



Voters approve changes in Florida's property tax laws

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TALLAHASSEE -- Florida voters on Tuesday gave their resounding approval to a constitutional amendment that overhauls the state's property tax laws and saves the average homeowner \$240 a year.

The lopsided "yes" vote was a triumph for Gov. Charlie Crist, who became chief cheerleader for the plan after it was put on the ballot by the state Legislature. It was also a clear sign that voters were more concerned about cutting their taxes, or being able to move and retain their tax advantages as Florida residents, than any loss in government services that might result.

"People have been wanting to not be trapped in their homes for a long time, so it looks like they have freed themselves tonight," Crist said as he arrived at a victory party in Miami for Sen. John McCain, the winner in the state's Republican presidential primary.

Years of mushrooming property assessments -- and the higher taxes that resulted -- led homeowners across Florida to clamor for relief. On the campaign trail in 2006, Crist promised to fight to double the state's \$25,000 homestead exemption.

Amendment 1 does that for all levies except school taxes, and also empowers Florida residents to carry up to \$500,000 in Save Our Homes tax benefits with them if they buy a new house or apartment to live in.

Taxpayers should see the relief in the tax bills they get this fall, though that may depend on the courts. A lawsuit has already been filed to stop the amendment from being implemented.

With 71 percent of the expected vote counted, the proposed state constitutional amendment had 2,169,402 yes votes, or 64 percent, and 1,203,329 no votes, or 36 percent.

Many voters voiced hopes that the tax-cutting plan -- which follows a city and county tax rollback mandated by the Legislature last year -- might help boost a lackluster economy and reinvigorate Florida's sluggish real estate market.

"It's important for the average homeowner and I think it's going to put more money in the economy and help real estate, instead of having all these foreclosures," said Murray Bucksbaum,

who owns a home west of Delray Beach.

State economists have estimated that the tax breaks will cost local governments \$9.3 billion in lost revenue over the next five years and public schools, \$1.3 billion.

In Broward, schools will lose \$145 million and other local governments, \$943 million. Palm Beach County schools will lose \$147 million and local governments, \$747 million.

Broward School Board Chairwoman Robin Bartleman said schools can't take any more cuts. Florida already ranks near the bottom nationally for education funding, "and that is a sin," she said.

Despite the possible cuts, Jim Mazzaresse, a Davie homeowner who is unemployed, voted in favor of the amendment.

"It does affect services but I think taxes are outrageous," he said.

The multi-million dollar battle over the amendment pitted the popular Republican governor, legislative and business leaders against some of Florida's most powerful unions – including those that represent teachers, firefighters and government workers - as well as the Florida PTA, Florida League of Women voters, mayors, the Florida League of Cities and many local elected officials.

Broward County Property Appraiser Lori Parrish, who aggressively campaigned for the proposal, said people believed that governments had grown fat during the years of rapidly rising property values and voted their pocketbooks.

"This may not be a perfect solution, but families are hurting," she said.

Broward County Commissioner Kristin Jacobs, an opponent, said the county and other local governments will have no choice but to make drastic cuts now, not only in libraries and parks but also in police and fire protection.

"Voters have definitely decided they value reductions in their tax bills over services," Jacobs said.

Crist was prominently featured on television and in mailers promoting the tax package. And on Tuesday, the Yes On 1 campaign used him to make a last minute telephone pitch to voters, warning them, "Today is your only chance to cut property taxes this year."

The governor's personal endorsement of the plan helped win over some voters. Even though many thought the savings for homeowners would be minimal, they viewed it as the first step in a bigger plan to provide tax relief.

"Crist came on TV and said if you want to lower taxes, vote yes," said Pam Dietcher, a registered nurse from Hollywood. "Even if it's a \$200 or \$300 savings, it's a start and if it works, they can add on to it later."

Jim Kane, a South Florida pollster, said the win could be credited to Crist's dominance on television. Opponents, he added, made a mistake by focusing on other forms of advertising while Crist repeatedly told television viewers that the proposal would bring tax cuts.

Although it was the Legislature that put the amendment on the ballot, some Republican leaders gave the proposal only tepid support.

House Speaker Marco Rubio, R-West Miami, felt from the beginning that it did not go far enough and threw his political muscle behind another plan to cap all property taxes at 1.35 percent of assessed value. Rubio has hinted that he may try to get the Legislature to vote this spring to put that issue on the November ballot.

"(Tuesday's) vote is the first step, not the last, in providing the tax relief," Rubio said.

But Senate Democrat Leader Steve Geller of Cooper City said the Senate would have little appetite to tackle tax reform again. It took the regular 60-day legislative session and two special sessions to come up with the compromise ultimately presented to voters.

"Its my opinion that the Florida Senate is tired of it," Geller said.

Still waiting in the wings is the Florida Taxation and Budget Reform Commission, which is currently considering 34 proposals. The commission has until May 4 to decide what it wants to put on the November ballot.

"The property tax debate overwhelmingly dominated the public hearings we had around the state," said Martha Barnett, a Tallahassee lawyer and member of the commission. "Most were looking to reduce their burden of taxation. The commission will continue to address that issue and other issues, like caps on government spending and government revenues."

(Staff writers Elizabeth Baier, Anthony Man, Patty Pensa, Angel Streeter, Chrystian Tejedor, Scott Travis and Scott Wyman contributed to this report.)

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