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Florida Homestead Exemption, Save our Homes, and Portability!

Can you believe 2017 is almost here? Although the hustle and bustle of the holidays can get to the best of us, it is important to remember that now is the time to consider the Florida Homestead Exemption and the great benefits it offers to Florida residents.

First and foremost, to be entitled to receive Florida Homestead Tax Exemption benefits in 2017, the following two deadlines must be met:

1. Must be a Florida resident and own/occupy the property as your permanent residence on or before January 1st, 2017; and
2. The Florida Homestead application must be received by the local Property Appraiser's office by March 1st, 2017.

Applications for the Florida Homestead Exemption can be found at your local Property Appraiser office or on their website. For our local readers, the following link will direct you to the Sarasota County Property Appraiser's online homestead exemption application: <https://beta.sc-pa.com/DR501/ApplyOnline/WebForm1.aspx>, and the following link will direct you to the Manatee County Property Appraiser's online homestead exemption application: <https://ofa.manateepao.com/ApplyOnline/WebForm1.aspx>.

Florida residents receive tremendous tax benefits through the Florida Homestead Property Tax Exemption. For example, Florida property owners who qualify to receive a Homestead Exemption are eligible to receive a total exemption of up to \$50,000.00. The first \$25,000.00 of the exemption applies toward all property taxes, including school district taxes. The additional exemption of up to \$25,000.00 applies to the assessed value of the property between \$50,000.00 and \$75,000.00 and then only toward non-school taxes. There are additional tax benefits available for the elderly, disabled, veterans, widows, and pursuant to a recent Amendment to the Florida Constitution, first responders disabled in the line of duty.

In addition to the above tax benefit, the "Save Our Homes" provision of the Florida Homestead Exemption caps the annual increase of the assessed value of homesteaded property beginning in the year the property owner qualifies and receives the homestead exemption. The annual increase thereafter will be the lesser of three percent or the change in the consumer price index for the previous year for so long as the property owner maintains their Florida Homestead.

So what happens if you move after you have established your Florida Homestead? Well, when an existing Florida homeowner establishes a new Florida homestead, they are entitled to "port" up to \$500,000.00 of their "Save Our Homes" tax benefits to their new Florida homestead as long as they establish their new homestead within two years of leaving their prior Florida homestead property.

Time is quickly running out for Florida residents to establish homestead status for 2017. As such, make sure that you and/or your clients OWN and OCCUPY the new Florida property prior to the clock striking midnight on New Year's Day to avoid missing out on some great savings for the coming year! Before you ask, for purposes herein occupy means the day you take possession of the property with the intent to

make it your permanent Florida Homestead (basically, make sure your childhood teddy bear is next to the bed). As always, we urge you to reach out to your local real estate attorney should you have any Homestead or real estate questions in anticipation of this coming New Year.

Sincerely,

Berlin Patten Ebling, PLLC

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