for this exemption, the property appraiser may grant the exemption on a late application if they believe circumstances warrant that it be granted. The servicemember may also petition the value adjustment board to accept the late application no later than 25 days after the mailing of the notice provided under Section 194.011(1), F.S.

(b) Application for this exemption must be made on Form DR-501M, Deployed Military Exemption Application (incorporated by reference in Rule 12D-16.002, F.A.C.).

(c) In addition to the application, the servicemember must submit to the property appraiser deployment orders or other proof of the qualifying deployment which includes the dates of that deployment and other information necessary to verify eligibility for this exemption. If the servicemember fails to include this documentation with the application, the property appraiser may request the needed documentation from the servicemember before denying the exemption.

(d) Application for this exemption may be made by:

1. The servicemember,
2. The servicemember's spouse, if the homestead is held by the entireties or jointly with right of survivorship,
3. A person holding a power of attorney or other authorization under Chapter 709, F.S., or
4. The personal representative of the servicemember's estate.

(3) After receiving an application for this exemption, the property appraiser must consider the application within 30 days of its receipt or within 30 days of the notice of qualifying deployment, whichever is later. If the application is denied in whole or in part, the property appraiser must send a notice of disapproval to the taxpayer no later than July 1, citing the reason

for the disapproval. The notice of disapproval must also advise the taxpayer of the right to appeal the decision to the value adjustment board.

(4) This exemption must apply only to the portion of the property which is the homestead of the deployed servicemember or servicemembers.

(5) The percentage exempt under this exemption must be calculated as the number of days the servicemember was deployed during the previous calendar year divided by the number of days in that year multiplied by 100.

(6) If the homestead property is owned by joint tenants with a right of survivorship or tenants by the entirety, the property may be granted multiple exemptions for deployed servicemembers. The following provisions must apply in the event that multiple servicemembers are applying for the exemption on the same homestead property:

(a) Each servicemember must make a separate application to the property appraiser listing the dates of their deployment.

(b) The property appraiser must separately calculate the exemption percentage for each servicemember.

(c) The property appraiser must then add the percentages exempt which were determined for each of the servicemembers who are joint tenants with rights of survivorship or tenants by the entirety before applying that percentage to the taxable value. In no event must the percentage exempt exceed 100%.

(7) When calculating exemptions and taxes due, the property appraiser must first apply the exemptions listed in Section 196.031(7), F.S., in the order specified, to produce school and county taxable values. The percentage exempt calculated under this exemption must then be applied to both taxable values producing final taxable values. The taxes due must then be

calculated and the percentage discount for disabled veterans under Section 196.082, F.S., should then be applied.

(8) If the property is owned by either tenants in common or joint tenants without right of survivorship, the percentage discount allowed under this rule must only apply to the taxable value of the qualifying servicemembers' interest in the property.

Rulemaking Authority 195.027(1), 213.06(1) FS. Law Implemented 196.001, 196.031, 196.082, 196.173, 213.05 FS. History--New _____.

12D-7.006 Exemption for Totally and Permanently Disabled Persons.

(1) through (3) - No change.

(4) Subject to the income limitations pursuant to Section 196.101, F.S. Florida Statutes, and ~~Form DR-501S, (incorporated by reference in Rule 12D-16.002, F.A.C.)~~ the homestead property of a paraplegic, hemiplegic, or any other totally and permanently disabled person who must use a wheelchair for mobility or who is legally blind is exempt from ad valorem taxation.

(5) To provide evidence of entitlement to the exemption, a paraplegic, hemiplegic, or other totally and permanently disabled person who must use a wheelchair, or a person who is legally blind must provide the following furnish to the property appraiser; ~~the following:~~

(a)1. A certificate of disability, Form DR-416 (incorporated by reference in Rule 12D-16.002, F.A.C.), from two doctors of this state licensed under Chapter 458 or Chapter 459, F.S. Florida Statutes; or

2. (b) A certificate of disability from the United States Department of Veterans Affairs or its predecessor; or and

3. For blind persons, a certificate of disability, Form DR-416, from one doctor of this state

licensed under Chapter 458 or 459, F.S., and a certificate of disability, Form DR-416B (incorporated by reference in Rule 12D-16.002, F.A.C.), from one optometrist licensed in this state under Chapter 463, F.S.; and

~~(b)(e)~~ A Statement of Gross Income, Form DR-501A (incorporated by reference in Rule 12D-16.002, F.A.C.).

(6) through (8) - No change.

Rulemaking Specific Authority 195.027(1), 213.06(1) FS. Law Implemented 196.011, 196.012, 196.101, 213.05 FS. History—New 10-12-76, Formerly 12D-7.06, Amended 12-27-94,_____.

12D-7.013 Homestead Exemptions – Abandonment.

(1) through (5) - No Change.

(6) Homestead property that is uninhabitable due to damage or destruction by misfortune or calamity shall not be considered abandoned in accordance with the provisions of Section 196.031(~~6~~7), F.S., where:

(a) The property owner notifies the property appraiser of his or her intent to repair or rebuild the property,

(b) The property owner notifies the property appraisers of his or her intent to occupy the property after the property is repaired or rebuilt,

(c) The property owner does not claim homestead exemption elsewhere, and

(d) The property owner commences the repair or rebuilding of the property within three (3) years after January 1 following the damage or destruction to the property.

(7) After the three (3) year period, the expiration, lapse, nonrenewal, or revocation of a building permit issued to the property owner for such repairs or rebuilding also constitutes abandonment of the property as homestead.

Rulemaking Specific Authority 195.027(1), 213.06(1) FS. Law Implemented 196.001, 196.031, 196.041, 196.061, 196.071, 213.05 FS. History—New 10-12-76, Formerly 12D-7.13, Amended 10-2-07, _____.

12D-7.0142 Additional Homestead Exemption.

(1) A taxpayer who receives the \$25,000 homestead exemption may claim the additional homestead exemption of up to \$25,000 on the assessed value greater than \$50,000.

(2) To apply for the additional homestead exemption, no new application form is needed. Form DR-501, (incorporated by reference in Rule 12D-16.002, F.A.C.), will be considered the application for exemption.

(3) The additional homestead exemption applies only to non-school levies.

Rulemaking Authority 195.027(1), 213.06(1), Law Implemented 193.114, 196.031, 196.075, 196.082, 196.196, 196.24, FS. History—New _____.

12D-7.0143 Additional Homestead Exemption Up To \$50,000 ~~\$25,000~~ for Persons 65 and Older Whose Household Income Does Not Exceed \$20,000 Per Year.

(1) The following procedures shall apply in counties and municipalities that have granted an additional homestead exemption up to \$50,000 ~~\$25,000~~ for persons 65 and older on January 1, whose household adjusted gross income for the prior year does not exceed \$20,000, adjusted beginning January 1, 2001, by the percentage change in the average cost-of-living index.

(2) through (2)(b) – No change.

(c) any wage earning statements for each member of the household, which shall include Forms W-2, RRD-1042S, SSA-1042S, 1099, 1099A ~~1999A~~, RRD 1099, and SSA-1099, if any.

(3) through (5) – No change.

Rulemaking Specific Authority 195.027(1), 196.075(5), 213.06(1) FS. Law Implemented 193.074, 196.075, 213.05 FS. History—New 12-30-99, Amended 12-30-02,_____.

12D-7.019 Tangible Personal Property Exemption.

(1) The filing of a complete Form DR-405, or Form DR-470A (incorporated by reference in Rule 12D-16.002, F.A.C.) shall be considered the application for exemption.

(2) Taxpayers who fail to file complete returns by April 1 or within any applicable extension period, shall not receive the \$25,000 exemption. However, at the option of the property appraiser, owners of property previously assessed without a return being filed may qualify for the exemption without filing an initial return. Nothing in this rule shall preclude a property appraiser from requiring that Form DR-405 be filed. Returns not timely filed shall be subject to the penalties enumerated in Section 193.072, F.S. Claims of more exemptions than allowed under subsection 196.183(1), F.S., are subject to the taxes exempted as a result of wrongfully claiming the additional exemptions plus penalties on these amounts as enumerated in Section 196.183(5), F.S.

(3) Section 196.183(1), F.S., states that a single return must be filed, and therefore a single exemption granted, for all freestanding equipment not located at the place where the owner of tangible personal property transacts business.

(4) “Site where the owner of tangible personal property transacts business”.

(a) Section 196.183(2), F.S. defines "site where the owner of tangible personal property transacts business". A "site where the owner of tangible personal property transacts business" includes facilities where the business ships or receives goods, employees of the business are located, goods or equipment of the business are stored, or goods or services of the business are produced, manufactured, or developed, or similar facilities located in offices, stores, warehouses, plants, or other locations of the business. Sites where only the freestanding property of the owner is located shall not be considered sites where the owner of tangible personal property transacts business.

(b) Example: A business leasing copying machines or other freestanding equipment, the location where the leased equipment is located does not constitute a site where the owner transacts business. If it is not a site where one or more of the activities stated in subsection (a) occur, for purposes of the tangible personal property exemption, it is not considered a site where the owner transacts business.

(5) Property Appraiser Actions - Maintaining Assessment Roll Entry

(a) For all freestanding equipment not located at a site where the owner of tangible personal property transacts business, and for which a single return is required, and for property assessed under Section 193.085, F.S., the property appraiser is responsible for allocating the exemption to those taxing jurisdictions in which freestanding equipment or property assessed under Section 193.085, F.S. is located. Allocation should be based on the proportionate share of the just value of such property in each jurisdiction. However, the amount of the exemption allocated to each taxing authority may not change following the extension of the tax roll under Section 193.122, F.S.

(6) By February 1 of each year, the property appraiser shall notify by mail all taxpayers whose requirement for filing an annual tangible personal property tax return was waived in the previous year. The notification shall state that a return must be filed if the value of the taxpayer's tangible personal property exceeds the exemption and shall include notification of the penalties for failure to file such a return. Form DR-405W, (incorporated by reference in Rule 12D-16.002, F.A.C.), may be used by property appraisers at their option.

Rulemaking Authority 195.027(1), 213.06(1) FS. Law Implemented 192.047, 193.063, 193.072, 193.114, 193.122, 196.183, 213.05 FS. History--New _____.

12D-7.020 Exemption for Real Property Dedicated in Perpetuity for Conservation.

(1) To apply for the exemption in Section 196.26, F.S., a property owner must submit an original application to the property appraiser by March 1, as outlined in Section 196.011, F.S.

(2) The Department prescribes Form DR-418C, Real Property Dedicated in Perpetuity for Conservation, Exemption Application, incorporated by reference in Rule 12D-16.002, F.A.C. Property owners must use this form to apply for the exemption in Section 196.26, F.S.

(3) The Department prescribes Form DR-418CR, Real Property Dedicated in Perpetuity for Conservation, Exemption Renewal, incorporated by reference in Rule 12D-16.002, F.A.C. After the first year a property receives the exemption in Section 196.26, F.S., the property appraiser must mail a renewal application to the property owner by February 1. The property owner must complete and return the renewal application to the property appraiser by March 1.

Rulemaking Authority 195.027(1), 213.06(1) FS. Law Implemented 196.011, 196.26, 213.05 FS. History--New _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Janice Forrester, Tax Law Specialist,
Property Tax Oversight Program, Department of Revenue, P.O. Box 3000, Tallahassee, Florida
32315-3000, telephone (850) 617-8886.

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: [To be inserted
upon approval.]

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: [To be inserted upon approval.]

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: July 1, 2011
(Vol. 37, No. 26, pp. 1785 – 1792) Florida Administrative Weekly.

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-8, FLORIDA ADMINISTRATIVE CODE
CREATING OR AMENDING RULES 12D-8.0061, 12D-8.0065, 12D-8.00659,
AND 12D-8.022, F.A.C.

SUMMARY OF PROPOSED RULES

The amendment of Rule 12D-8.0061, F.A.C., implements the additional criteria that apply to a change of ownership in Section 193.155, Florida Statutes.

The proposed Rule 12D-8.0065, F.A.C., implements the procedures for the transfer of homestead assessment limitation difference (portability), provides necessary forms to apply for portability and provides instructions to the property appraisers.

Creation of Rule 12D-8.00659, F.A.C., implements instructions to property owners for the procedures and criteria to inform the property appraiser about any change of ownership or control for non-homestead real property.

Creation of Rule 12D-8.022, F.A.C., creates a report to be completed by fiscally constrained counties to apply for the funds distributed by the legislature.

FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULES

The purpose of the amendment to Rule 12D-8.0061(2), F.A.C., is to implement the provisions of Chapter 2010-109, Laws of Florida, to implement the additional criteria that apply to a

change of ownership in Section 193.155, Florida Statutes.

The purpose of proposed Rule 12D-8.0065, F.A.C., is to implement the provisions of Ch. 2008-173, L.O.F., replacing Emergency Rules 12DER11-03 and 12DER11-06. This proposed rule implements the procedures for the transfer of homestead assessment limitation difference (portability), provides necessary forms to apply for portability and provides instructions the property appraisers.

The purpose of proposed Rule 12D-8.0659, F.A.C., is to implement the provisions of Chapters 2008-173 and 2010-109, L.O.F., that created ss. 193.1554, 193.1555, and 193.1556, F.S. The proposed rule implements instructions to property owners for the procedures and criteria to inform the property appraiser about any change of ownership or control for non-homestead real property.

The purpose of proposed Rule 12D-8.022, F.A.C., is to implement the provisions of Ch. 2008-173, L.O.F., replacing Emergency Rule 12DER11-09. This proposed rule implements s. 218.12 F.S. with procedures for fiscally constrained counties to apply for the funds to offset reductions in ad valorem tax revenue.

FEDERAL COMPARISON STATEMENT

The provisions contained in these proposed rules do not conflict with comparable federal laws, policies, or standards.

SUMMARY OF RULE DEVELOPMENT WORKSHOP

Two public workshops were held on July 19 and 20, 2011. These dates were published in

the Florida Administrative Weekly on July 1, 2011, see Volume 37, Number 26, pp1785-1792.

Interested parties and county officials were invited to attend in person and through the internet using WebEx.

NOTICE OF PROPOSED RULE

FLORIDA DEPARTMENT OF REVENUE

PROPERTY TAX OVERSIGHT PROGRAM

RULE NO: RULE TITLE:

12D-8.0061 Assessments; Homestead Property Assessments at Just Value.

12D-8.0065 Transfer of Homestead Assessment Difference; “Portability”; Sworn
Statement Required; Denials; Late Applications.

12D-8.00659 Notice of Change of Ownership or Control of Non-Homestead Property.

12D-8.022 Reporting of Fiscal Data by Fiscally Constrained Counties to the
Department of Revenue.

PURPOSE AND EFFECT: The purpose of the amendment to Rule 12D-8.0061(2), F.A.C., is to implement the provisions of Chapter 2010-109, Laws of Florida, to implement the additional criteria that apply to a change of ownership in Section 193.155, Florida Statutes. The purpose of proposed Rule 12D-8.0065, F.A.C., is to implement the provisions of Ch. 2008-173, L.O.F., replacing Emergency Rules 12DER11-03 and 12DER11-06. This proposed rule implements the procedures for the transfer of homestead assessment limitation difference (portability), provides necessary forms to apply for portability and provides instructions the property appraisers. The purpose of proposed Rule 12D-8.0659, F.A.C., is to implement the provisions of Chapters 2008-173 and 2010-109, L.O.F., that created ss. 193.1554, 193.1555, and 193.1556, F.S. The proposed rule implements instructions to property owners for the procedures and criteria to inform the property appraiser about any change of ownership or control for non-homestead real property. The purpose of proposed Rule 12D-8.022, F.A.C., is to implement the provisions of Ch. 2008-173, L.O.F., replacing Emergency Rule 12DER11-09. This proposed rule implements

s. 218.12 F.S. with procedures for fiscally constrained counties to apply for the funds to offset reductions in ad valorem tax revenue.

SUMMARY: The amendment of Rule 12D-8.0061, F.A.C., implements the additional criteria that apply to a change of ownership in Section 193.155, Florida Statutes. The proposed Rule 12D-8.0065, F.A.C., implements the procedures for the transfer of homestead assessment limitation difference (portability), provides necessary forms to apply for portability and provides instructions to the property appraisers. Creation of Rule 12D-8.00659, F.A.C., implements instructions to property owners for the procedures and criteria to inform the property appraiser about any change of ownership or control for non-homestead real property. Creation of Rule 12D-8.022, F.A.C., creates a report to be completed by fiscally constrained counties to apply for the funds distributed by the legislature.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND

LEGISLATIVE RATIFICATION: The Agency has determined that this rule will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A Statement of Estimated Regulatory Cost has not been prepared by the agency. The Agency has determined that the proposed rule is not expected to require legislative ratification based on the Statement of Estimated Regulatory Cost or if no Statement of Estimated Regulatory Cost is required, the information expressly relied upon and described herein: 1) no requirement for the Statement of Economic Regulatory Costs (SERC) was triggered under Section 120.541(1), F.S.; and 2) based on past experiences with activities for providing the public tax information and rules of this nature, the adverse impact or regulatory cost, if any, do not exceed nor would exceed any one of the economic analysis criteria in a SERC, as set forth in Section 120.541(2)(a), F.S.

Any person who wishes to provide information regarding a Statement of Estimated Regulatory Costs, or provide a proposal for a lower cost regulatory alternative, must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 195.027(1), 213.06(1) FS.

LAW IMPLEMENTED: 192.047, 193.011, 193.023, 193.114, 193.1142, 193.155, 193.1554, 193.1555, 193.1556, 193.461, 193.703, 194.011, 200.065, 213.05, 218.12, 218.125, 218.67 FS.

A HEARING WILL BE HELD AT THE DATE TIME AND PLACE SHOWN BELOW:

DATE AND TIME: XX, 2012 beginning at 10:00 a.m.

PLACE: Conference Room 1220, Building 2, Capital Circle Office Complex, 2450 Shumard Oak Blvd., Tallahassee Florida. The public can also participate in this hearing through a simultaneous electronic broadcast of this event by the Department of Revenue using WebEx and conference calling technology from their home or office. The requirements to participate are access to the Internet and a telephone. Specific information about how to participate in this electronic meeting will be included in the Agenda for this hearing posted on the Department's site at: <http://dor.myflorida.com/dor/property/legislation/09/>.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Janice Forrester, Tax Law Specialist, telephone (850) 617-8886 or email ForrestJ@dor.state.fl.us.

THE FULL TEXT OF THE PROPOSED RULE IS:

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-8, FLORIDA ADMINISTRATIVE CODE
ASSESSMENT ROLL PREPARATION AND APPROVAL
CREATING OR AMENDING RULES 12D-8.0061, 12D-8.0065, 12D-8.00659,
AND 12D-8.022, F.A.C.

[12D-8.0061](#) Assessments; Homestead Property Assessments at Just Value.

(1) No change.

(2) Real property shall be assessed at just value as of January 1 of the year following any change of ownership. If the change of ownership occurs on January 1, subsection (1) shall apply. For purposes of this section, a change of ownership includes any transfer of homestead property receiving the exemption, but does not include any of the following:

(a) Any transfer in which the person who receives homestead exemption is the same person who was entitled to receive homestead exemption on that property before the transfer, and

1. No change.

2. The transfer is between legal and equitable title or equitable and equitable title and no other person applies for a homestead exemption on the property; or

3. No change.

(b) No change.

(c) No change.

(d) The transfer occurs by operation of law to the surviving spouse or minor child or children under Section section 732.401 732.4015, F.S. Florida Statutes.

(3) A leasehold interest that qualifies for the homestead exemption under Sections 196.031 or 196.041, F.S., shall be treated as an equitable interest in the property for purposes of subsection (2).

Rulemaking Specific Authority 195.027(1), 213.06(1) FS. Law Implemented 193.011, 193.023, 193.155, 213.05 FS. History—New 12-27-94, Amended 10-2-07,_____.

12D-8.0065 Transfer of Homestead Assessment Difference; “Portability”; Sworn Statement Required; Denials; Late Applications.

(1) For purposes of this rule, the following definitions apply.

(a) “the previous property appraiser” means the property appraiser in the county where the taxpayer’s previous homestead property was located.

(b) “the new property appraiser” means the property appraiser in county where the taxpayer’s new homestead is located.

(c) “the previous homestead” means the homestead which the assessment difference is being transferred from.

(d) “The new homestead” means the homestead which the assessment difference is being transferred to.

(e) “Assessment difference” means the difference between assessed value and just value attributable to Section 193.155, F.S.

(2) Section 193.155(8), F.S., provides the procedures for the transfer of the homestead assessment difference, within stated limits, when a homestead is abandoned. This rule describes those procedures, which are an alternative to assessment at just value. The amount of the

assessment difference is transferred as a reduction to the just value of the interest owned by taxpayers that qualify and receive homestead exemption on a new homestead.

(a) This rule sets limits and requirements consistent with Section 193.155(8), F.S. A taxpayer may apply for the transfer of an assessment difference from a previous homestead property to a new homestead property if:

1. The taxpayer received a homestead exemption on the previous property on January 1 of one of the last two years before establishing the new homestead; and,

2. The previous property was abandoned as a homestead after that January 1; and,

3. The previous property was, or will be, reassessed at just value or assessed under Section 193.155(8), F.S., as of January 1 of the year after the year in which the abandonment occurred subject to Subsections 193.155(8) and 193.155(3), F.S; and

4. The taxpayer establishes a new homestead on the property by January 1 of the year they are applying for the transfer.

(b) Under Section 193.155(8), F.S., the transfer is only available from a prior homestead for which a taxpayer previously received a homestead exemption. For these rules:

1. If a husband and wife owned and resided on a previous homestead, each is considered to have received the homestead exemption, even if only one of them applied.

2. For joint tenants with rights of survivorship and for tenants in common, those who applied for, received the exemption, and resided on a previous homestead are considered to have received the exemption.

(3) To apply for portability, the taxpayer must file Form DR-501T, Transfer of Homestead Assessment Difference, (incorporated by reference in Rule 12D-16.002, F.A.C.), including a sworn statement, by March 1. Form DR-501T is submitted as an attachment to Form DR-501,

Original Application for Ad Valorem Tax Exemption, (incorporated by reference in Rule 12D-16.002, F.A.C.).

(4) Within the limitations for multiple owners in subsection (5), the total which may be transferred is limited as follows:

(a) Upsizing - When the just value of the new homestead equals or is greater than the just value of the previous homestead, the maximum amount that can be transferred is \$500,000.

(b) Downsizing - When the just value of the new homestead is less than the just value of the previous homestead, the maximum amount that can be transferred is \$500,000. Within that limit, the amount must be the same proportion of the new homestead's just value as the proportion of the assessment difference was of the previous homestead's just value.

(5)(a) Transferring without splitting or joining – When two or more persons jointly abandon a single homestead and jointly establish a new homestead, the provisions for splitting and joining below do not apply if no additional taxpayers are part of either homestead. The maximum amount that can be transferred is \$500,000.

(b) Splitting - When two or more people who previously shared a homestead abandon that homestead and establish separate homesteads, the maximum total amount that can be transferred is \$500,000. Within that limit, each taxpayer who received a homestead exemption and is eligible to transfer an amount is limited to a share of the previous homestead's difference between assessed value and just value.

1. For tenants in common, this share is the difference between just value and assessed value for the tenant's proportionate interest in the property. This is the just value of the taxpayer's interest minus the assessed value of the taxpayer's interest.

2. For joint tenancy with right of survivorship and for a husband and wife, the share is the assessed value of the homestead portion of the property, divided by the number of owners that received the exemption, unless another interest share is on the title. In that case, the portion of the amount that may be transferred is the difference between just value and assessed value for the stated share.

3. The shares of the assessment difference cannot be sold, transferred, or pledged to any taxpayer. For example, if a husband and wife divorce and both abandon the homestead, they each take their share of the assessment difference with them. The property appraiser cannot accept a stipulation otherwise. The shares of the taxpayers that received the homestead exemption cannot total more than 100 percent.

(c) Joining - When two or more people, some of whom previously owned separate homesteads and received a homestead exemption, join together to qualify for a new homestead, the maximum amount that can be transferred is \$500,000. Within that limit, the amount that can be transferred is limited to the highest difference between assessed value and just value from any of the taxpayers' former homesteads.

(6) Abandonment

(a) To transfer an assessment difference, a homestead owner must abandon the homestead before January 1 of the year the new application is made. To do this, the taxpayer must notify the property appraiser in writing by the time he or she applies for the new homestead exemption. To transfer the assessment difference, the previous homestead must be reassessed at just value as of January 1, subject to Subsections 193.155(8) and 193.1553, F.S., which provide for assessment at other than just value.

(b) In the case of joint tenants with right of survivorship, if only one owner moved and the other stayed in the original homestead, the homestead would not be abandoned. The one who moved could not transfer any assessment difference.

(c) To receive an assessment reduction under Section 193.155(8), F.S., a taxpayer may abandon his or her homestead even though it remains his or her primary residence by providing written notification to the property appraiser of the county where the homestead is located. This notification must be delivered before or at the same time as the timely filing of a new application for homestead exemption on the property. This abandonment will result in reassessment at just value as provided in subparagraph 2(a)3 of this rule.

(7) Only the difference between assessed value and just value attributable to Section 193.155, F.S., can be transferred.

(a) If a property has both the homestead exemption and an agricultural classification, a taxpayer cannot transfer the difference that results from an agricultural classification.

(b) If a homeowner has a homestead and is receiving a reduction in assessment for living quarters for parents or grandparents under Section 193.703, F.S., the reduction is not included in the transfer. When calculating the amount to be transferred, the amount of that reduction must be added back into the assessed value before calculating the difference.

(8) Procedures for property appraiser:

(a) If the previous homestead was in a different county than the new homestead, the new property appraiser must transmit a copy of the completed Form DR-501T with a completed Form DR-501 to the previous property appraiser. If the previous homesteads of taxpayers applying for transfer were in more than one county, each taxpayer from a different county must fill out a separate Form DR-501T.

1. The previous property appraiser must complete Form DR-501RVSH, Certificate for Transfer of Homestead Assessment Difference (incorporated by reference in Rule 12D-16.002, F.A.C.). By April 1 or within two weeks after receiving Form DR-501T, whichever is later, the previous property appraiser must send this form to the new property appraiser. As part of the information returned on Form DR-501RVSH, the previous property appraiser must certify that the amount transferred is part of a previous homestead that has been or will be reassessed at just value as of January 1 of the year after the year in which the abandonment occurred as described in subsection (2)(a)3 of this rule.

2. Based on the information provided on Form DR-501RVSH from the previous property appraiser, the new property appraiser calculates the amount that may be transferred and applies this amount to the January 1 assessment of the new homestead for the year applied for.

(b) If the transfer is from the same county as the new homestead, the property appraiser retains Form DR-501T. Form DR-501RVSH is not required. For a taxpayer that applied on time for the transfer of assessment difference, the property appraiser updates the ownership share information using the share methodology in this rule.

(c) The new property appraiser must record the following in the assessment roll submitted to the Department according to Section 193.1142, F.S. for the year the transfer is made to the homestead parcel:

1. Flag for current year assessment difference transfer;

2. Number of owners among whom the previous assessment difference was split. Enter 1 if previous difference was not split;

3. Assessment difference value transferred;

4. County number of previous homestead;

5. Parcel ID of previous homestead;

6. Year from which assessment difference value was transferred;

(d) Property appraisers that have information sharing agreements with the Department are authorized to share confidential tax information with each other under Section 195.084, F.S., including social security numbers and linked information on Forms DR-501, DR-501T, and DR-501RVSH.

(9) The transfer of an assessment difference is not final until all values on the assessment roll on which the transfer is based are final. If the values are final after the procedures in these rules are exercised, the property appraiser(s) must make appropriate corrections and send a corrected assessment notice. Any values that are in administrative or judicial review must be noticed to the tribunal or court for accelerated hearing and resolution so that the intent of Section 193.155(8), F.S. may be fulfilled. This rule does not authorize the consideration or adjustment of the just, assessed, or taxable value of the previous homestead property.

(10) Additional provisions.

(a) If the information from the previous property appraiser is provided after the procedures in this section are exercised, the new property appraiser must make appropriate corrections and send a corrected assessment notice.

(b) The new property appraiser must promptly notify a taxpayer if the information received or available is insufficient to identify the previous homestead and the transferable amount. This notice must be sent by July 1.

(c) If the previous property appraiser supplies enough information to the new property appraiser, the information is considered timely if provided in time to include it on the notice of proposed property taxes sent under Sections 194.011 and 200.065(1), F.S.

(d) If the new property appraiser has not received enough information to identify the previous homestead and the transferable amount in time to include it on the notice of proposed property taxes, the taxpayer may file a petition with the value adjustment board in the county of the new homestead.

(11) Denials.

(a) If the taxpayer is not qualified for transfer of any assessment difference, the new property appraiser shall send Form DR-490PORT, Notice of Denial of Transfer of Homestead Assessment Difference, (incorporated by reference in Rule 12D-16.002, F.A.C.) to the taxpayer by July 1 and include the reasons for the denial.

(b) Any property appraiser who sent a notice of denial by July 1 because he or she did not receive sufficient information to identify the previous homestead and the amount which is transferable, may grant the transfer after receiving information from the previous property appraiser showing the taxpayer was qualified. If a petition was filed based on a timely application for the transfer of an assessment difference, the value adjustment board shall refund the taxpayer the \$15.

(c) Petitions of denials may be filed with the value adjustment board as provided in Rule 12D-9.028, F.A.C.

(12) Late applications.

(a) Any taxpayer qualified to have property assessed under Section 193.155(8), F.S., who fails to file for a new homestead on time in the first year following eligibility may file in a subsequent year. The assessment reduction shall be applied to assessed value in the year the transfer is first approved. A refund may not be given for previous years.

(b) Any taxpayer who is qualified to have his or her property assessed under Section 193.155(8), F.S., who fails to file an application by March 1, may file an application for assessment under that subsection and, under Section 194.011(3), F.S., may file a petition with the value adjustment board requesting the assessment be granted. The petition may be filed at any time during the taxable year by the 25th day following the mailing of the notice by the property appraiser as provided in Section 194.011(1), F.S. In spite of Section 194.013, F.S., the taxpayer must pay a nonrefundable fee of \$15 when filing the petition. After reviewing the petition, the property appraiser or the value adjustment board may grant the assessment under Section 193.155(8), F.S., if the property appraiser or value adjustment board find the taxpayer is qualified and demonstrates particular extenuating circumstances to warrant granting the assessment.

Rulemaking Authority 195.027(1), 213.06(1) FS. Law Implemented 192.047, 193.114, 193.1142, 193.155, 193.461, 193.703, 194.011 FS. History--New _____.

12D-8.00659 Notice of Change of Ownership or Control of Non-Homestead Property.

(1) Any person or entity that owns non-homestead property that is entitled to receive the 10 percent assessment increase limitation under Section 193.1554 or 193.1555, F.S., must notify the property appraiser of the county where the property is located of any change of ownership or control as defined in Sections 193.1554(5) and 193.1555(5), F.S. This notification is not required if a deed or other instrument of title has been recorded in the county where the parcel is located.

(2) As provided in Sections 193.1554(5) and 193.1555(5), F.S., a change of ownership or control means any sale, foreclosure, transfer of legal title or beneficial title in equity to any

person, or the cumulative transfer of control or of more than fifty (50) percent of the ownership of the legal entity that owned the property when it was most recently assessed at just value.

(3) For purposes of a transfer of control, “controlling ownership rights” means voting capital stock or other ownership interest that legally carries voting rights or the right to participate in management and control of the legal entity’s activities. The term also includes an ownership interest in property owned by a limited liability company or limited partnership that is treated as owned by its sole member or sole general partner.

(4)(a) A cumulative transfer of control of the legal entity that owns the property happens when any of the following occur:

1. The ownership of the controlling ownership rights changes and either:

a. a shareholder or other owner that did not own more than fifty (50) percent of the controlling ownership rights becomes an owner of more than fifty (50) percent of the controlling ownership rights; or

b. a shareholder or other owner that owned more than fifty (50) percent of the controlling ownership rights becomes an owner of less than fifty (50) percent of the controlling ownership rights.

2. a. there is a change of all general partners; or

b. among all general partners the ownership of the controlling ownership rights changes as described in subparagraph 1. above.

(b) If the articles of incorporation and bylaws or other governing organizational documents of a legal entity require a two-thirds majority or other supermajority vote of the voting shareholders or other owners to approve a decision, the supermajority shall be used instead of the fifty (50) percent for purposes of paragraph (a) above.

(5) There is no change of ownership if:

(a) The transfer of title is to correct an error;

(b) The transfer is between legal and equitable title; or

(c) For "non-homestead residential property" as defined in Section 193.1554(1), F.S., the transfer is between husband and wife, including a transfer to a surviving spouse or a transfer due to a dissolution of marriage. This paragraph does not apply to non-residential property that is subject to Section 193.1555, F.S.

(6) For a publicly traded company, there is no change of ownership or control if the cumulative transfer of more than 50 percent of the ownership of the entity that owns the property occurs through the buying and selling of shares of the company on a public exchange. This exception does not apply to a transfer made through a merger with or an acquisition by another company, including an acquisition by acquiring outstanding shares of the company.

(7)(a) For changes of ownership or control, as referenced in subsection (2) of this rule, the owner must complete and send Form DR-430, Change of Ownership or Control, Non-Homestead Property, to the property appraiser unless a deed or other instrument of title has been recorded in the county where the parcel is located. This form is adopted by the Department of Revenue and incorporated by reference in Rule 12D-16.002 F.A.C. If one owner completes and sends a Form DR-430 to the property appraiser, another owner is not required to send an additional Form DR-430.

(b) Form DR-430M, Change of Ownership or Control, Multiple Parcels, (incorporated by reference in Rule 12D-16.002, F.A.C.) may be used as an attachment to Form DR-430. A property owner may use DR-430M to list all property owned or controlled in the state for which a change of ownership or control has occurred. A copy of the form should be sent to each county

property appraiser where a parcel is located. This form is adopted by the Department of Revenue and incorporated by reference in Rule 12D-16.002, F.A.C.

(c) On January 1, property assessed under Sections 193.1554 and 193.1555, F.S., must be assessed at just value if the property has had a change of ownership or control since the January 1 when the property was most recently assessed at just value.

(d) The property appraiser is required to record a tax lien on any property owned by a person or entity that was granted, but not entitled to, the property assessment limitation under Section 193.1554 or 193.1555, F.S.

(e) The property appraiser shall use the information provided on the Form DR-430 to assess property as provided in Sections 193.1554, 193.1555, and 193.1556, F.S. For listing ownership on the assessment rolls, the property appraiser must not use Form DR-430 as a substitute for a deed or other instrument of title in the public records.

Rulemaking Authority 195.027(1), 213.06(1) FS. Law Implemented 193.1554, 193.1555, 193.1556, FS. History –New-_____.

12D-8.022 Reporting of Fiscal Data by Fiscally Constrained Counties to the Department of Revenue.

(1) This rule applies to counties that meet the fiscally constrained definition in Section 218.67(1), F.S. Under Sections 218.12 and 218.125, F.S., these counties are required to apply for a distribution of funds appropriated by the Legislature for each of the following purposes:

(a) Offsetting reductions in property tax revenues occurring as a direct result of the implementation of revisions to Article VII, Florida Constitution approved in the special election held on January 29, 2008. These reductions include the additional \$25,000 homestead

exemption, the \$25,000 tangible personal property exemption, homestead assessment difference transferability, and the 10 percent assessment increase limitation on nonhomestead property.

(b) Offsetting reductions in property tax revenues occurring as a direct result of the implementation of revisions to ss. 3(f) and 4(b) of Art. VII, Florida Constitution, approved in the general election held in November 2008. These reductions include the exemption for real property dedicated in perpetuity for conservation purposes and classified use assessments for land used for conservation purposes.

(2) An application must be filed with the Department of Revenue on Form DR-420FC, incorporated by reference in Rule 12D-16.002, F.A.C.

(3) Each fiscally constrained county must provide the completed form to the Department of Revenue by November 15 each year. The form must be prepared by the county property appraiser. The following is a summary of the information required on the form:

(a) An estimate of the reduction in taxable value for all county government taxing jurisdictions directly attributable to revisions to Article VII, Florida Constitution approved in the special election held on January 29, 2008. This estimate must be based on values comparable to those certified on Form DR-420, incorporated by reference in Rule 12D-16.002, F.A.C.;

(b) An estimate of the reduction in taxable value for all county government taxing jurisdictions directly attributable to revisions to ss. 3(f) and 4(b) of Art. VII, Florida Constitution, approved in the general election held in November 2008. This estimate must be based on values comparable to those certified on Form DR-420;

(c) Millage rates for all county government taxing jurisdictions as included on the tax roll extended according to Section 193.122, F.S., for all these jurisdictions for both the current and prior year;

(d) Rolled-back rates, if available, for each jurisdiction determined as provided in Section 200.065, F.S., and included on Form DR-420 by each taxing jurisdiction;

(e) Maximum millage rates, if available, for each jurisdiction that could have been levied by a majority vote as included on Form DR-420MM, Maximum Millage Levy Calculation – Final Disclosure, by each taxing jurisdiction. Form DR-420MM is incorporated by reference in Rule 12D-16.002, F.A.C.

(4) The calculation of each distribution of appropriated funds must include both operating and debt service levies, including millages levied for two years or less under Section 9(b),

Article VII, Florida Constitution.

Rulemaking Authority 195.027(1), 213.06(1) FS. Law Implemented 200.065, 218.12, 218.125, 218.67, FS. History-New _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Janice Forrester, Tax Law Specialist,
Property Tax Oversight Program, Department of Revenue, P.O. Box 3000, Tallahassee, Florida
32315-3000, telephone (850) 617-8886.

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: [To be inserted
upon approval.]

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: [To be inserted upon approval.]

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: July 1, 2011
(Vol. 37, No. 26, pp. 1785 – 1792) Florida Administrative Weekly.

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-9, FLORIDA ADMINISTRATIVE CODE
AMENDING RULES 12D-9.015 AND 12D-9.036, F.A.C.

SUMMARY OF PROPOSED RULES

The amendment to Rule 12D-9.015, F.A.C., updates the deferral process for tax collectors to notify taxpayers of eligibility for deferrals and provides an appeal procedure to the value adjustment board in cases where the deferral is denied.

Amendment to Rule 12D-9.036, F.A.C., implements a consistent process for denials of tax deferrals of taxes and assessments for homestead property, affordable housing property and working waterfront property.

FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULES

The purpose of the amendment to Rule 12D-9.015, F.A.C., is to implement the provisions of Chapter 2011-151, Laws of Florida, relating to deferrals of taxes and assessments for homestead property, affordable housing property and working waterfront property. The purpose of this rule is to outline the process for tax collectors to notify taxpayers of their determination of eligibility for deferrals and provide an appeal procedure to the value adjustment board in cases where the deferral is denied.

The purpose of the amendment to Rule 12D-9.036, F.A.C., is to implement the provisions of

Ch. 2011-151, Laws of Florida, relating to hearing procedures of denials of deferrals of taxes and assessments for homestead property, affordable housing property and working waterfront property.

The effect of this rule is to provide a consistent process for hearings.

FEDERAL COMPARISON STATEMENT

The provisions contained in these proposed rules do not conflict with comparable federal laws, policies, or standards.

SUMMARY OF RULE DEVELOPMENT WORKSHOP

Two public workshops were held on July 19 and 20, 2011. These dates were published in the Florida Administrative Weekly on July 1, 2011, see Volume 37, Number 26, pp1785-1792.

Interested parties and county officials were invited to attend in person and through the internet using WebEx.

NOTICE OF PROPOSED RULE

FLORIDA DEPARTMENT OF REVENUE

PROPERTY TAX OVERSIGHT PROGRAM

RULE NO: RULE TITLE:

12D-9.015 Petition; Form and Filing Fee.

12D-9.036 Procedures for Petitions on Denials of Tax Deferrals.

PURPOSE AND EFFECT: The purpose of the amendment to Rule 12D-9.015, F.A.C., is to implement the provisions of Chapter 2011-151, Laws of Florida, relating to deferrals of taxes and assessments for homestead property, affordable housing property and working waterfront property. The purpose of this rule is to outline the process for tax collectors to notify taxpayers of their determination of eligibility for deferrals and provide an appeal procedure to the value adjustment board in cases where the deferral is denied. The purpose of the amendment to Rule 12D-9.036, F.A.C., is to implement the provisions of Ch. 2011-151, Laws of Florida, relating to hearing procedures of denials of deferrals of taxes and assessments for homestead property, affordable housing property and working waterfront property. The effect of this rule is to provide a consistent process for hearings.

SUMMARY: The amendment to Rule 12D-9.015, F.A.C., updates the deferral process for tax collectors to notify taxpayers of eligibility for deferrals and provides an appeal procedure to the value adjustment board in cases where the deferral is denied. Amendment to Rule 12D-9.036, F.A.C., implements a consistent process for denials of tax deferrals of taxes and assessments for homestead property, affordable housing property and working waterfront property.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND

LEGISLATIVE RATIFICATION: The Agency has determined that this rule will not have an

adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A Statement of Estimated Regulatory Cost has not been prepared by the agency. The Agency has determined that the proposed rule is not expected to require legislative ratification based on the Statement of Estimated Regulatory Cost or if no Statement of Estimated Regulatory Cost is required, the information expressly relied upon and described herein: 1) no requirement for the Statement of Economic Regulatory Costs (SERC) was triggered under Section 120.541(1), F.S.; and 2) based on past experiences with activities for providing the public tax information and rules of this nature, the adverse impact or regulatory cost, if any, do not exceed nor would exceed any one of the economic analysis criteria in a SERC, as set forth in Section 120.541(2)(a), F.S. Any person who wishes to provide information regarding a Statement of Estimated Regulatory Costs, or provide a proposal for a lower cost regulatory alternative, must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 194.011(5), 194.034(1), 195.027(1), 213.06(1) FS.

LAW IMPLEMENTED: 193.155, 194.011, 194.013, 194.032, 194.034, 194.036, 194.171, 195.022, 195.084, 196.151, 197.2425, 197.301, 200.069, 213.05 FS

A HEARING WILL BE HELD AT THE DATE TIME AND PLACE SHOWN BELOW:

DATE AND TIME: XX, 2012 beginning at 10:00 a.m.

PLACE: Conference Room 1220, Building 2, Capital Circle Office Complex, 2450 Shumard Oak Blvd., Tallahassee Florida. The public can also participate in this hearing through a simultaneous electronic broadcast of this event by the Department of Revenue using WebEx and conference calling technology from their home or office. The requirements to participate are access to the Internet and a telephone. Specific information about how to participate in this

electronic meeting will be included in the Agenda for this hearing posted on the Department's site at: <http://dor.myflorida.com/dor/property/legislation/09/>.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Janice Forrester, Tax Law Specialist, telephone (850) 617-8886 or email ForrestJ@dor.state.fl.us.

THE FULL TEXT OF THE PROPOSED RULE IS:

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-9, FLORIDA ADMINISTRATIVE CODE
REQUIREMENTS FOR VALUE ADJUSTMENT BOARDS IN ADMINISTRATIVE
REVIEWS; UNIFORM RULES OF PROCEDURE FOR HEARINGS BEFORE
VALUE ADJUSTMENT BOARDS
AMENDING RULES 12D-9.015 AND 12D-9.036, F.A.C.

12D-9.015 Petition; Form and Filing Fee.

(1) through (6) - No change.

(7) Filing Fees. By resolution of the value adjustment board, a petition shall be accompanied by a filing fee to be paid to the board clerk in an amount determined by the board not to exceed \$15 for each separate parcel of property, real or personal covered by the petition and subject to appeal. The resolution may include arrangements for petitioners to pay filing fees by credit card.

(a) No change.

(b) No filing fee shall be required with respect to an appeal from the disapproval of a timely filed application for homestead exemption or from the denial of a ~~homestead~~ tax deferral.

(c) through (9)(c) No change.

(10) Timely Filing of Petitions. Petitions related to valuation issues may be filed, and must be accepted by the board clerk, at any time during the taxable year on or before the 25th day following the mailing of the notice of proposed property taxes. Other petitions may be filed as follows:

(a) through (d) - No change.

(e) With respect to issues involving the denial of a ~~homestead~~ tax deferral, on or before the 30th day following the mailing of the notification in writing of the denial of the deferral application ~~or on or before the 20th day following receipt of the notification, whichever date is later;~~

(f) through (14) - No change.

Rulemaking Authority 194.011(5), 194.034(1), 195.027(1), 213.06(1) FS. Law Implemented 193.155, 194.011, 194.013, 194.032, 194.034, 194.036, 194.171, 195.022, 195.084, 196.151, 197.2425, ~~197.253~~, 197.301, ~~197.3041~~, ~~197.3047~~, ~~197.3073~~, ~~197.3079~~, 200.069, 213.05 FS. History--New 3-30-10, Amended_____.

12D-9.036 Procedures for Petitions on Denials of Tax Deferrals.

(1) The references in these rules to the tax collector are for the handling of petitions of denials of tax deferrals under Section 197.2425, ~~Sections 197.253, 197.3041, and 197.3073~~, F.S., and petitions of penalties imposed under Section ~~Sections 197.301, 197.3047, and 197.3079~~, F.S.

(2) To the extent possible where the context will permit, such petitions shall be handled procedurally under this rule chapter in the same manner as denials of exemptions.

Rulemaking Authority 194.011(5), 194.034(1), 195.027(1), 213.06(1) FS. Law Implemented 194.032, 194.036, 197.2425, ~~197.253~~, 197.301, ~~197.3041~~, ~~197.3047~~, ~~197.3073~~, ~~197.3079~~, 213.05 FS. History--New 3-30-10, Amended_____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Janice Forrester, Tax Law Specialist,
Property Tax Oversight Program, Department of Revenue, P.O. Box 3000, Tallahassee, Florida
32315-3000, telephone (850) 617-8886.

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: [To be inserted
upon approval.]

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: [To be inserted upon approval.]

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: July 1, 2011
(Vol. 37, No. 26, pp. 1785 – 1792) Florida Administrative Weekly.

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-16, FLORIDA ADMINISTRATIVE CODE
AMENDING RULES 12D-16.001 AND 12D-16.002, F.A.C.

SUMMARY OF PROPOSED RULES

The proposed amendment to Rule 12D-16.001, F.A.C., implements legislation instructing the Department to discontinue providing paper forms to the counties.

The proposed amendment to Rule 12D-16.002, F.A.C., incorporates amended and new forms into rule.

FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULES

The purpose of the proposed amendment to Rule 12D-16.001, F.A.C., is to conform with changes to s. 195.022, F.S., made by Chapter 2009-67, Laws of Florida, to remove requirements that the Department is to provide paper forms to the counties.

The purpose of the proposed amendment to Rule 12D-16.002, F.A.C., is to implement provisions from Chapters 2007-4, 2007-36, 2007-121, 2008-173, 2009-157, 2010-109, 2011-93, 2011-107, and 2011-151, Laws of Florida, and to implement other technical changes to ad valorem property tax forms used by property appraisers, tax collectors, value adjustment boards, and the general public.

FEDERAL COMPARISON STATEMENT

The provisions contained in these proposed rules do not conflict with comparable federal laws, policies, or standards.

SUMMARY OF RULE DEVELOPMENT WORKSHOP

Two public workshops were held on July 19 and 20, 2011. These dates were published in the Florida Administrative Weekly on July 1, 2011, see Volume 37, Number 26, pp1785-1792. Interested parties and county officials were invited to attend in person and through the internet using WebEx.

NOTICE OF PROPOSED RULE

FLORIDA DEPARTMENT OF REVENUE

PROPERTY TAX OVERSIGHT PROGRAM

RULE NO:	RULE TITLE:
12D-16.001	Administration of Forms.
12D-16.002	Index to Forms.

PURPOSE AND EFFECT: The purpose of the proposed amendment to Rule 12D-16.001, F.A.C., is to conform with changes to s. 195.022, F.S., made by Chapter 2009-67, Laws of Florida, to remove requirements that the Department is to provide paper forms to the counties. The purpose of the proposed amendment to Rule 12D-16.002, F.A.C., is to implement provisions from Chapters 2007-4, 2007-36, 2007-121, 2008-173, 2009-157, 2010-109, 2011-93, 2011-107, and 2011-151, Laws of Florida, and to implement other technical changes to ad valorem property tax forms used by property appraisers, tax collectors, value adjustment boards, and the general public.

SUMMARY: The proposed amendment to Rule 12D-16.001, F.A.C., implements legislation instructing the Department to discontinue providing paper forms to the counties. The proposed amendment to Rule 12D-16.002, F.A.C., incorporates amended and new forms into rule.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND

LEGISLATIVE RATIFICATION: The Agency has determined that this rule will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A Statement of Estimated Regulatory Cost has not been prepared by the agency. The Agency has determined that the proposed rule is not expected to require legislative ratification based on the

Statement of Estimated Regulatory Cost or if no Statement of Estimated Regulatory Cost is required, the information expressly relied upon and described herein: 1) no requirement for the Statement of Economic Regulatory Costs (SERC) was triggered under Section 120.541(1), F.S.; and 2) based on past experiences with activities for providing the public tax information and rules of this nature, the adverse impact or regulatory cost, if any, do not exceed nor would exceed any one of the economic analysis criteria in a SERC, as set forth in Section 120.541(2)(a), F.S. Any person who wishes to provide information regarding a Statement of Estimated Regulatory Costs, or provide a proposal for a lower cost regulatory alternative, must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 195.027(1), 213.06(1) FS.

LAW IMPLEMENTED: 92.525, 95.18, 136.03, 192.001(18), 193.052, 193.077, 193.085, 193.092, 193.114, 193.122, 193.155, 193.1554, 193.1555, 193.1556, 193.461, 193.501, 193.503, 193.625, 193.703, 194.011, 194.032, 194.034, 194.035, 194.037, 195.002, 195.022, 195.087, 195.095, 196.011, 196.015, 196.031, 196.075, 196.095, 196.101, 196.121, 196.141, 196.151, 196.173, 196.183, 196.193, 196.1961, 196.1983, 196.1995, 196.202, 196.24, 196.26, 197.182, 197.222, 197.2423, 197.2424, 197.3632, 197.3635, 197.414, 197.432, 197.474, 197.502, 197.512, 197.552, 200.065, 200.069, 213.05, 218.12, 218.125, 218.66, 218.67 FS.

A HEARING WILL BE HELD AT THE DATE TIME AND PLACE SHOWN BELOW:

DATE AND TIME: XX, 2012 beginning at 10:00 a.m.

PLACE: Conference Room 1220, Building 2, Capital Circle Office Complex, 2450 Shumard Oak Blvd., Tallahassee Florida. The public can also participate in this hearing through a simultaneous electronic broadcast of this event by the Department of Revenue using WebEx and conference calling technology from their home or office. The requirements to participate are

access to the Internet and a telephone. Specific information about how to participate in this electronic meeting will be included in the Agenda for this hearing posted on the Department's site at: <http://dor.myflorida.com/dor/property/legislation/09/>.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Janice Forrester, Tax Law Specialist, telephone (850) 617-8886 or email ForrestJ@dor.state.fl.us.

THE FULL TEXT OF THE PROPOSED RULE IS:

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-16, FLORIDA ADMINISTRATIVE CODE
ADMINISTRATION OF FORMS
AMENDING RULES 12D-16.001 AND 12D-16.002, F.A.C.

12D-16.001 Administration of Forms.

(1) The Department shall prescribe all forms and instructions relating to their use, which shall be uniform throughout the state, to be used by county property appraisers, county tax collectors, clerks of the circuit court, and value adjustment boards in administering and collecting ad valorem taxes. ~~The Department shall furnish forms for counties with a population of 100,000 or less.~~

~~(2) Counties with a population of more than 100,000 shall reproduce forms for distribution at the county officer's expense.~~

~~(3)(2) The Department shall prescribe one form for each purpose. Each form shall be uniform throughout the state as to size, content, layout dimensions and construction.~~

~~(3) For counties with populations of 100,000 or less, requisitions for forms shall be made to the Department not less than 90 days prior to desired date of delivery. Requisitions for the following forms shall be submitted to the Department on or before August 1 of each year so that the property appraiser can and shall make them available in his or her office on the first working day of the next ensuing calendar year:~~

~~(a) Tangible Personal Property and Inventory Return;~~

- ~~(b) Application for Agricultural Classification of Lands;~~
- ~~(c) Applications for Assessment of Pollution Control Devices;~~
- ~~(d) Applications for Exemptions (original and renewal); and~~
- ~~(e) Applications for classification as High Water Recharge Lands or as Historic Properties Used for Commercial or Certain Nonprofit Purposes.~~

(4) through (5) - No change.

(6) Individual officers may use supplemental forms, produced at their own expense, which they deem expedient for the purpose of administering and collecting ad valorem taxes within their own jurisdictions. Such supplemental forms may be used in conjunction with and not be substituted for, nor used in lieu of, the forms prescribed ~~and furnished~~ by the Department.

Rulemaking Specific Authority 195.027(1), 213.06(1) FS. Law Implemented 193.052, 195.002, 195.022 FS. History—New 10-12-76, Amended 4-11-80, Formerly 12D-16.01, Amended 1-11-94, 12-27-94, 12-30-04, _____.

12D-16.002 Index to Forms.

(1) The following paragraphs list the forms used ~~utilized~~ by the Department of Revenue. A copy of these forms may be obtained from the Department’s website at <http://dor.myflorida.com/dor/>, or by writing to: Director, Property Tax Oversight Program, Department of Revenue, Post Office Box 3000, Tallahassee, Florida 32315-3000. The Department of Revenue adopts, and ~~hereby~~ incorporates by reference in this rule, the following forms and instructions:

	Form Number	Form Title	Effective Date
(2)	DR-401	Private Car and Freight Line Equipment Companies Annual Report <u>and Return</u> to the State of Florida Department of Revenue Property	

		Tax Administration (r. <u>12/11</u> 12/06)	_____10/07
(3)(a)		No change.	
(b)	DR-403	Tax Roll Certification (r. <u>6/11</u> n. 1/04)	_____12/04
(c)	DR-403AC	Revised Recapitulation of the Ad Valorem Assessment Rolls (County Values) (r. 1/04)	12/04
(4)(a)	DR-403AM	Revised Recapitulation of the Ad Valorem Assessment Rolls (Municipality Values) (r. 1/04)	12/04
(b)	DR-403BM	Recapitulation of Taxes as Extended on the _____ Tax Rolls; (Municipalities) (r. <u>6/11</u> 5/89)	_____5/89
(5)(a)	DR-403CC	Recapitulation of Taxes as Extended on the _____ Tax Rolls; County Commission, School Board, and Taxing Districts (Counties) (r. <u>6/11</u> 5/89)	_____5/89
(b)	DR-403EB	<u>The (tax year) Ad Valorem Assessment Rolls Exemption Breakdown of _____ County, Florida</u> (r. <u>6/11</u> 1/04)	_____12/04
(6)(a)	DR-403PC	The Value and Number of Parcels on the Real Property <u>Countywide</u> Assessment Roll by Category (r. <u>06/11</u> 5/85)	_____5/85
(b)	<u>DR-403V</u>	<u>The (tax year) Revised Recapitulation of the Ad Valorem Assessment Roll Value Data</u> (n. <u>6/11</u>)	_____
(7)(a)	DR-404PA	Property Appraiser Budget <u>Amendment/Transfer</u> Amendment (r. <u>3/08</u>)	_____1/86
(b)	DR-404TC	Tax Collector Budget Amendment/Transfer (r. <u>3/08</u> 2/97)	_____12/97
(c)	DR-405	Tangible Personal Property Tax Return (r. <u>12/11</u> 11/01)	_____12/01
(d)	<u>DR-405W</u>	<u>Notice to Taxpayer Whose Tangible Personal Property Return was Waived in the Previous Year</u> (n. <u>12/08</u>)	_____
(8)(a)	through (b)	No change.	
(9)(a)	DR-409	Certificate of Correction of Tax Roll (r. <u>xx/12</u> 12/05)	_____1/06
(b)	DR-409A	Certificate of Correction of Non-Ad Valorem Assessment Roll (r. <u>12/96</u> 12/03)	1/04
(c)	DR-410	Application for Certified Florida Collector or Certified Florida Collector Assistant (r. <u>3/08</u> 12/96)	_____12/97
(10)(a)	DR-412	Notice of Intent (r. 12/92)	12/92
(11)(b)	DR-413	Affidavit of Proof of Publication (n. 2/91)	2/91
(11)	DR-415	Application for Department of Revenue Approved Bidder's List (r. <u>7/97</u>)	12/97
(12)(a)	DR-416	Physician's Certification of Total and Permanent Disability (r. <u>xx/12</u> 12/94)	_____12/94
(b)	<u>DR-416B</u>	<u>Optometrist's Certification of Total and Permanent Disability</u> (r. <u>xx/12</u>)	_____
(13)(a)		No change.	
(b)	<u>DR-418C</u>	<u>Real Property Dedicated in Perpetuity for Conservation, Exemption Application</u> (n. <u>xx/12</u>)	_____
(c)	<u>DR-418CR</u>	<u>Real Property Dedicated in Perpetuity for Conservation, Exemption Renewal</u> (n. <u>11/10</u>)	_____
(d)(b)	DR-418E	Enterprise Zone Ad Valorem Property Tax Exemption – Child Care Facility Application For Exemption Certification (n. 12/99)	1/00
(14)(a)(e)	DR-420	Certification of Taxable Value (r. <u>xx/12</u> 1/95)	_____12/94
(b)	<u>DR-420DEBT</u>	<u>Certification of Voted Debt Millage</u> (r. <u>6/10</u>)	_____
(c)	<u>DR-420FC</u>	<u>Distribution to Fiscally Constrained Counties Application</u> (r. <u>8/10</u>)	_____
(d)	<u>DR-420MM</u>	<u>Maximum Millage Levy Calculation, Final Disclosure</u> (r. <u>xx/12</u>)	_____
(e)	<u>DR-420MM-P</u>	<u>Maximum Millage Levy Calculation, Preliminary Disclosure</u> (r. <u>xx/12</u>)	_____
(f)(d)	DR-420S	Certification of School Taxable Value (r. <u>5/11</u> 1/03)	_____1/03

<u>(g)</u>	<u>DR-420TIF</u>	<u>Tax Increment Adjustment Worksheet (r. 6/10)</u>	_____
<u>(15)</u> (14) (a)	DR-421	Certification for Taxing Authorities That Do Not Levy Ad Valorem Taxes (r. <u>xx/12</u>)	_____ <u>7/93</u>
(b)	DR-422	Certification of Final Taxable Value (r. <u>5/11</u> 4/03)	_____ <u>4/03</u>
<u>(c)</u>	<u>DR-422DEBT</u>	<u>Certification of Final Voted Debt Millage (r. 5/11)</u>	_____
<u>(d)</u>	<u>DR-428B</u>	<u>Maximum Millage Calculation, General Information for Fiscal Year 2009-10 and Thereafter (r. 5/11)</u>	_____
<u>(e)</u>	<u>DR-430</u>	<u>Change of Ownership or Control Non-Homestead Property (n. <u>xx/12</u>)</u>	_____
<u>(f)</u>	<u>DR-430M</u>	<u>Change of Ownership or Control, Multiple Parcels (n. <u>xx/12</u>)</u>	_____
<u>(g)</u>	<u>DR-431</u>	<u>Voluntary Disclosure of Property (r. <u>xx/12</u>)</u>	_____
<u>(16)</u> (15)	DR-452	Form for Return of Real Property in Attempt to Establish Adverse Possession Without Color of Title (r. <u>2/12</u> 8/93)	_____ <u>12/94</u>
<u>(17)</u> (16) (a)	DR-453	Notice of Tax Lien for Homestead Exemption and/or Limitation Exclusion (r. 12/05)	_____ <u>1/06</u>
(b) through (c)		No change.	
<u>(18)</u> (17)	DR-456	Notice of New, Rebuilt, or Expanded Property	_____ <u>9/84</u>
<u>(19)</u> (18)	DR-462	Application for Refund of Ad Valorem Taxes (r. <u>12/11</u> 12/02)	_____ <u>4/03</u>
<u>(19)</u>	Reserved		
<u>(20)</u> (a)	DR-470	Railroad Tax Return (r. 5/93)	_____ 5/93
<u>(b)</u>	DR-470A	<u>Annual Report of Railroad Company Annual Report and Return to the State of Florida (r. 12/11</u> 4/95)	_____ <u>12/95</u>
(21)(a)		No change.	
(b)	DR-474	Notice of Proposed Property Taxes (r. <u>xx/12</u> 12/04)	_____ <u>12/04</u>
(c)	DR-474M	Amended Notice of Proposed Property Taxes (r. <u>xx/12</u> 8/95)	_____ <u>12/95</u>
(d)	DR-474N	Notice of Proposed Property Taxes and Proposed or Adopted Non-Ad Valorem Assessments (r. <u>xx/12</u> 12/04)	_____ <u>12/04</u>
(22) through (23)(a)		No change.	
<u>(23)</u> (b)	<u>DR-482C</u>	<u>Land Used for Conservation, Assessment Application (r. <u>xx/12</u>)</u>	_____
<u>(c)</u>	<u>DR-482CR</u>	<u>Land Used for Conservation, Assessment Reapplication (r. <u>xx/12</u>)</u>	_____
<u>(d)</u> (b)	DR-482HW	Application and Return for High-Water Recharge Classification of Lands (n. 12/99)	_____ <u>1/00</u>
<u>(e)</u> (e)	DR-482HP	Application and Return for Classification/Exemption of Property as Historic Property Used for Commercial or Certain Nonprofit Purposes (r. 12/04)	_____ <u>12/04</u>
<u>(f)</u> (d)	DR-483	Request for Extension of the Time for Completion of Assessment Roll(s)	_____ <u>8/89</u>
(24)	DR-484	Budget Form for <u>Property Appraisers (r. <u>xx/12</u> n. 2/90)</u>	_____ <u>2/90</u>
(25)		485 Series:	
(a)	DR-485M	Notice of Decision of The Value Adjustment Board (r. <u>xx/12</u> n. 12/09)	_____ <u>3/10</u>
(b)		No change.	
(c)	DR-485V	Decision of The Value Adjustment Board – Value Petition (r. <u>xx/12</u> n. 12/09)	_____ <u>3/10</u>
(d)	DR-485WCN	Value Adjustment Board – Clerk’s Notice (r. <u>xx/12</u>) (n. 12/09)	_____ <u>3/10</u>
(e)		No change.	
(f)	DR-485XC	Decision of The Value Adjustment Board – Exemption, Classification, or Assessment Difference Transfer Petition (r. <u>xx/12</u> n. 12/09)	_____ <u>3/10</u>

(26)		486 Series:	
(a)		No change.	
(b)	DR-486DP	Petition to The Value Adjustment Board – Tax Deferral or Penalties – Request for Hearing (r. xx/12 12/09)	____ 3/10
(c) through (d)		No change.	
(e)	DR-487	Certification of Compliance (r. 5/11 12/99)	____ 12/96
(f)	<u>DR-487V</u>	<u>Vote Record for Final Adoption of Millage Levy (r. 6/10)</u>	____
(27)(a)	through (b)	No change.	
(28)	DR-489	Tax Roll Certification (r. 6/11 3/84)	____ 3/84
(29)(a)	DR-489AC	Preliminary Recapitulation of Ad Valorem Assessment Rolls – County (r. 1/04)	12/04
(b)	DR-489AM	Preliminary Recapitulation of Ad Valorem Assessment Rolls – Municipality (r. 1/04)	12/04
(e)	DR-489EB	<u>The (tax year) Ad Valorem Assessment Rolls Exemption Breakdown of _____ County, Florida (r. 6/11 1/04)</u>	____ 12/04
(b)(d)	DR-489PC	The Value and Number of Parcels on the Real Property <u>Countywide</u> Assessment Roll by Category (r. 6/11 5/85)	____ 5/85
(c)	<u>DR-489V</u>	<u>The (tax year) Preliminary Recapitulation of the Ad Valorem Assessment Roll, Value Data (n. 6/11)</u>	____
(30)(a)	DR-490	Notice of Disapproval of Application for Property Tax Exemption or Classification by the County Property Appraiser (r. xx/12 12/09)	____ 3/10
(b)		No change.	
(31)(a)	DR-492	Return of Pollution Control Devices for Ad Valorem Tax Purposes (r. xx/12 8/83)	____ 8/83
(b)	DR-493	<u>Adjustments Made to Recorded Selling Prices or Fair Market Value in Arriving at Assessed Value Summary of Adjustments to Tax Roll (r. xx/12 6/92)</u>	____ 6/92
(32)		No change.	
(33)	DR-498AR	Automatic Renewal <u>or Removal Receipt</u> for Total or Partial Tax Exemption (r. 1/93)	1/93
(34)(a)	through (b)	No change.	
(c)	DR-499AR	<u>Automatic Renewal or Removal for of Agricultural or High-Water Recharge Classification of Lands (r. 12/06)</u>	10/07
(d) through (35)		No change.	
(36)	DR-500	Renewal Application for Homestead and Related Tax Exemptions (r. xx/12 1/93)	____ 1/93
(37)	DR-500AR	Automatic Renewal <u>or Removal</u> for Homestead and Related Tax Exemption (r. 1/93)	1/93
(38)		No change.	
(39)(a)	DR-501	Original Application for <u>Homestead Ad Valorem and Related Tax Exemptions</u> (r. xx/12 12/06)	____ 10/07
(b)	DR-501A	Statement of Gross Income (r. xx/12 6/94)	____ 12/95
(c)	DR-501CC	Ad Valorem Tax Exemption Application Proprietary Continuing Care Facility (r. xx/12 n. 9/98)	____ 12/98
(d)	<u>DR-501DV</u>	<u>Application for Homestead Tax Discount, Veterans Age 65 and Older with a Combat-Related Disability (n. xx/12)</u>	____
(e)	<u>DR-501M</u>	<u>Deployed Military Exemption Application (r. 11/11)</u>	____ (6/11)
	DR-501SC	Sworn Statement of Adjusted Gross Income	12/04

		of Household and Return (12/04)	
(f) (e)	DR-501PGP	Original Application for Assessment Reduction for Living Quarters of Parents or Grandparents (r. xx/12 n. 12/03)	____ 1/04
(g)	<u>DR-501RVSH</u>	<u>Certificate for Transfer of Homestead Assessment Difference (r. 12/08)</u>	_____
(h)	<u>DR-501SC</u>	<u>Adjusted Gross Household Income Sworn Statement and Return (r. xx/12)</u>	_____
(i)	<u>DR-501T</u>	<u>Transfer of Homestead Assessment Difference, Attachment to Original Application for Homestead Tax Exemption (r. 12/08)</u>	_____
(40)(a)	DR-501S	Eligibility Criteria to Qualify for Property Tax Exemption (r. 12/05)	____ 1/06
(b)	DR-502	Tax Collector's Recapitulation of the Tax Roll (r. 6/85)	____ 6/85
(b) (e)	DR-503	Tax Collector's Recapitulation of the Non-Ad Valorem Assessment Levy (r. 12/05)	____ 1/06
(c)	<u>DR-503NA</u>	<u>Tax Collector's Report on Non-Ad Valorem Assessments Collected on the Notice of Taxes (r. 6/09)</u>	_____
(41)(a)		No change.	
(b)	DR-504S	Affidavit for Ad Valorem Tax Exemption (r. 12/93)	____ 12/94
(e)	DR-504CS	Ad Valorem Tax Exemption Application Charter School Facilities (n. 12/00)	____ 1/01
(c) (d)	DR-504HA	Ad Valorem Tax Exemption Application and Return – Homes for the Aged (n. 11/01)	____ 12/01
(d)	<u>DR-504S</u>	<u>Individual Affidavit for Ad Valorem Tax Exemption-Homes for the Aged (r. xx/12)</u>	_____
(42) through (45)(b)		No change.	
(46)(a)	DR-510	Form for Cancellation or Correction of Tax Sale Certificate (r. 12/11 7/93)	____ 11/87
(46)(b)	Through (48)(b)	No change.	
(48)(c)	DR-516	Application for Certified Florida Appraiser or Certified Florida Evaluator (r. 3/08 12/96)	____ 12/97
(d)	<u>DR-516E</u>	<u>Application for Certified Florida Evaluator (r. 3/08)</u>	_____
(e) (d)	DR-517	Tax Collector's Warrant for Collecting Personal Property Taxes (r. 8/95)	____ 12/95
(49) through (51)(a)		No change.	
(b)	DR-528	Notice of Ad Valorem Taxes and Non-Ad Valorem Assessments (example only) (r. xx/12)	____ 2/91
(c) through (52)(a)		No change.	
(b)	DR-534	Notice and Application for Alternative Payment of 20XX 2005 Property Taxes (r. 12/11 12/04)	____ 12/04
(53) through (54)		No change.	
(55)	DR-546	Agricultural Income and Information Form (r. xx/12 1/94)	____ 12/94
(56)(a)	<u>DR-570</u>	<u>Application for Homestead Tax Deferral (r. 10/11)</u>	_____
	<u>Reserved</u>		
(b)	<u>DR-570AH</u>	<u>Application for Affordable Housing Property Tax Deferral (n. 10/11)</u>	_____
(c)	<u>DR-570WF</u>	<u>Application for Recreational and Commercial Working Waterfronts Property Tax Deferral (r. 10/11)</u>	_____
(57)(a)	DR-571A	Disapproval of Application for Tax Deferral-Homestead, Affordable Rental Housing, or Working Waterfront (r. xx/12) (n. 12/09)	____ 3/10
(b)	DR-584	<u>Budget Form for Tax Collectors</u> Budget Schedule (r. xx/12 2/94)	____ 12/94

(e)	DR-585	Minimum Standards Contract (n. 8/77)	8/77
(58)		No change.	
(59)	DR-591	Application for Certified Cadastralist of Florida (r. 3/08) (n. 12/96)	<u> </u> 12/96
(60) through(61)(b)		No change.	

Rulemaking Authority 195.027(1), 213.06(1) FS. Law Implemented 92.525, 95.18, 136.03, 192.001(18), 192.0105, 193.052, 193.077, 193.085, 193.092, 193.114, 193.122, 193.155, 193.1554, 193.1555, 193.1556, 193.461, 193.501, 193.503, 193.625, 193.703, 194.011, 194.032, 194.034, 194.035, 194.037, 195.002, 195.022, 195.087, ~~195.095~~, 196.011, 196.015, 196.031, 196.075, 196.095, 196.101, 196.121, 196.141, 196.151, 196.173, 196.183, 196.193, 196.1961, 196.1983, 196.1995, 196.202, 196.24, 196.26, 197.182, 197.222, 197.2423, 197.2425, ~~197.253, 197.304, 197.3041~~, 197.3632, 197.3635, 197.414, 197.432, 197.472, 197.502, 197.512, 197.552, 200.065, 200.069, 213.05, 218.12, 218.125, 218.66, 218.67 FS. History—New 10-12-76, Amended 4-11-80, 9-17-80, 5-17-81, 1-18-82, 4-29-82, Formerly 12D-16.02, Amended 12-26-88, 1-9-92, 12-10-92, 1-11-94, 12-27-94, 12-28-95, 12-25-96, 12-30-97, 12-31-98, 2-3-00, 1-9-01, 12-27-01, 1-20-03, 1-26-04, 12-30-04, 1-16-06, 10-2-07, 3-30-10,_____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Janice Forrester, Tax Law Specialist, Property Tax Oversight Program, Department of Revenue, P.O. Box 3000, Tallahassee, Florida 32315-3000, telephone (850) 617-8886.

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: [To be inserted upon approval.]

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: [To be inserted upon approval.]

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: July 1, 2011 (Vol. 37, No. 26, pp. 1785 – 1792) Florida Administrative Weekly.

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-17, FLORIDA ADMINISTRATIVE CODE
AMENDING RULES 12D-17.004, 17.005 AND 12D-17.006, F.A.C.

SUMMARY OF PROPOSED RULES

The proposed amendment to Rule 12D-17.004, F.A.C., implements the Truth in Millage (TRIM) forms and instructions on using the forms.

The proposed amendment to Rule 12D-17.005, F.A.C., adds the consequence of forfeiting the half-cent sales tax revenues if the taxing authority is in violation of Subsection 200.065(5), F.S.

The proposed amendment to Rule 12D-17.006, F.A.C., incorporates assistance to taxing authorities that violate Subsection 200.065(5), F.S. and implements remedies to cure the noncompliance.

FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULES

The purpose of the proposed amendment to Rule 12D-17.004, F.A.C., is to implement the provisions of Chapter 2008-173, Laws of Florida, replacing corresponding portions of Emergency Rule 12DER11-11. This proposed amendment will incorporate new Truth in Millage (TRIM) forms for the property appraisers to apply to the TRIM process.

The purpose of the proposed amendment to Rule 12D-17.005, F.A.C., is to implement the

provisions of Chapter 2008-173, L.O.F., to describe circumstances where taxes exceed the maximum total county or municipal ad valorem taxes according to s. 200.065(5), F.S., replacing corresponding portions of Emergency Rule 12DER11-11.

The purpose of the proposed amendment to Rule 12D-17.006, F.A.C. is to implement provisions from Chapter 2008-173, L.O.F., to describe the process of notification of noncompliance when a taxing authority is in violation of s. 200.065(5), F.S., and to incorporate the procedure to be used by the taxing authority when taxes exceed the maximum total county or municipal ad valorem taxes according to section 200.065(5), Florida Statutes, replacing corresponding portions of Emergency Rule 12DER11-11.

FEDERAL COMPARISON STATEMENT

The provisions contained in these proposed rules do not conflict with comparable federal laws, policies, or standards.

SUMMARY OF RULE DEVELOPMENT WORKSHOP

Two public workshops were held on July 19 and 20, 2011. These dates were published in the Florida Administrative Weekly on July 1, 2011, see Volume 37, Number 26, pp1785-1792.

Interested parties and county officials were invited to attend in person and through the internet using WebEx.

SUMMARY: The proposed amendment to Rule 12D-17.004, F.A.C., implements the Truth in Millage (TRIM) forms and instructions on using the forms. The proposed amendment to Rule 12D-17.005, F.A.C., adds the consequence of forfeiting the half-cent sales tax revenues if the taxing authority is in violation of Subsection 200.065(5), F.S. The proposed amendment to Rule 12D-17.006, F.A.C., incorporates assistance to taxing authorities that violate Subsection 200.065(5), F.S. and implements remedies to cure the noncompliance.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND

LEGISLATIVE RATIFICATION: The Agency has determined that this rule will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A Statement of Estimated Regulatory Cost has not been prepared by the agency. The Agency has determined that the proposed rule is not expected to require legislative ratification based on the Statement of Estimated Regulatory Cost or if no Statement of Estimated Regulatory Cost is required, the information expressly relied upon and described herein: 1) no requirement for the Statement of Economic Regulatory Costs (SERC) was triggered under Section 120.541(1), F.S.; and 2) based on past experiences with activities for providing the public tax information and rules of this nature, the adverse impact or regulatory cost, if any, do not exceed nor would exceed any one of the economic analysis criteria in a SERC, as set forth in Section 120.541(2)(a), F.S. Any person who wishes to provide information regarding a Statement of Estimated Regulatory Costs, or provide a proposal for a lower cost regulatory alternative, must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 195.027(1), 213.06(1), 218.26(1) FS.

LAW IMPLEMENTED: 195.002, 200.001, 200.065, 200.068, 213.05, 218.21, 218.23, 218.63
FS.

A HEARING WILL BE HELD AT THE DATE TIME AND PLACE SHOWN BELOW:

DATE AND TIME: XX, 2012 beginning at 10:00 a.m.

PLACE: Conference Room 1220, Building 2, Capital Circle Office Complex, 2450 Shumard
Oak Blvd., Tallahassee Florida. The public can also participate in this hearing through a
simultaneous electronic broadcast of this event by the Department of Revenue using WebEx and
conference calling technology from their home or office. The requirements to participate are
access to the Internet and a telephone. Specific information about how to participate in this
electronic meeting will be included in the Agenda for this hearing posted on the Department's
site at: <http://dor.myflorida.com/dor/property/legislation/09/>.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Janice
Forrester, Tax Law Specialist, telephone (850) 617-8886 or email ForrestJ@dor.state.fl.us.

THE FULL TEXT OF THE PROPOSED RULE IS:

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-17, FLORIDA ADMINISTRATIVE CODE
TRUTH IN MILLAGE (TRIM) COMPLIANCE
AMENDING RULES 12D-17.004, 17.005 AND 12D-17.006, F.A.C.

12D-17.004 Taxing Authority's Certification of Compliance; Notification by Department.

(1) If an ordinance or resolution establishing a property tax millage levy is adopted, the taxing authority must file then within 30 days following its adoption the taxing authority shall file with the Department, Form DR-487, Certification of Compliance with Chapter 200, Florida Statutes with the Department within 30 days following the adoption of the levy.

(2)(a) For taxing authorities other than school districts, the such certification of compliance shall be made by filing the following items with the Department ~~the following items:~~

1. A copy of the Certification of Taxable Value, Form DR-420.
2. A copy of the ordinance or resolution adopting the millage rate.
3. A copy of the ordinance or resolution adopting the budget.
4. The entire page from the newspaper containing the final budget hearing advertisement, which is the notice of proposed tax increase advertisement required by Sections 200.065(2)(d) and (3)(a), Florida Statutes, or the notice of budget hearing advertisement required by Sections 200.065(2)(d) and (3)(b), Florida Statutes, whichever is appropriate, and which is required to be adjacent to the budget summary advertisement. For multicounty taxing authorities, the entire page from the newspaper containing the notice of proposed tax increase advertisement or notice of tax increase advertisement required by Sections 200.065(2)(d), (3)(a), (3)(g), and ~~(9)(8)~~,

Florida Statutes, or the notice of budget hearing advertisement required by Sections 200.065(2)(d), (3)(b), (3)(e), and (8), Florida Statutes, and which is required to be adjacent to the budget summary advertisement.

5. The entire page from the newspaper containing the budget summary advertisement required by Sections 200.065(3)(l) and 129.03(3)(b), Florida Statutes, adjacent to the advertisement required by paragraph 4. of this rule subsection above.

6. Proof(s) of publication from the newspaper of the notice of tax increase or notice of proposed tax increase advertisement or notice of budget hearing advertisement, and the adjacent budget summary advertisement. In the event notice is not published but is mailed according ~~pursuant~~ to Section 200.065(3)(f), Florida Statutes, a taxing authority must ~~may~~ submit a certification of mailing from the post office with a copy of the notices.

7. For counties only, a copy of the Notice of Tax Impact of the Value Adjustment Board advertisement described in Section 194.037, Florida Statutes and Rule 12D-9.038, F.A.C. (the entire page from the newspaper).

8. For counties only, proof of publication of the notice of tax impact of the value adjustment board advertisement. If the value adjustment board completes its hearings after the deadline for certification under Section 200.068, Florida Statutes, the county shall submit this item to the Department within 30 days from the completion of the hearings.

9. A copy of the Certification of Final Taxable Value, Form DR-422, if the property appraiser has issued one as of this date. If the taxing authority has not received this certification, then the taxing authority shall file the remainder of the certification package with the Department within the deadline and shall file the certification Form DR-422 as soon as it is received.

10. Form DR-420TIF, Tax Increment Adjustment Worksheet.

11. Form DR-420DEBT, Certification of Voted Debt Millage, if used.

12. Form DR-420MM, Maximum Millage Levy Calculation – Final Disclosure, including the maximum millage rates calculated pursuant to Section 200.065(5), Florida Statutes, together with values and calculations on which the maximum millage rates are based.

13. Form DR-487V, Vote Record for Final Adoption of Millage Levy.

14. Form DR-422DEBT, Certification of Final Voted Debt Millage, if used.

These forms are incorporated by reference in Rule 12D-16.002, F.A.C.

15 ~~10~~. Certification of Compliance, Form DR-487.

(b) For school districts, the such certification of compliance shall be made by filing the following items with the Department ~~the following items~~:

1. A copy of the Certification of Taxable Value, Form DR-420S.
2. A copy of Department of Education Form ESE-524.
3. A copy of Page 1 of the District Summary Page, Department of Education Form ESE-139.
4. The tentative budget hearing advertisement, which is the notice of proposed tax increase advertisement required by Sections 200.065(2)(f) and (3)(c) or (3)(d), Florida Statutes, or the notice of budget hearing advertisement required by Sections 200.065(2)(f) and (3)(e), Florida Statutes, whichever is appropriate, and which is required to be adjacent to the budget summary advertisement (the entire page from the newspaper).
5. Proof of publication from the newspaper of the tentative budget hearing advertisement.
6. The budget summary advertisement required by Sections 200.065(3)(1) and 129.03(3)(b), Florida Statutes, adjacent to the advertisement required by paragraph 4. of this rule subsection above (the entire page from the newspaper).
7. Proof(s) of publication from the newspaper of the notice of proposed tax increase

advertisement or notice of budget hearing advertisement, and the budget summary advertisement. In the event notice is not published but is mailed ~~according pursuant~~ to Section 200.065(3)(f), Florida Statutes, a school district ~~must~~ may submit a certification of mailing from the post office with a copy of the notices.

8. The Notice of Tax for School Capital Outlay advertisement, required by Section ~~200.069(10)(a)~~ 200.065(9)(a), Florida Statutes, (the entire page from the newspaper).

9. Proof of publication from the newspaper of the Notice of Tax for School Capital Outlay advertisement.

10. Copy of the Certification of Final Taxable Value, Form DR-422, if the property appraiser has issued one as of this date. If the school district has not received this certification, then the remainder of the certification package shall be filed with the Department within the deadline and the certification shall be filed as soon as it is received.

11. A copy of Certification of Voted Debt Millage, Form DR-420DEBT, if used.

12. A copy of Department of Education Form ESE-524A, Critical Needs Millage Resolution, if used.

13. An Amended Notice of Tax for School Capital Outlay advertisement, required by Section 200.065(10)(b), Florida Statutes, (the entire page from the newspaper).

14. Proof of publication from the newspaper of the Amended Notice of Tax for School Capital Outlay advertisement.

15. Copy of the Certification of Final Voted Debt Millage, Form DR-422DEBT, if used.

These forms are incorporated by reference in Rule 12D-16.002, F.A.C.

~~16~~14. Certification of Compliance, Form DR-487.

(3) through (4) - No change.

Rulemaking Specific Authority 195.027(1), 213.06(1), 218.26(1) FS. Law Implemented 195.002, 200.001, 200.065, 200.068, 213.05, 218.21, 218.23, 218.63 FS. History—New 6-20-91, Amended 12-25-96, 12-31-98,_____.

12D-17.005 Taxing Authorities in Violation of Section 200.065, Florida Statutes.

(1) through (2)(c) - No Change.

(3) If any county or municipality, dependent special district of the county or municipality, or municipal service taxing unit of the county is in violation of Subsection 200.065(5), Florida Statutes, because total county or municipal ad valorem taxes exceeded the maximum total county or municipal ad valorem taxes, respectively, that county or municipality, and any municipal service taxing unit and/or dependent district, must remedy the violation. If not remedied, the county or municipality will be subject to forfeiture of the half-cent sales tax revenues as described in Section 200.065(13), Florida Statutes and this Rule Chapter.

Rulemaking Specific Authority 195.027(1), 213.06(1), 218.26(1) FS. Law Implemented 195.002, 200.001, 200.065, 200.068, 213.05, 218.21, 218.23, 218.63 FS. History—New 6-20-91, Amended 4-18-94, 12-25-96, 12-31-98,_____.

12D-17.006 Notification of Noncompliance; Withholding and Escrow of State Revenue Sharing Funds.

(1) through (4) - No Change.

(5) If any county or municipality, dependent special district of the county or municipality, or municipal service taxing unit of the county is in violation of Section 200.065(5), Florida Statutes, because total county or municipal ad valorem taxes exceeded the maximum total county or municipal ad valorem taxes, respectively, that county or municipality, and any municipal service

taxing unit and/or dependent district, shall be subject to notification.

(6)(a) One or more taxing authorities whose taxes are included in the maximum total taxes levied must reduce their millage sufficiently so that the maximum total taxes levied is not exceeded if any county or municipality, dependent special district of the county or municipality, or municipal service taxing unit of the county is in violation of Subsection 200.065(5), Florida Statutes, because total county or municipal ad valorem taxes exceeded the maximum total county or municipal ad valorem taxes. This is an alternative to the county or municipality forfeiting the half-cent sales tax revenues, as provided in Section 200.065(5), Florida Statutes.

(b) The county or municipality shall forfeit the distribution of local government half-cent sales tax revenues during the 12 months following a determination of noncompliance, as described in Sections 218.63(2) and (3), 200.065(13), Florida Statutes, if a taxing authority does not reduce its millage so that the maximum total taxes levied is not exceeded, or if any county or municipality, dependent special district of the county or municipality, or municipal service taxing unit of the county has not remedied the noncompliance or recertified compliance with Chapter 200 as provided in Section 200.065(13)(e), Florida Statutes.

Rulemaking-Specific Authority 195.027(1), 213.06(1), 218.26(1) FS. Law Implemented 195.002, 200.001, 200.065, 200.068, 213.05, 218.21, 218.23, 218.63 FS. History–New 6-20-91, Amended 12-25-96, _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Janice Forrester, Tax Law Specialist,
Property Tax Oversight Program, Department of Revenue, P.O. Box 3000, Tallahassee, Florida
32315-3000, telephone (850) 617-8886.

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: [To be inserted
upon approval.]

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: [To be inserted upon approval.]

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: July 1, 2011
(Vol. 37, No. 26, pp. 1785 – 1792) Florida Administrative Weekly.

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-18, FLORIDA ADMINISTRATIVE CODE
CREATING RULE 12D-18.012, F.A.C.

SUMMARY OF PROPOSED RULES

The proposed creation of Rule 12D-18.012, F.A.C., is to implement instructions and Form DR-503NA to be reported by tax collectors on non-ad valorem assessments collected on the property tax bills.

FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULES

The purpose of the proposed Rule 12D-18.012, F.A.C., is to implement the provisions of Chapter 2008-173, Laws of Florida, replacing Emergency Rule 12DER11-04. The purpose of this rule is to outline the process for tax collectors to compile and provide the non-ad valorem reports to the Department under s. 197.3632(5)(b), F.S. The effect of this rule is to provide a consistent process to file these reports.

FEDERAL COMPARISON STATEMENT

The provisions contained in these proposed rules do not conflict with comparable federal laws, policies, or standards.

SUMMARY OF RULE DEVELOPMENT WORKSHOP

Two public workshops were held on July 19 and 20, 2011. These dates were published in the Florida Administrative Weekly on July 1, 2011, see Volume 37, Number 26, pp1785-1792. Interested parties and county officials were invited to attend in person and through the internet using WebEx.

NOTICE OF PROPOSED RULE

FLORIDA DEPARTMENT OF REVENUE

PROPERTY TAX OVERSIGHT PROGRAM

RULE NO: RULE TITLE:

12D-18.012 Tax Collector Non-Ad Valorem Assessment Roll Reports.

PURPOSE AND EFFECT: The purpose of the proposed Rule 12D-18.012, F.A.C., is to implement the provisions of Chapter 2008-173, Laws of Florida, replacing Emergency Rule 12DER11-04. The purpose of this rule is to outline the process for tax collectors to compile and provide the non-ad valorem reports to the Department under s. 197.3632(5)(b), F.S. The effect of this rule is to provide a consistent process to file these reports.

SUMMARY: The proposed creation of Rule 12D-18.012, F.A.C., is to implement instructions and Form DR-503NA to be reported by tax collectors on non-ad valorem assessments collected on the property tax bills.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND

LEGISLATIVE RATIFICATION: The Agency has determined that this rule will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A Statement of Estimated Regulatory Cost has not been prepared by the agency. The Agency has determined that the proposed rule is not expected to require legislative ratification based on the Statement of Estimated Regulatory Cost or if no Statement of Estimated Regulatory Cost is required, the information expressly relied upon and described herein: 1) no requirement for the Statement of Economic Regulatory Costs (SERC) was triggered under Section 120.541(1), F.S.; and 2) based on past experiences with activities for providing the public tax information and rules

of this nature, the adverse impact or regulatory cost, if any, do not exceed nor would exceed any one of the economic analysis criteria in a SERC, as set forth in Section 120.541(2)(a), F.S. Any person who wishes to provide information regarding a Statement of Estimated Regulatory Costs, or provide a proposal for a lower cost regulatory alternative, must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 195.027(1), 197.3632(11), 197.3635, 213.06(1) FS.

LAW IMPLEMENTED: 197.322, 197.363, 197.3631, 197.3632, 197.3635, 213.05 FS.

A HEARING WILL BE HELD AT THE DATE TIME AND PLACE SHOWN BELOW:

DATE AND TIME: XX, 2012 beginning at 10:00 a.m.

PLACE: Conference Room 1220, Building 2, Capital Circle Office Complex, 2450 Shumard Oak Blvd., Tallahassee Florida. The public can also participate in this hearing through a simultaneous electronic broadcast of this event by the Department of Revenue using WebEx and conference calling technology from their home or office. The requirements to participate are access to the Internet and a telephone. Specific information about how to participate in this electronic meeting will be included in the Agenda for this hearing posted on the Department's site at: <http://dor.myflorida.com/dor/property/legislation/09/>.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Janice Forrester, Tax Law Specialist, telephone (850) 617-8886 or email ForrestJ@dor.state.fl.us.

THE FULL TEXT OF THE PROPOSED RULE IS:

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM
CHAPTER 12D-18, FLORIDA ADMINISTRATIVE CODE
NON-AD VALOREM ASSESSMENTS AND SPECIAL ASSESSMENTS
CREATING RULE 12D-18.012, F.A.C.

12D-18.012 Tax Collector Non-Ad Valorem Assessment Roll Reports.

(1) Each county tax collector must provide a report to the Department of Revenue which includes information about each non-ad valorem assessment collected using the notice of taxes and referenced in Section 197.3632(5)(b), F.S. The following information must be included in the report:

(a) The name of the local government levying the non-ad valorem assessment and a code indicating whether the local government is a county, municipality or independent special district.

(b) The name of the non-ad valorem levy as included on the tax notice.

(c) A short description of the function of the non-ad valorem levy and a code indicating the nature of the function.

(d) The basis of the levy, the unit of measurement against which the rate is applied to determine the non-ad valorem assessment, and a code indicating type of basis.

(e) The rate for each unit or basis of the non-ad valorem levy.

(f) The number of parcels the non-ad valorem assessment is levied on.

(g) The total dollar amount of the non-ad valorem assessment levied.

(h) An indication of whether or not the local government levying the non-ad valorem assessment also levies an ad valorem tax.

(2) The tax collector must file the report with the Department of Revenue by December 15 each year. The report must be filed on Form DR-503NA (incorporated by reference in Rule 12D-16.002, F.A.C.) The tax collector must mail the report to the Florida Department of Revenue, Property Tax Oversight: Non-Ad Valorem Assessments, Post Office Box 3000, Tallahassee, Florida 32315-3000.

Rulemaking Authority 195.027(1), 197.3632(11), 213.06(1) F.S. Law Implemented 197.322, 197.363, 197.3631, 197.3632, 197.3635, 213.05 F.S. History-New _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Janice Forrester, Tax Law Specialist,
Property Tax Oversight Program, Department of Revenue, P.O. Box 3000, Tallahassee, Florida
32315-3000, telephone (850) 617-8886.

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: [To be inserted
upon approval.]

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: [To be inserted upon approval.]

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: July 1, 2011
(Vol. 37, No. 26, pp. 1785 – 1792) Florida Administrative Weekly.



March 20, 2012

MEMORANDUM

TO: The Honorable Rick Scott, Governor
Attention: Marc Slager, Deputy Chief of Staff/Cabinet Affairs Director
Rachel Goodson, Cabinet Aide

The Honorable Jeff Atwater, Chief Financial Officer
Attention: Robert Tornillo, Chief Cabinet Aide

The Honorable Pam Bondi, Attorney General
Attention: Kent Perez, Associate Deputy Attorney General/General Counsel
Rob Johnson, Cabinet Affairs Director

The Honorable Adam Putnam, Commissioner of Agriculture and Consumer Services
Attention: Jim Boxold, Chief Cabinet Aide
Brooke McKnight, Cabinet Aide

FROM: French Brown, Deputy Director, Technical Assistance and Dispute Resolution

SUBJECT: Requesting Adoption and Approval to File and Certify Proposed Rules:

- Documentary Stamp Tax on Transfers of Ownership Interest in Legal Entities

Statement of Sections 120.54(3)(b) and 120.541, F.S. Impact: No impact.

The Department has reviewed the proposed rules for compliance with Sections 120.54(3)(b) and 120.541, F.S. The proposed rules will not likely have an adverse impact on small business, small counties, or small cities, and they are not likely to have an increased regulatory cost in excess of \$200,000 within 1 year. Additionally, the proposed rules are not likely to have an adverse impact or increased regulatory costs in excess of \$1,000,000 within 5 years.

What is the Department Requesting? The Department requests final adoption of proposed Rule 12B-4.003, F.A.C. (Public Use Forms), and Rule 12B-4.060, F.A.C. (Tax on Transfers of Ownership Interest in Legal Entities), and approval to file and certify them with the Secretary of State under Chapter 120, Florida Statutes.

ATTACHMENT #3

Documentary Stamp Tax on Transfers of Ownership Interest in Legal Entities

Why are the proposed rules necessary? The proposed rules are needed to provide guidance on the documentary stamp tax due on transfers of ownership interests in a conduit entity, imposed by Chapter 2009-131, L.O.F.

What do these proposed rules do? Chapter 2009-131, L.O.F., imposes documentary stamp tax on the transfer of an ownership interest in a conduit entity when real property was transferred to the conduit entity without tax paid on the full consideration for the real property. The tax applies only if the transfer of the ownership interest is within three years after the real property was transferred to the conduit entity. The proposed rules provide definitions and clarify the application, reporting, and payment of the tax.

Were comments received from external parties? The Department conducted a rule development workshop on January 27, 2010, to receive public comment regarding issues related to the new law that need to be considered in developing the permanent rule. Based on public input received at that workshop, draft rule text was prepared for presentation at a rule development workshop conducted on August 16, 2011. No one appeared to provide additional comment at the second workshop. On September 20, 2011, the Governor and Cabinet approved the Department's request to conduct a hearing on these proposed rules. A rule hearing was held on October 26, 2011. A notice of change was filed to the proposed rule based on comments. Another rule hearing was held on January 12, 2012, no additional concerns were received.

Attached are copies of:

- Summaries of the proposed rules, which includes:
 - Statements of facts and circumstances justifying the rules;
 - Federal comparison statements; and
 - Summaries of workshops and hearings
- Rule text

STATE OF FLORIDA
DEPARTMENT OF REVENUE
CHAPTER 12B-4, FLORIDA ADMINISTRATIVE CODE
DOCUMENTARY STAMP TAX
AMENDING RULE 12B-4.003
CREATING RULE 12B-4.060

SUMMARY OF PROPOSED RULES

The creation of Rule 12B-4.060, F.A.C. (Tax on Transfers of Ownership Interest in Legal Entities), provides: (1) definitions of the terms “conduit entity” and “full consideration” for purposes of the rule; (2) that tax is due on the transfer of an ownership interest in a conduit entity that occurs within three years of the transfer of real property to the conduit entity; (3) that tax is due on the amount of consideration paid or given for the ownership interest in the conduit entity and how the tax is to be computed; (4) when the tax is due and how the tax is to be remitted to the Department; (5) that tax is not due on a gift of ownership interest in the conduit entity or transfers of equity interest that are traded on public regulated security exchanges; (6) that the discretionary surtax imposed in Miami-Dade County applies to transfers of ownership as provided in the rule; (7) that provisions of this rule do not affect the tax imposed under Section 201.02(4), F.S., on documents which convey or transfer, pursuant to Section 689.071, F.S., any beneficial interest in lands, tenements, or other real property; and (8) examples of when the tax is due.

The proposed amendments to Rule 12B-4.003, F.A.C. (Public Use Forms), adopt, by reference, changes to Form DR-228 (Documentary Stamp Tax Return for Nonregistered

Taxpayers' Unrecorded Documents), to provide for the reporting of the tax imposed under section 201.02(1)(b), F.S., when the transfer of ownership in a conduit entity is not filed or recorded in Florida.

FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULES

Section 201.02(1)(b), F.S., created by Chapter 2009-131, Laws of Florida (L.O.F.), imposes tax on transfers of ownership interests in a conduit entity when the transfer is within three years of a transfer of Florida real property into the conduit entity, and documentary stamp tax was not paid on the full consideration when the real property was transferred into the conduit entity. The purpose of the creation of Rule 12B-4.060, F.A.C. (Tax on Transfers of Ownership Interest in Legal Entities), is to clarify the application of the tax. The purpose of the proposed amendments to Rule 12B-4.003, F.A.C., is to adopt, by reference, changes to Form DR-228 (Documentary Stamp Tax Return for Nonregistered Taxpayers' Unrecorded Documents) to provide for payment of the tax when documents to transfer ownership in a conduit entity are not filed or recorded.

FEDERAL COMPARISON STATEMENT

The provisions contained in this rule do not conflict with comparable federal laws, policies, or standards.

SUMMARY OF RULE DEVELOPMENT WORKSHOP

HELD ON JANUARY 27, 2010

The proposed creation of Rule 12B-4.060, F.A.C. (Tax on Transfers of Ownership Interest in Legal Entities), was noticed for a rule development workshop in the Florida Administrative Weekly on December 31, 2009 (Vol. 35, No. 52, pp. 6696-6697). A rule development workshop was held on January 27, 2010, in Room 118, Carlton Building, 501 S. Calhoun Street, Tallahassee, Florida, commencing at 2:30 p.m. and concluding at 3:45 p.m., to solicit public participation and information regarding Chapter 2009-131, L.O.F.

PARTIES ATTENDING

For the Department
of Revenue

MARSHALL STRANBURG, General Counsel
MARK ZYCH, Director, Technical Assistance and Dispute
Resolution
RICHARD ROBINSON, Senior Attorney
TIM PHILLIPS, Revenue Program Administrator I

For the Public

BURT BRUTON, RPPTL Section, Florida Bar
JERRY MALCOLM, Pricewaterhouse Coopers
TREY PRICE, Florida Association of Realtors
VICKI WEBER, Florida Association of Realtors

NATURE OF COMMENTS RECEIVED ON PROPOSED RULE 12B-4.060, F.A.C.:

Paragraph 201.02(1)(b), F.S., provides for tax to be imposed on certain transfers of an interest in a conduit entity based on the consideration for such transfer. Mr. Bruton began the workshop with dialogue about the amount upon which documentary stamp tax is to be calculated on the transfer of an ownership interest in a conduit entity. Mr. Bruton gave three examples that illustrate his concerns:

1. Florida real property worth \$100 was transferred to a conduit entity. The property was encumbered by a mortgage of \$10. Documentary stamp tax was paid on the transfer to

- the entity based on the mortgage balance of \$10. Within 3 years, the grantor of the real property (the sole owner of the conduit entity) sold his interest in the entity for \$90, the net value of the entity (the real property was the sole asset and it was still encumbered by the same \$10 mortgage). There was no other consideration for the transfer. On what amount was documentary stamp tax to be calculated?
2. Same facts as (1), but the conduit entity encumbered the property with an additional mortgage of \$50. The total mortgage balance at the time of the sale of the interest in the entity was \$60. The interest in the entity was sold for \$40, the net value of the entity. There was no other consideration for the transfer. On what amount was the documentary stamp tax to be calculated?
 3. Same facts as (1), but the conduit entity held personal property, as well as the real property. The entity encumbered the personal property with a lien of \$50. The total mortgage balance on all property at the time of the sale of the interest in the entity was \$60 (\$10 real property and \$50 personal property). The interest in the entity was sold for \$40, the net value of the entity. There was no other consideration for the transfer. On what amount was the documentary stamp tax to be calculated?

Mr. Bruton noted that there is no clarity and that the issue is complex. One possible answer is to allow a credit against the tax owed on the entity interest transfer equal to the tax paid on the consideration for the real property transferred to the conduit entity.

Mr. Bruton believes that the rule needs to be simple to apply, since so many taxpayers and their attorneys are puzzled by documentary stamp tax. It is a complicated tax. Mr. Bruton thinks the rules should be fair to the state and to the taxpayer, and that there should be no traps for people who do not bother to ask their lawyer before the transaction.

Mr. Bruton believes that it is best to apply the tax on the transfer of an interest in the conduit entity based on “what is paid or given for the stock in the company. Whether it’s cash, whether it’s—and it could be—an assumption of indebtedness.” He also stated that to assume a debt would be consideration, since it is a promise to pay.

Mr. Stranburg posed the following to Mr. Bruton: Florida real property encumbered by a mortgage of \$50 was transferred into a conduit entity, and then the debt was satisfied. The interest in the conduit entity was sold within 3 years for \$100. Tax was paid when the real property was transferred into the entity on \$50 and, based on what you think is the best way, tax would be due on the \$100 paid for the interest in the entity. Mr. Bruton was asked if he thinks tax should be due on \$150 of consideration on the transfer of the ownership interest in the conduit entity under this scenario. Mr. Bruton said he did.

Ms. Weber echoed Mr. Bruton’s emphasis on the importance of simplicity. She said that it is possible that realtors and “mom and pop” could be encountering related-party transfers that could get caught up in this. She also noted that down the road the issue could be revisited by the legislature if there is abuse of the rule. She believes that a credit for taxes paid on the transfer of the real property to the entity is not contemplated in the statute. To define consideration as something other than what is contemplated under Chapter 201, F.S., already is going to cause problems as well.

Mr. Malcolm expressed his concern that the rules could be made too simple and result in unintended consequences.

Ms. Weber noted that the legislative intent was to stop the step transactions that resulted in transfers without tax being paid.

Regarding the definition of “arm’s length transaction,” Mr. Malcolm stated that he

believed that the term was pretty well defined and understood universally. Mr. Bruton noted that we would see the term in other legislation and agreed that it is generally understood among professionals. Mr. Bruton agreed that the price paid in an “arm’s length transaction” is the fair market value of the property.

Regarding the definition of “legal entity,” Mr. Bruton stated that he believed a “legal entity” to be someone other than a natural person and that it exists by operation of a statute. He noted that a “land trust” is not a legal entity and that it would not be a bad idea to point that out in the rule. Mr. Bruton stated that there could be some difficulty in determining which types of trusts are “legal entities.” He thinks it would be wise to define “legal entity” in the rule.

Ms. Weber and Mr. Bruton noted that the legislation, in paragraph 201.02(1)(c), F.S., provides for the imposition of documentary stamp tax on the merger or conversion of trusts that are not legal entities. Mr. Bruton noted that it would be a good idea to promulgate a rule regarding this legislation, since there are practitioners around the state who merge or convert trusts.

Regarding mergers of “legal entities,” Mr. Bruton stated that he thinks it is important to rule that a merger of a company is not a transfer of the conduit entity and not taxable, so long as the ultimate beneficial ownership of a company remains the same. Ms. Weber added that she believes the new legislation does not change what has been the Department’s position regarding mergers by operation of law, unless the transfer is outside of the related party’s relationship and there is a change of beneficial ownership.

There was discussion regarding the taxability of a transfer of ownership interest in a conduit entity for consideration that resulted in no change in the indirect ownership of the real property. No one took a solid position.

Mr. Bruton believes we should define “beneficial ownership.” He stated that most folks think of the tax applying only when there was a transfer of beneficial ownership.

There was discussion about subparagraph 201.02(1)(b)6., F.S. This subparagraph provides that the purpose of paragraph 201.02(1)(b), F.S., is to impose tax on any transfer of a beneficial interest in Florida real property. As such, “beneficial interest” is at least partially defined as a transfer of ownership interest in a conduit entity for consideration. Does subparagraph 201.02(1)(b)6., F.S., allow for the imposition of the tax only when there is a transfer of beneficial interest, even if it appears that by the letter of the law tax may be due when there is no transfer of a beneficial interest? No strong position was taken.

There was discussion regarding defining “consideration” in such a manner as to tax, as the legislation intends, only that amount paid or given for the transfer of a beneficial interest in Florida real property.

It was decided that written comments and written examples of taxable and nontaxable transactions should be provided by the public to the Department no later than Friday, February 26, 2010.

SUMMARY OF RULE DEVELOPMENT WORKSHOP

AUGUST 16, 2011

A Notice of Proposed Rule Development was published in the Florida Administrative Weekly on July 29, 2011 (Vol. 37, No. 30, pp. 2186-2187), to advise the public of the development of changes to Rule 12B-4.003, F.A.C. (Public Use Forms), and Rule 12B-4.060, F.A.C. (Tax on Transfers of Ownership Interest in Legal Entities), and to provide that a rule development workshop would be held on August 16, 2011, with WebEx participation available.

There was no public appearance or participation at the workshop. No written comments have been received by the Department.

SUMMARY OF PUBLIC HEARING

HELD ON SEPTEMBER 20, 2011

The Governor and Cabinet, sitting as head of the Department of Revenue, met on September 20, 2011, and approved the publication of the Notice of Proposed Rule for changes to Rule 12B-4.003, F.A.C. (Public Use Forms), and Rule 12B-4.060, F.A.C. (Tax on Transfers of Ownership Interest in Legal Entities). A notice for the public hearing was published in the Florida Administrative Weekly on September 9, 2011 (Vol. 37, No. 36, pp. 2757-2758).

SUMMARY OF RULE HEARING

HELD ON OCTOBER 26, 2011

The proposed amendments to Rule 12B-4.003, F.A.C. (Public Use Forms), and Rule 12B-4.060, F.A.C. (Tax on Transfers of Ownership Interest in Legal Entities), were noticed for a rule hearing in the Florida Administrative Weekly on September 30, 2011 (Vol. 37, No. 39, pp. 2985-2988). A rule hearing was held on October 26, 2011, in Room 1220, Building One, 2450 Shumard Oak Blvd., Tallahassee, Florida. At this rule hearing, the Department announced the following changes to proposed Rule 12B-4.060, F.A.C. (Tax on Transfers of Ownership Interest in Legal Entities), and included the proposed changes in the record of the public hearing: Subparagraph 1. of paragraph (b) of subsection (1) of Rule 12B-4.060, F.A.C., has been changed so that, when adopted, that subparagraph will read:

1. “Conduit entity” means a legal entity, or its successor entity, to which real property is transferred without full consideration by a grantor who owns a direct or indirect interest in the entity.

Subsection (3) of Rule 12B-4.060, F.A.C., has been changed so that, when adopted, that subsection will read:

(3) The tax is based on the consideration paid or given for the ownership interest in the conduit entity, which includes the amount of any mortgage attached to real property that was transferred to the conduit entity. If the conduit entity owns assets other than the real property referred to in subsection (2), tax is calculated by multiplying the consideration for the interest in the conduit entity by the tax rate and then multiplying the result by a fraction, the numerator of which is the value of the real property referred to in subsection (2) and the denominator of which is the value of all assets owned by the conduit entity.

Paragraph (d) of subsection (9) of Rule 12B-4.060, F.A.C., has been changed so that, when adopted, that paragraph will read:

(d) Example 4: On July 2, 2009, Pam and Mike transferred Walton County, Florida real property (the real property), which they owned equally, to a corporation. The corporation was owned equally by Mike and a limited liability company (LLC) owned by Pam alone. No documentary stamp tax was paid on the document that transferred the real property to the corporation. On July 10, 2009, Pam sold her interest in the LLC (thereby selling her indirect ownership interest in the corporation) for \$45,000. The corporation owned assets in addition to the real property transferred to it on July 2, 2009. The value of the real property was \$85,000, and

the real property made up 95% of the value of all assets owned by the corporation. The only asset owned by the LLC was its interest in the corporation. Tax of \$299.25 (450 x \$.70 x 95%) was due on the transfer of Pam's ownership interest, since tax was not paid on the full consideration for the real property when it was transferred to the corporation.

Paragraph (f) of subsection (9) of Rule 12B-4.060, F.A.C., has been changed so that, when adopted, that paragraph will read:

(f) Example 6: On July 2, 2009, Sue transferred Polk County, Florida real property (the real property), owned by her alone, to a limited liability company (LLC) she owned alone. The real property was encumbered by a mortgage at the time of the transfer. The mortgage balance at the time of the transfer was \$75,000, which was an amount less than the property's fair market value. Documentary stamp tax of \$525 was due and paid on the document that transferred the real property to the LLC based on the mortgage balance of \$75,000. The LLC owned no assets other than the real property. On July 31, 2009, Sue sold her interest in the LLC for \$110,000. Tax of \$770 was due on the transfer of Sue's ownership interest in the LLC based on consideration of \$110,000.

A Notice of Change published in the Florida Administrative Weekly on December 16, 2011 (Vol. 37, No. 50, pp. 4324-4325).

SUMMARY OF RULE HEARING

HELD ON JANUARY 12, 2012

The proposed amendments to Rule 12B-4.003, F.A.C. (Public Use Forms), and Rule 12B-4.060, F.A.C. (Tax on Transfers of Ownership Interest in Legal Entities), were noticed for a rule

hearing in the Florida Administrative Weekly on December 16, 2011 (Vol. 37, No. 50, p. 4346).

A rule hearing was held on January 12, 2012, in Room 1220, Building One, 2450 Shumard Oak Blvd., Tallahassee, Florida.

PARTIES ATTENDING

For the Department
of Revenue

TAMMY MILLER, Moderator
TIM PHILLIPS, Revenue Program Administrator I

For the Public

JIM ERVIN, Holland and Knight

Jim Ervin, Holland and Knight, confirmed the Department's position regarding the imposition of tax, as provided in Example 6. in proposed paragraph (9)(f).

STATE OF FLORIDA
DEPARTMENT OF REVENUE
CHAPTER 12B-4, FLORIDA ADMINISTRATIVE CODE
DOCUMENTARY STAMP TAX
AMENDING RULE 12B-4.003
CREATING RULE 12B-4.060

12B-4.003 Public Use Forms.

(1)(a) The following public-use forms and instructions are employed by the Department of Revenue in its administration of the documentary stamp tax, and are hereby incorporated in this rule by reference.

(b) Copies of these forms are available, without cost, by one or more of the following methods: 1) downloading the form from the Department's Internet site at www.myflorida.com/dor/forms; or, 2) calling the Department at (800)352-3671, Monday through Friday, 8:00 a.m. to 7:00 p.m., Eastern Time; or, 3) visiting any local Department of Revenue Service Center; or, 4) writing the Florida Department of Revenue, Taxpayer Services, Mail Stop 3-2000, 5050 West Tennessee Street, Tallahassee, Florida 32399-0112. Persons with hearing or speech impairments may call the Department's TDD at (800) 367-8331 or (850) 922-1115.

Form Number	Title	Effective Date
(2) No change.		
(3) DR-228	Documentary Stamp Tax Return for Nonregistered Taxpayers' Unrecorded Documents	
	(R. <u>08/11</u> 10/09)	<u>06/10</u>

(4) No change.

Rulemaking Authority 201.11, 213.06(1) FS. Law Implemented 119.071(5), 201.01, 201.02(1), (4), 201.031(1), 201.07, 201.08(1)(a), 201.133 FS. History—Revised 8-18-73, Formerly 12A-4.03, Amended 9-26-77, 12-11-78, Formerly 12B-4.03, Amended 12-5-89, 2-16-93, 10-20-93, 12-30-97, 5-4-03, 6-28-05, 1-1-08, 4-14-09, 1-11-10, 06-28-10,_____.

12B-4.060 Tax on Transfers of Ownership Interest in Legal Entities.

(1)(a) Scope. This rule applies to transfers of an ownership interest in a conduit entity to which real property was transferred without tax paid on the full consideration for the property.

(b) Definitions. For purposes of this rule:

1. “Conduit entity” means a legal entity, or its successor entity, to which real property is transferred without full consideration by a grantor who owns a direct or indirect interest in the entity.

2. “Full consideration” means the consideration that would be paid in an arm’s length transaction between unrelated parties, which would be the consideration as provided in Section 201.02(1)(a), F.S., but an amount not less than the fair market value of the real property.

(2) When there is a transfer of an ownership interest in a conduit entity for consideration within 3 years after a transfer of real property to the conduit entity, the transfer of such ownership interest is subject to tax if the conduit entity continues to own property that would cause the entity to be considered a conduit entity.

(3) The tax is based on the consideration paid or given for the ownership interest in the conduit entity, which includes the amount of any mortgage attached to real property that was transferred to the conduit entity. If the conduit entity owns assets other than the real property

referred to in subsection (2), tax is calculated by multiplying the consideration for the interest in the conduit entity by the tax rate and then multiplying the result by a fraction, the numerator of which is the value of the real property referred to in subsection (2) and the denominator of which is the value of all assets owned by the conduit entity.

(4) A gift of an ownership interest in a conduit entity is not subject to tax to the extent there is no consideration.

(5) The transfer of shares or similar equity interests that are dealt in or traded on public, regulated security exchanges is not subject to the tax.

(6)(a) If an instrument is filed or recorded in Florida by the 20th day of the month following the month the ownership interest is transferred, the tax must be remitted at the time of the filing or recording. If an instrument is not filed or recorded by the 20th day of the month following the month the ownership interest is transferred, the tax is due to the Department on or before the 20th day of the month following the ownership transfer. The tax must be reported on a Documentary Stamp Tax Return for Nonregistered Taxpayers' Unrecorded Documents (Form DR-228, incorporated by reference in Rule 12B-4.003, F.A.C.).

(b) When the 20th day falls on a Saturday, Sunday, or legal holiday, payments accompanied with returns will be accepted as timely if postmarked on the next succeeding day which is not a Saturday, Sunday, or legal holiday. For purposes of this rule, a "legal holiday" means a holiday that is observed by federal or state agencies as a legal holiday as this term is defined in Chapter 683, F.S., and Section 7503 of the Internal Revenue Code of 1986, as amended. A "legal holiday" pursuant to Section 7503 of the Internal Revenue Code of 1986, as amended, means a legal holiday in the District of Columbia or a statewide legal holiday at a location outside the District of Columbia but within an Internal Revenue district.

(7) The provisions of this rule do not affect the imposition of tax on transactions described in Section 201.02(4), F.S., on documents which convey or transfer, pursuant to Section 689.071, F.S., any beneficial interest in lands, tenements, or other real property.

(8) The discretionary surtax imposed under Section 201.031, F.S., applies to taxable transfers under Section 201.02(1)(b), F.S., and this rule.

(9) Examples.

(a) Example 1: On July 2, 2009, Lloyd transferred Orange County, Florida real property (the real property), owned by him alone, to a limited liability company (LLC) he owned alone. No documentary stamp tax was paid on the document that transferred the real property to the LLC. On July 3, 2009, Lloyd transferred his interest in the LLC for \$1,000,000. The LLC owned no assets other than the real property. Documentary stamp tax of \$7,000 was due on the transfer of Lloyd's ownership interest in the LLC based on the \$1,000,000 consideration, since tax was not paid on the full consideration when the real property was transferred to the LLC.

(b) Example 2: On July 2, 2009, Calvin and Sally transferred Duval County, Florida real property (the real property), which they owned equally, to a limited liability company (LLC) owned equally by Calvin and Sally. The full consideration at the time of the transfer was \$30,000. Documentary stamp tax of \$210 was paid on the document that transferred the real property to the LLC. On July 10, 2009, Calvin and Sally sold their ownership interests in the LLC. No documentary stamp tax was due on the transfer of Calvin's and Sally's ownership interests in the LLC, since no "conduit entity" was created pursuant to Section 201.02(1)(b)1.a., F.S., and this rule, since tax was paid on the full consideration for the real property when it was transferred to the LLC.

(c) Example 3: On July 2, 2009, Vern and Carol transferred Miami-Dade County, Florida commercial real property (the real property), which they owned equally, to a limited liability company (LLC) owned equally by Vern and Carol. No documentary stamp tax was paid on the document that transferred the real property to the LLC. On July 10, 2009, Vern sold his interest in the LLC for \$200,000. The LLC owned no assets other than the real property. Tax of \$1400 and discretionary surtax of \$900 were due on the transfer of Vern's ownership interest in the LLC, since tax was not paid on the full consideration for the real property when it was transferred to the LLC.

(d) Example 4: On July 2, 2009, Pam and Mike transferred Walton County, Florida real property (the real property), which they owned equally, to a corporation. The corporation was owned equally by Mike and a limited liability company (LLC) owned by Pam alone. No documentary stamp tax was paid on the document that transferred the real property to the corporation. On July 10, 2009, Pam sold her interest in the LLC (thereby selling her indirect ownership interest in the corporation) for \$45,000. The corporation owned assets in addition to the real property transferred to it on July 2, 2009. The value of the real property was \$85,000, and the real property made up 95% of the value of all assets owned by the corporation. The only asset owned by the LLC was its interest in the corporation. Tax of \$299.25 ($450 \times \$.70 \times 95\%$) was due on the transfer of Pam's ownership interest, since tax was not paid on the full consideration for the real property when it was transferred to the corporation.

(e) Example 5: On July 2, 2009, Tom transferred Broward County, Florida real property (the real property), owned by him alone, to a limited liability company (LLC) he owned alone. No documentary stamp tax was paid on the document that transferred the real property to the LLC. On July 10, 2009, Tom sold 50% of his interest in the LLC to Imogene for \$200,000. The

LLC owned no assets other than the real property. Tax of \$1,400 was due on the transfer of Tom's 50% ownership interest in the LLC based on consideration of \$200,000, since documentary stamp tax was not paid on the full consideration for the real property when it was transferred to the LLC. On July 25, 2009, Tom sold one-half of his remaining 50% ownership interest in the LLC for \$105,000, and Imogene sold one-half of her 50% ownership interest in the LLC for \$105,000. Tax of \$735 was due on the transfer of Tom's ownership interest, since tax was not paid on the full consideration for the real property when it was transferred to the LLC. No tax was due on Imogene's transfer, since tax was due and paid on Tom's transfer to Imogene.

(f) Example 6: On July 2, 2009, Sue transferred Polk County, Florida real property (the real property), owned by her alone, to a limited liability company (LLC) she owned alone. The real property was encumbered by a mortgage at the time of the transfer. The mortgage balance at the time of the transfer was \$75,000, which was an amount less than the property's fair market value. Documentary stamp tax of \$525 was due and paid on the document that transferred the real property to the LLC based on the mortgage balance of \$75,000. The LLC owned no assets other than the real property. On July 31, 2009, Sue sold her interest in the LLC for \$110,000. Tax of \$770 was due on the transfer of Sue's ownership interest in the LLC based on consideration of \$110,000.

Rulemaking Authority 201.11(1), 213.06(1) FS. Law Implemented 201.02(1), (4), 201.0201, 201.031 FS. History-New _____.