

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

Date: March 19, 1998 Revised: \_\_\_\_\_

Subject: Duties of Property Appraisers

	<u>Analyst</u>	<u>Staff Director</u>	<u>Reference</u>	<u>Action</u>
1.	<u>Cooper</u>	<u>Yeatman</u>	<u>CA</u>	<u>Favorable</u>
2.	_____	_____	<u>WM</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

**I. Summary:**

Senate Bill 2222 allows property appraisers to correct a material mistake of fact in an appraisal within a one year period, rather than within a 60 day period as provide in current law. It also allows the property appraiser to directly submit a correction and refund order to the tax collector, rather than first requesting approval for the refund from the Department of Revenue.

This bill substantially amends section 197.122 of the Florida Statutes.

**II. Present Situation:**

Property Appraisers are charged with determining the value of all property within the county, maintaining certain records, and determining the tax on taxable property after taxes have been levied. If a property owner disagrees with the property appraiser’s assessment, there are three options for appeal:

- Property owners may informally confer with the property appraiser to discuss the property appraiser’s assessment of their property (s. 194.011, F.S.).
- Property owners may petition the County Value Adjustment Board to appeal the property appraiser’s assessment of their property (ch. 194, F.S.).
- Property owners may contest the assessment in circuit court up to 60 days after the tax roll is certified pursuant by the County Value Adjustment Board (s. 194.171, F.S.).

If the property appraiser’s assessment is in error, the statutes provide a means for correcting the error and collecting back taxes or issuing refunds. Pursuant to s. 197.122(1), F.S., acts of

omission or commission by the property appraiser may be corrected at any time. If back taxes are due as a result of such corrections, they may be collected pursuant to s. 193.092, F.S. If a refund is due as a result of such corrections, the property owner may petition the Department of Revenue to approve the refund pursuant to s. 197.182, F.S.

Section 197.122(3), F.S., allows a property appraiser to correct a “material mistake of fact relating to an essential condition of the subject property” to reduce an assessment if to do so requires only the exercise of judgement as to the effect on assessed or taxable value of that mistake of fact. These essential conditions means a characteristic of the property, including only:

- Environmental restrictions, zoning restrictions, or restrictions on permissible use;
- Acreage;
- Wetlands or other environmental lands that are or have been restricted in use because of such environmental features;
- Access to usable land;
- Any characteristic of the subject parcel which characteristic, in the property appraiser’s opinion, caused the appraisal to be clearly erroneous; or
- Depreciation of the property that was based on a latent defect of the property which existed but was not readily discernible by inspection on January 1, but not depreciation resulting from any other cause.

Such material mistakes of fact may be corrected “only within 60 days” after the property appraiser’s certification of the tax roll by the County Value Adjustment Board pursuant to s. 193.122(2), F.S. Generally, if a refund is due as a result of such corrections, the property owner must petition the Department of Revenue to approve the refund pursuant to s. 197.182, F.S.

### III. Effect of Proposed Changes:

**Section 1** amends s. 197.122(3), F.S., to specify that “material mistakes of fact” by the property appraiser may be corrected within a one year period after the tax roll is approved by the Department of Revenue pursuant to s. 193.1142, F.S., (generally by late August), rather than within 60 days after the tax roll is certified by the County Value Adjustment Board pursuant to s. 193.122(2), F.S., (generally by mid October), thereby extending the opportunity for corrections of assessments. Beginning in 1999, if such a correction results in a refund of taxes paid because of the erroneous assessment, the property appraiser may ask the Department of Revenue to approve the refund request as provided in s. 197.182, F.S., or submit the correction and refund order directly to the tax collector for action.

**Section 2** provides that the bill will take effect January 1, 1999.

**IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

**V. Economic Impact and Fiscal Note:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

This bill expands the time frame for correcting assessments due to a material mistake of fact, and thus expands the opportunity for property owners to receive refunds due to overpayment of property taxes.

C. Government Sector Impact:

It is anticipated that property appraisers will process more petitions challenging their assessments. Likewise, the Department of Revenue may receive more refund petitions for review and approval.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.

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This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

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