

Frequently Asked Questions
Amendment 1 (SB 4D) Implementation
Florida Department of Revenue

Last update: 02/20/08

These FAQs contain general information offered by the Department to assist in the administration of Chapter 2007-339, Laws of Florida (SB 4D). See Emergency Rule 12DER08-02 Transfer of Assessment Limitation Difference; "Portability;" Sworn Statement Required, effective February 12, 2008

Section A: Portability

1/18/08 A1 What documentation is required from a person applying for the transfer of a homestead assessment limitation difference?

Each applicant will have to fill out Form DR-501T, "Transfer of Homestead Assessment Difference", in the office of the property appraiser of the county in which their new home is located. Required information on this form includes the date which the previous homestead was sold or no longer used as a homestead, the address and parcel identification number of the previous homestead, a list of all other owners listed on the tax roll, an affirmative statement that none of the previous owners remained in the homestead and continued to receive a homestead exemption, and a sworn statement that he or she received the homestead exemption on the previous parcel. Form DR-501, "Original Application for Ad Valorem Tax Exemption" should also be completed to apply for the homestead exemption on the new homestead.

2/4/08 A2 What information will the property appraiser in the county where the new homestead is located rely on to calculate and grant the transfer?

It is likely that in most cases the applicant's new and old homestead will be in the same county. In this case, the property appraiser's records of the previous homestead should be used to determine eligibility and calculate the transfer amount. If the old homestead is located in a different county, the transfer application form (DR-501T) will be transmitted to that county by the new property appraiser together with a copy of the homestead application form. The previous property appraiser will complete Form DR-501R, "Certificate for Transfer of Homestead Assessment Difference" providing details concerning the previous homestead sufficient to calculate the transfer amount.

1/18/08 A3 Can the property appraiser in the county where the previous homestead was located rely on the application for a transfer of a homestead assessment limitation difference as a sufficient statement for the removal of the homestead exemption on the previous homestead?

No. There may be a homeowner continuing to live in the home and qualifying for the exemption. The application for transfer may be in error. (see A8 and A9 below)

1/18/08 A4 If a homestead assessment limitation difference is transferred to a new homestead and it is subsequently found that the difference should not have been transferred or that the transferred amount was incorrect, how should the assessment be corrected?

The property appraiser should follow the procedures for the correction of errors found in s. 193.155(9) and (10), F.S. These sections provide for tax liens to be placed against the property, with notification to the taxpayer and, in certain instances, for penalties and interest on unpaid taxes.

1/18/08 A5 Can a person who sold a homestead in 2006 transfer the assessment difference to a new homestead established as of January 1, 2008?

No, the law does not provide for the transfer of homestead assessment limitation differences from homesteads abandoned prior to January 1, 2007. Section 193.155(8), F. S., states “A person who establishes a new homestead as of January 1, 2008, is entitled to have the new homestead assessed at less than just value only if that person received a homestead exemption on January 1, 2007”. The law also does not allow the transfer of an assessment limitation difference from a homestead abandoned in 2006 even if the person received a homestead exemption on a new homestead on January 1, 2007 and subsequently abandoned that homestead and established a new homestead on January 1, 2008.

1/18/08 A6 Section 193.155(8)(c) and (d), F.S., provides the procedures for the transfer of the homestead assessment limitation difference when a homestead (either current or previous) is “jointly owned and jointly titled” by two or more persons. In applying these provisions, is there a difference between property held as “joint tenants with right of survivorship,” as “tenants in common” or held by married persons?

No. The assessment limitation difference eligible for transfer is calculated by dividing the total assessment limitation difference by the total number of owners. The only exception is when all

the owners of the previous homestead jointly establish a new homestead with no additional owners, in which case the entire assessment limitation difference (up to a maximum of \$500,000) may be transferred, subject to rules for downsizing.

- 1/18/08 A7 When transferring an assessment limitation difference from a homestead jointly owned by two or more persons, the law requires that the amount that can be transferred is equal to the assessment difference of the prior homestead divided by the number of owners of the prior homestead. What if the percentage shares of ownership for the prior homestead are specifically stated and different than an equal share for each owner?

Section 193.155(8)(d), F.S., specifically requires dividing the difference by the number of owners of the prior homestead. This is true even if the ownership shares are not equal.

- 1/18/08 A8 Is there any provision of law that would allow the transfer of a homestead assessment limitation difference when one or more owners remain in the previous homestead and continue to receive the homestead exemption?

No. Section 193.155(8), F.S., states that the assessed value of a new homestead is to be determined based on the value of the immediate prior homestead as of January 1 of the “year in which the immediate prior homestead was abandoned”. In order for the assessment difference to be transferred, the immediate prior homestead must have been reassessed at just value as of January 1 following the year of its abandonment.

- 1/18/08 A9 Section 193.155(8)(d), F.S., provides that when calculating the assessment limitation difference transfer from a homestead that was owned by two or more persons, there shall be no transfer unless the prior homestead is reassessed under s. 193.155(3) or (8), F.S., as of January 1 after the previous homestead was abandoned. Subsection (3) refers to the reassessment of homestead property following a *change in ownership*. Do the provisions of s. 193.155(8)(d), F.S., apply if the previous homestead property was not sold but was otherwise abandoned as a homestead?

Yes. The requirement is that the previous homestead must have been abandoned

- 1/30/08 A10 If two people abandon a jointly owned homestead with an assessment limitation difference greater than \$500,000 and move to two separate homesteads, can they transfer their proportionate share of the previous homestead assessment difference as long as their individual share is not

greater than \$500,000?

No. The total reduction in just value for all new homesteads established by the owners of a single previous homestead may not exceed \$500,000. Therefore, the maximum assessment limitation difference that could be transferred by two previous joint owners of a single homestead establishing different homesteads is \$250,000 each.

- 2/13/08 A11 If two people who previously owned separate homesteads join in establishing a new homestead, can the assessment limitation difference that is transferred from the new homesteader with the highest transfer amount be fully transferred even if it exceeds the maximum transfer amount of the other new homesteader?

Yes. The highest difference of the new homesteaders may be transferred, subject to the downsizing provisions and the \$500,000 maximum transfer limit. Note that if the new owners are joint tenants without right of survivorship or tenants in common, the calculation of the amount of assessment limitation difference that may be transferred must be based on the just value of each person's interest in the new property.

- 1/18/08 A12 If the previous homestead is qualified for both a homestead exemption and an agricultural classified use assessment, how is the amount of transfer to be calculated?

The amount eligible for transfer is equal to the reduction in value due to the limitation on homestead assessment increases. Therefore, the difference eligible for transfer is equal to the difference between just and assessed value on the homestead portion of the property.

- 2/13/08 A13 A previous homestead was jointly owned (titled) by two people on January 1, 2007. They abandoned the previous homestead and both moved to a new property in 2007. However, the new property is only owned (titled) by one of these individuals, who intends to establish the new property as his/her homestead on January 1, 2008. Since they both lived at the previous homestead and now both live at the new property, can they transfer the entire assessment limitation difference from the previous property to the new property in 2008?

No. One of the individuals is not on the deed for the new property and is therefore not eligible for a homestead exemption on the new property. In addition, since all the owners of the previous homestead are different than all the owners of the new

homestead, this is not a “transfer without splitting or joining.” Therefore, only the owner of the new homestead is eligible to transfer his/her share of the assessment limitation differential from the previous homestead, which is 50 percent, subject also to the provisions for upsizing and downsizing.

- 2/13/08 A14 What are the calculations for determining how much of an assessment limitation difference can be transferred from a previous homestead to a new homestead?

Specific examples showing the calculation of the assessment limitation difference under various circumstances can be found at: ([see list of examples](#))

- 2/13/08 A15 If a person sold a homestead in December 2006, purchased a new property in December 2006 and claimed a homestead exemption on the new property as of January 1, 2007, can that person transfer (port) the assessment limitation differential from the 2006 homestead to the new homestead in 2008?

No. Section 193.155(8), F.S. states that the following two conditions must be met in order to transfer an assessment limitation difference in 2008. First, the previous homestead must have received a homestead exemption on January 1, 2007. Second, the new homestead must qualify for a homestead exemption on January 1, 2008. In the scenario above, the new homestead (instead of the previous homestead) received a homestead exemption on January 1, 2007, so the owners are not eligible to transfer an assessment limitation difference.