

WALTON COUNTY
TAXPAYERS ASSOCIATION, INC
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● JANUARY - 2008

Tax Beacon

focus on

State Property Tax Tax Referendum

WWW.WALTONTAXPAYERS.ORG

THE WALTON COUNTY TAXPAYERS ASSOCIATION, INC
'THE EYES AND EARS FOR WALTON COUNTY TAXPAYERS'

WCTA ANNUAL MEETING IN PURSUIT OF PROPERTY TAX REFORM

THURSDAY JANUARY 24, 2008
7:00 PM
SOUTH WALTON HIGH SCHOOL CAFETERIA
GOVERNMENT/EDUCATION CENTER
HIGHWAY 331 SOUTH

THE FOCUS OF OUR ANNUAL MEETING IS THE PROPOSED CONSTITUTIONAL AMENDMENT ON PROPERTY TAX REFORM WHICH IS PART OF THE PRESIDENTIAL PREFERENCE PRIMARY BALLOT TO BE VOTED ON TUESDAY JANUARY 29, 2008.

WCTA HAS NOT TAKEN A POSITION ON THIS COMPLEX AND SOMEWHAT CONFUSING AMENDMENT. WE ARE PRESENTING THIS PROGRAM TO INFORM AND EDUCATE THE PUBLIC AS MUCH AS POSSIBLE SO THAT 1) PEOPLE VOTE; 2) VOTERS UNDERSTAND WHAT THEY ARE VOTING FOR OR AGAINST; AND, 3) PEOPLE UNDERSTAND HOW THE AMENDMENT WILL AFFECT THEIR PROPERTY TAXES. EACH PROPERTY, HOMESTEAD, NON-HOMESTEAD AND BUSINESS, WILL BE AFFECTED DIFFERENTLY.

IT IS OUR HOPE TO GIVE THE PUBLIC AS MUCH INFORMATION AS POSSIBLE TO MAKE AN INFORMED DECISION AND TO VOTE. THIS IS A PUBLIC MEETING AND AUDIENCE PARTICIPATION IS VITAL. THE PROGRAM

WILL INCLUDE A PANEL OF COUNTY GOVERNMENT OFFICIALS, CONSTITUTIONAL OFFICERS AND SCHOOL DISTRICT REPRESENTATIVES, AS WELL AS, CITIZEN TAXPAYER GROUP REPRESENTATIVES. THROUGH YOUR QUESTIONS, WE WILL GAIN INFORMATION AND VARIED PERSPECTIVES. WALTON COUNTY STATE REPRESENTATIVES, DON BROWN AND MARTI COLEY, ARE POTENTIAL PARTICIPANTS.

GROUP, CUT PROPERTY TAXES NOW, INC. THEY ARE COLLECTING PETITIONS FOR A 1.35% PROPERTY TAX CAP CONSTITUTIONAL AMENDMENT TO BE PLACED ON THE NOVEMBER 8, 2008 FLORIDA BALLOT. THIS AMENDMENT IS MODELED AFTER CALIFORNIA'S PROPOSITION 13.

THE PRESIDENT OF THE OKALOOSA CITIZENS ALLIANCE WILL UPDATE US ON THE LATEST STATUS OF THE FLORIDA TAXATION AND BUDGET REFORM COMMISSION AND CITIZENS ALLIANCE RECOMMENDATIONS TO THE COMMISSION.



IT IS IMPORTANT TO UNDERSTAND HOW THESE VARIOUS MEASURES WORK TOGETHER AND HOW EACH MEASURE WILL AFFECT OUR PROPERTY TAXES AND GOVERNMENT REVENUES. WE WILL SOLICIT QUESTIONS FROM THE AUDIENCE AND PROVIDE INFORMATIVE HAND-OUTS TO TAKE HOME.

THE PRESIDENT OF THE BAY TAXPAYERS FOUNDATION WILL GIVE US INSIGHT INTO A CITIZEN'S

**PLEASE JOIN US FOR THIS
EVENT, GET INFORMED AND
INVOLVED, AND VOTE.**

PRESIDENTS MESSAGE

"IN PURSUIT OF PROPERTY TAX REFORM"

BONNIE MCQUISTON, PRESIDENT

FLORIDA TAXPAYERS ARE BLEEDING FROM A SLOWED ECONOMY, COLLAPSED REAL ESTATE MARKET WITH UNPRECEDENTED FORECLOSURES, UNAFFORDABLE INSURANCE RATES AND HIGH TAXATION. IT IS MORE IMPORTANT THAN EVER THAT WE, AS TAXPAYERS, KEEP OUR VOICE IN GOVERNMENT.

ONE OF WCTA'S GREATEST CHALLENGES WILL BE TO STAY INVOLVED IN LOCAL GOVERNMENTS AS THEY CUT BUDGETS AND SLASH SPENDING TO MEET NEW STATE-LEGISLATED REQUIREMENTS. WHILE LOCAL GOVERNMENT ENTITIES FOCUS ON BECOMING LEANER AND BEING EFFICIENT WITH LESS MONEY, WE WILL CONTINUE TO FOCUS ON THE OVERALL FINANCIAL STABILITY OF WALTON COUNTY. THE DEMANDS WILL BE GREAT.

WE WILL GIVE OUR FULL ATTENTION AT OUR ANNUAL MEETING TO PROPERTY TAX REFORM, PARTICULARLY THE PROPOSED CONSTITUTIONAL AMENDMENT ON THE TUESDAY JANUARY 29TH PRESIDENTIAL PREFERENCE PRIMARY BALLOT. THIS AMENDMENT IS CONFUSING, AT BEST. IF PASSED, IT WILL HAVE VARYING IMPACTS ON PROPERTY

TAXES, WITH NUMEROUS FACTORS COMING INTO PLAY. INCREASING THE HOMESTEAD EXEMPTION, ALLOWING THE TRANSFER OF ACCUMULATED SAVE OUR HOMES BENEFITS, ADDITIONAL EXEMPTIONS FROM PROPERTY TAXES, AND LIMITS ON ASSESSMENTS FOR SPECIFIED NONHOMESTEAD PROPERTY ARE SOME OF THE COMPLEX ISSUES WE WILL TRY TO UNRAVEL AT OUR ANNUAL MEETING.



THE INDIVIDUALS WE HAVE ASSEMBLED, RANGING FROM GOVERNMENT OFFICIALS TO CITIZEN TAXPAYER GROUP REPRESENTATIVES, WILL GIVE VARYING FACTS AND VIEWPOINTS. IF THE AMENDMENT IS APPROVED ON JANUARY 29TH, IT IS PROJECTED TO RETURN MONEY TO HOMEOWNERS RIGHT AWAY AND PUT NEARLY \$10 BILLION BACK INTO FLORIDA'S ECONOMY OVER THE NEXT FIVE YEARS. THIS TAX CUT IS IN ADDITION TO THE \$15 BILLION PROPERTY TAX CUT CREATED DURING THE SPECIAL JUNE LEGISLATIVE SESSION THAT ROLLED BACK PROPERTY TAXES TO 2006 LEVELS.

WE NEED TO LISTEN CAREFULLY AS GOVERNMENT OFFICIALS TELL US HOW PUBLIC SERVICES AND BENEFITS WILL BE AFFECTED IF THE AMENDMENT IS PASSED. THE LEAGUE OF

FLORIDA CITIES HAS WAGED AN ALL-OUT CAMPAIGN TO DEFEAT THE AMENDMENT WITH A 40 PAGE PUBLICATION FOREBODING NEGATIVE CONSEQUENCES TO GOVERNMENT SERVICES, SUCH AS LAW ENFORCEMENT AND FIRE PROTECTION.

SUPPORTERS OF THE AMENDMENT PREDICT THAT THOSE WHO STAND TO BENEFIT THE MOST FROM ITS PASSAGE ARE SENIORS SEEKING TO DOWNSIZE, BUSINESS OWNERS, AND THOSE WHO WANT TO MOVE TO A DIFFERENT HOME IN FLORIDA.

WCTA ENCOURAGES EDUCATED VOTERS. AT THIS TIME, THERE ARE 33,049 TOTAL REGISTERED VOTERS IN WALTON COUNTY. WHILE THE JANUARY 29TH PRESIDENTIAL PREFERENCE PRIMARY IS A STRAW VOTE ON PARTY CANDIDATES, OUR VOTES ARE SIGNIFICANT NATIONWIDE. FLORIDA IS THE 4TH MOST POPULOUS STATE IN THE COUNTRY WITH THE 4TH MOST ELECTORAL VOTES IN THE PRESIDENTIAL ELECTION. TO VIEW ACTUAL DEMOCRAT, REPUBLICAN AND NON-PARTISAN BALLOTS, GO TO WWW.VOTEWALTONCOUNTY.COM, CLICK ON SUPERVISOR OF ELECTIONS HOME, THEN PRESIDENTIAL PREFERENCE PRIMARY. ON ELECTION NIGHT JANUARY 29TH, THIS SITE WILL BE POSTING REAL-TIME RESULTS.

BONNIE MCQUISTON
WCTA PRESIDENT



PROPOSED CONSTITUTIONAL AMENDMENT

NO. 1

CONSTITUTIONAL REVISION ARTICLE VII, SECTIONS 3, 4, AND 6
ARTICLE XII, SECTION 27
(LEGISLATIVE)

PROPERTY TAX EXEMPTIONS; LIMITATIONS ON PROPERTY TAX ASSESSMENTS

BALLOT SUMMARY: THIS REVISION PROPOSES CHANGES TO THE STATE CONSTITUTION RELATING TO PROPERTY TAXATION.

WITH RESPECT TO HOMESTEAD PROPERTY, THIS REVISION:

- (1) INCREASES THE HOMESTEAD EXEMPTION EXCEPT FOR SCHOOL DISTRICT TAXES AND
- (2) ALLOWS HOMESTEAD PROPERTY OWNERS TO TRANSFER UP TO \$ 500,000 OF THEIR SAVE-OUR-HOMES BENEFITS TO THEIR NEXT HOMESTEAD. WITH RESPECT TO NONHOMESTEAD PROPERTY, THIS REVISION
- (3) PROVIDES A \$ 25,000 EXEMPTION FOR TANGIBLE PERSONAL PROPERTY AND
- (4) LIMITS ASSESSMENT INCREASES FOR SPECIFIED NONHOMESTEAD REAL PROPERTY EXCEPT FOR SCHOOL DISTRICT TAXES.

IN MORE DETAIL, THIS REVISION:

- (1) INCREASES THE HOMESTEAD EXEMPTION BY EXEMPTING THE ASSESSED VALUE BETWEEN \$ 50,000 AND \$ 75,000. THIS EXEMPTION DOES NOT APPLY TO SCHOOL DISTRICT TAXES.
- (2) PROVIDES FOR THE TRANSFER OF ACCUMULATED SAVE-OUR-HOMES BENEFITS. HOMESTEAD PROPERTY OWNERS WILL BE ABLE TO TRANSFER THEIR SAVE-OUR-HOMES BENEFIT TO A NEW HOMESTEAD WITHIN 1 YEAR AND NOT MORE THAN 2 YEARS AFTER RELINQUISHING THEIR PREVIOUS HOMESTEAD; EXCEPT, IF THIS REVISION IS APPROVED BY THE ELECTORS IN JANUARY OF 2008 AND IF THE NEW HOMESTEAD IS ESTABLISHED ON JANUARY 1, 2008, THE PREVIOUS HOMESTEAD MUST HAVE BEEN RELINQUISHED IN 2007. IF THE NEW HOMESTEAD HAS A HIGHER JUST VALUE THAN THE PREVIOUS ONE, THE ACCUMULATED BENEFIT CAN BE TRANSFERRED; IF THE NEW HOMESTEAD HAS A LOWER JUST VALUE, THE AMOUNT OF BENEFIT TRANSFERRED WILL BE REDUCED. THE TRANSFERRED BENEFIT MAY NOT EXCEED \$ 500,000. THIS PROVISION APPLIES TO ALL TAXES.
- (3) AUTHORIZES AN EXEMPTION FROM PROPERTY TAXES OF \$ 25,000 OF ASSESSED VALUE OF TANGIBLE PERSONAL PROPERTY. THIS PROVISION APPLIES TO ALL TAXES.
- (4) LIMITS THE ASSESSMENT INCREASES FOR SPECIFIED NONHOMESTEAD REAL PROPERTY TO 10 PERCENT EACH YEAR. PROPERTY WILL BE ASSESSED AT JUST VALUE FOLLOWING AN IMPROVEMENT, AS DEFINED BY GENERAL LAW, AND MAY BE ASSESSED AT JUST VALUE FOLLOWING A CHANGE OF OWNERSHIP OR CONTROL IF PROVIDED BY GENERAL LAW. THIS LIMITATION DOES NOT APPLY TO SCHOOL DISTRICT TAXES. THIS LIMITATION IS REPEALED EFFECTIVE JANUARY 1, 2019, UNLESS RENEWED BY A VOTE OF THE ELECTORS IN THE GENERAL ELECTION HELD IN 2018.

FURTHER, THIS REVISION:

- A. REPEALS OBSOLETE LANGUAGE ON THE HOMESTEAD EXEMPTION WHEN IT WAS LESS THAN \$ 25,000 AND DID NOT APPLY UNIFORMLY TO PROPERTY TAXES LEVIED BY ALL LOCAL GOVERNMENTS.
- B. PROVIDES FOR HOMESTEAD EXEMPTIONS TO BE REPEALED IF A FUTURE CONSTITUTIONAL AMENDMENT PROVIDES FOR ASSESSMENT OF HOMESTEADS "AT LESS THAN JUST VALUE" RATHER THAN AS CURRENTLY PROVIDED "AT A SPECIFIED PERCENTAGE" OF JUST VALUE.
- C. SCHEDULES THE CHANGES TO TAKE EFFECT UPON APPROVAL BY THE ELECTORS AND OPERATE RETROACTIVELY TO JANUARY 1, 2008, IF APPROVED IN A SPECIAL ELECTION HELD ON JANUARY 29, 2008, OR TO TAKE EFFECT JANUARY 1, 2009, IF APPROVED IN THE GENERAL ELECTION HELD IN NOVEMBER OF 2008. THE LIMITATION ON ANNUAL ASSESSMENT INCREASES FOR SPECIFIED REAL PROPERTY SHALL FIRST APPLY TO THE 2009 TAX ROLL IF THIS REVISION IS APPROVED IN A SPECIAL ELECTION HELD ON JANUARY 29, 2008, OR SHALL FIRST APPLY TO THE 2010 TAX ROLL IF THIS REVISION IS APPROVED IN THE GENERAL ELECTION HELD IN NOVEMBER OF 2008.



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FORECLOSURE FACTS

WALTON COUNTY



THE STATE OF OUR COUNTRY'S ECONOMY IS REFLECTED IN THE NUMBER OF REAL PROPERTY/MORTGAGE FORECLOSURES FILED BY YEAR:

2005 - 171
2006 - 280
2007 - 721

(SOURCE: CLERK OF COURTS)

CONDO BUILDINGS BUCKLE UNDER FORECLOSURES



FLORIDA CONDO FORECLOSURE RATES ARE AT GRIM LEVELS

RISING FLORIDA FORECLOSURE RATES LEAD TO FALLING HOME VALUES



OVER THE PAST FEW YEARS FLORIDA HAS BEEN HOME TO ONE OF THE MOST UNIQUE REAL ESTATE MARKETS IN THE COUNTRY AS RAPID DEVELOPMENT, RISING HOME VALUES PROPERTY TAXES, HOMEOWNERS INSURANCE AND FORECLOSURES HAVE ALL COME TOGETHER TO CREATE A SCENARIO OF INFLATED HOME VALUES AND FALLING DEMAND THAT POINTS TO A LARGE IMBALANCE IN THE MARKET.



FLORIDA'S FORECLOSURE RATES HIGHEST IN NATION

FLORIDA FORECLOSURES ARE SEEING EXPONENTIAL GROWTH AND HOMEOWNERS ARE WONDERING IF THERE IS AN END IN SIGHT.

WALTON COUNTY TAX CERTIFICATE SALES BY YEAR

2005 - 3,016
2006 - 3,228
2007 - 6,722

(SOURCE: WC TAX COLLECTOR)

DO WE NEED PROPERTY TAX REFORM?