

### When would it be appropriate to appeal the property taxes on my homestead?

There are only a few instances in which we represent clients who have homestead exemption on their property in a property tax appeal. Some of said instances are:

- The homestead property was bought the year before the tax year, and the market value and **assessed value** are higher than 85% of the price paid for the homestead property
- Your **assessed value** increased by more than 3% from the previous year, and you have not made any material changes to the property.
- On January 1 of the tax year the homestead property was in a condition that made it inhabitable.
- You recently remodeled or improved the property such that you have a new SOH basis
- The difference between your assessed value and market value is minimal or non-existent.

### What is my homestead's assessed value?

The "Save Our Homes," cap limits the annual increase in assessed value of property that has a homestead exemption. The increase cannot exceed the lesser of 3% or the Consumer Price Index (CPI) for the previous year. Furthermore, in no event can the assessed value be greater than the market value of a property. The assessed value is the value at which your property taxes are based upon.

### My neighbor and I have very similar homes, why are my property taxes higher?

There might be a lot of reasons as to why, but it is most likely due to his assessed value versus yours. If your neighbor has owned and has had the homestead exemption in his property since 2000, then that was his base year and his assessed value has only increased by a maximum of 3% every year since then.

<b>Example</b>					
	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Joe's Property</b>					
<i>Value increase</i>		25.0%	32.0%	15.2%	31.6%
Market or Just Value	\$ 100,000	\$ 125,000	\$ 165,000	\$ 190,000	\$ 250,000
<i>Value increase</i>		3.0%	3.0%	3.0%	3.0%
Taxable Value	<b>\$ 100,000</b>	<b>\$ 103,000</b>	<b>\$ 106,090</b>	<b>\$ 109,273</b>	<b>\$ 112,551</b>
SOH Difference (Portability)	\$ -	\$ 22,000	\$ 58,910	\$ 80,727	\$ 137,449
*Note the Homestead Exemptions, in addition to others if applicable would be taken from the taxable value.					
<b>Mike's Property</b>					
<i>Value increase</i>		25.0%	32.0%	15.2%	31.6%
Market or Just Value	\$ 100,000	\$ 125,000	\$ 165,000	\$ 190,000	\$ 250,000
<i>Value increase</i>		25.0%	32.0%	15.2%	31.6%
Taxable Value	<b>\$ 100,000</b>	<b>\$ 125,000</b>	<b>\$ 165,000</b>	<b>\$ 190,000</b>	<b>\$ 250,000</b>
SOH Difference (Portability)	\$ -	\$ -	\$ -	\$ -	\$ -
* Note for Example purposes other caps and exemptions for non-homestead property are not being considered.					

**How are the property taxes in my homestead calculated?**

Your county's Property Appraiser's Office does not set tax rates (also called millage rates). These rates and non-ad valorem taxes are determined by each of the taxing authorities such as the County, the School Board, Cities and Regional authorities. A property that has a Homestead exemption receives a reduction in the **assessed value** of residential property of up to \$25,000 for qualified permanent residents. There is an additional homestead exemption of up to \$25,000 to homeowners whose homes have an **assessed value** of more than \$50,000. This additional exemption does not apply to the school board taxes.

**Where can I find what the millage rates for my property taxes will be?**

Sometime in late summer of each year all Florida property owners receive a Notice of Proposed Property Taxes and Proposed or Adopted Non-Ad Valorem Assessments (also known as a TRIM Notice). These notices contain the proposed values that will be implemented to calculate your property taxes. TRIM notices vary by County but contain the same essential information. An example of a TRIM Notice is below:



Miami-Dade Property Appraiser  
111 NW First Street, Suite 710  
Miami, FL 33128-1984

NOTICE OF PROPOSED PROPERTY TAXES AND  
PROPOSED OR ADOPTED NON-AD VALOREM ASSESSMENTS  
MIAMI-DADE COUNTY TAXING AUTHORITIES

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**DO NOT PAY  
THIS IS NOT A BILL**

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TAXING AUTHORITIES								
TAX INFORMATION	COLUMN 1	COLUMN 2		COLUMN 3	COLUMN 4 If NO Budget Change is Adopted Rolled-back		COLUMN 5 If Proposed Budget Change is Adopted	
TAXING AUTHORITY	Last Year's Taxable Value	Last Year's Tax Rate (millage)	Your Property Taxes Last Year	Current Taxable Value	Tax Rate (millage)	Taxes	Tax Rate (millage)	Taxes
<b>MIAMI-DADE COUNTY:</b>								
Countrywide	43,481	4.6669	202.92	45,257	4.4560	201.67	4.6669	211.21
Fire Rescue	43,481	2.4207	105.25	45,257	2.2872	103.51	2.4207	109.55
Library	43,481	0.2840	12.35	45,257	0.2694	12.19	0.2840	12.85
<b>PUBLIC SCHOOLS:</b>								
By State Law	68,481	4.2560	291.46	70,257	4.0196	282.41	4.0270	282.92
By Local Board	68,481	2.2480	153.95	70,257	2.1231	149.16	2.9980	210.63
<b>MUNICIPAL:</b>								
Miami Gardens	43,481	6.9363	301.60	45,257	6.3667	288.14	6.9363	313.92
<b>WATER MANAGEMENT:</b>								
SFWM District	43,481	0.1209	5.26	45,257	0.1152	5.21	0.1152	5.21
Everglades CP	43,481	0.0417	1.81	45,257	0.0397	1.80	0.0397	1.80
Okeechobee Basin	43,481	0.1310	5.70	45,257	0.1246	5.64	0.1246	5.64
<b>INDEPENDENT DISTRICT:</b>								
F.I.N.D.	43,481	0.0320	1.39	45,257	0.0304	1.38	0.0320	1.45
Children's Trust	43,481	0.4415	19.20	45,257	0.4195	18.99	0.4680	21.18
<b>VOTER APPROVED DEBT PAYMENTS:</b>								
County Debt	43,481	0.4644	20.19	45,257	0.4780	21.63	0.4780	21.63
School Debt	68,481	0.2290	15.68	70,257	0.1230	8.64	0.1230	8.64
City Debt	43,481	0.9709	42.22	45,257	0.8962	40.56	0.8962	40.56
<b>TOTAL AD VALOREM PROPERTY TAXES</b>			<b>1,178.98</b>			<b>1,140.93</b>		<b>1,247.19</b>
<b>TOTAL AD VALOREM AND NON-AD VALOREM PROPERTY TAXES</b>			<b>1,746.62</b>			<b>1,728.57</b>		<b>1,834.83</b>

<b>HEARING INFORMATION</b>	The Taxing Authorities which levy property taxes against your property will soon hold PUBLIC HEARINGS to adopt budgets and tax rates for the next year. The purpose of the PUBLIC HEARINGS is to receive opinions from the general public and to answer questions on the proposed tax change and budget PRIOR TO TAKING FINAL ACTION. Each Taxing Authority may AMEND OR ALTER its proposals at the hearing.
<b>TAXING AUTHORITY</b>	<b>PUBLIC HEARING DATE, LOCATION AND TIME</b>
Miami-Dade County	9/05, 5:01 PM, BOARD OF COUNTY COMMISSION CHAMBERS, 111 NW 1 ST, 2ND FL., (305) 499-8766
Public Schools	9/04, 6:00 PM, BOARD AUDITORIUM, SCHOOL BOARD ADM BLDG, 1450 NE 2 AVE, (305) 995-1226
Miami Gardens	9/11, 6:00 PM, MIAMI GARDENS CITY HALL, 18605 NW 27 AVE, (305) 622-8000
Water Management Districts	9/12, 5:15 PM, SFWMD AUDITORIUM, 3301 GUN CLUB RD, B-1 BLDG, WPB, FL., (561) 686-8800
F.I.N.D.	9/12, 5:30 PM, PALM BCH SHORES TOWN HALL, 247 EDWARDS LN, PALM BCH SHORES, (561) 627-3386
Children's Trust	9/09, 5:01 PM, UNITED WAY-ANSIN BLDG, RYDER ROOM, 3250 SW 3 AVE, MIAMI, (305) 571-5700

NON-AD VALOREM ASSESSMENTS					
LEVYING AUTHORITY	PURPOSE OF ASSESSMENT Provided on this Notice at the request of governing boards. Tax Collector will include on November Tax Bill.		UNITS	RATE	ASSESSMENT
MIAMI-DADE COUNTY	LIGHTING DISTRICT	(305) 375-2702	75.00	0.4218	31.64
MIAMI-DADE COUNTY	SOLID WASTE	(305) 499-8738	1.00	484.0000	484.00
MIAMI GARDENS	2020 STORMWATER	(786) 279-1280	1.00	72.0000	72.00
TOTAL NON-AD VALOREM ASSESSMENTS (This amount is included in Total Property Taxes above)					587.64

PROPERTY APPRAISER			
VALUE INFORMATION	MARKET VALUE	ASSESSED VALUE – School levy	ASSESSED VALUE - Non-School levy
PRIOR VALUE (2018)	173,781	93,481	93,481
CURRENT VALUE (2019)	184,521	95,257	95,257
ASSESSMENT REDUCTIONS	APPLIES TO	2018 REDUCTION AMOUNT	2019 REDUCTION AMOUNT
Save Our Homes Benefit	All Taxes	80,300	89,264
EXEMPTIONS	APPLIES TO	2018 EXEMPTION AMOUNT	2019 EXEMPTION AMOUNT
First Homestead	All Taxes	25,000	25,000
Additional Homestead	Non-School Taxes	25,000	25,000

If you feel the market value of the property is inaccurate or does not reflect fair market value, or if you are entitled to an exemption or classification that is not reflected, please contact the Miami-Dade County Property Appraiser at: (305) 375-4712 111 NW 1 STREET 8TH FLOOR (8:00 AM TO 5:00 PM)

If the Property Appraiser is unable to resolve the matter as to market value, classification or an exemption, you may file a petition for adjustment with the Value Adjustment Board. Petition forms are available online at [http://www.miami-dadeclerk.com/property\\_vab.asp](http://www.miami-dadeclerk.com/property_vab.asp). Petitions must be filed on or before

SEPT. 17, 2019.

Your final tax bill may contain non-ad valorem assessments which may not be reflected on this note, such as assessments for road, fire, garbage, lighting, drainage, water, sewer or other governmental services and facilities which may be levied by your county, city or any special district.

The first half of this TRIM notice contains the proposed millage rate for each taxing authority the homestead property is subject to. The next section of this TRIM Notice contains the proposed Non-Ad Valorem Assessments this homestead property is subject to. These Assessments are not based on the property's value, and the entity that decides the amount of the Non-Ad Valorem assessment is each taxing authority.

The last section of this TRIM Notice is the actual values for the homestead property. Each year the Property Appraiser sets the Market Value (also known as Just Value) for each property, in this TRIM Notice, the 2019 property value is \$184,521. Yet, the taxpayer pays based on his assessed value, which as of 2019 was \$95,257. The difference between the \$184,521 and \$95,257, is what is known as the Save our Homes cap (SOH). The first Homestead Exemption of \$25,000 is deducted from the assessed value of \$95,257. Therefore, this taxpayer's Taxable Amount for the School Board taxes is \$70,257 and the School Board's millage rate will be applied to that amount. This taxpayer also has the Additional Homestead Exemption of \$25,000 which applies to all Non-School taxes. Therefore, the millage rate for all other taxes will be applied to the Taxable Amount of \$45,257, which is the assessed value of \$95,257 minus the first and the Additional Homestead Exemptions (\$95,257 - \$50,000 = \$45,257).

### **What does a property tax appeal do?**

A property tax appeal can only challenge the market value the Property Appraiser sets for a particular property with very few exceptions. In the example above, a property tax appeal would have challenged the market value of \$184,521. An owner who has homestead pays taxes based upon the assessed value of their property, in order for the taxpayer in the example above to see a reduction in the amount of taxes they pay a reduction below \$95,257 would have to be obtained.

A property tax appeal does not challenge the millage rates since those are set by different taxing authorities. All properties from residential to commercial ones, are subject to their taxing authorities, including the School Board, whether they use the services they provide or not.

### **What is the harm in lowering the market value of my homestead, even if it does not go below the assessed value?**

To answer that question, we need to visit the concept of “Portability.” Portability in Florida refers to the ability of a property owner to transfer some or all of the Save Our Homes benefit (also referred to as the Save our Homes Cap, or SOH Cap, or simply the Cap) from a previous homestead to a newly established homestead. The Save Our Homes Cap is the difference between the assessed value and market value of a homestead property. The maximum amount you can port to a new homestead is \$500,000.

In the example provided above, the taxpayer’s Save our Homes cap is \$89,264 (market value of \$184,521 – assessed value of \$95,257). If this taxpayer decides to purchase and move to a new home with a market value of \$200,000 (a market value that is greater to that of his current homestead) \*, she or he can transfer their Save our Homes cap of \$89,264 to their new property.

The taxpayer’s tax values for their base year (the first year in the new property with homestead exemption applied to it) would be:

Market Value	\$200,000
Assessed Value	\$110,736

The assessed value would be the \$200,000 market value minus the \$89,264 Save Our Homes Cap the taxpayer was able to transfer, or port, from their previous homestead.

Therefore, if the taxpayer had filed a property tax appeal all it would have done is decrease the SOH Cap amount that they can port in the future if they decide to move to a new homestead.

\* If your new homestead property is of lesser value than the Market Value of your current homestead, you receive the same percentage of savings on the new homestead as you did on the previous homestead. In order to calculate such, you would divide the SOH Cap (also referred to as Portability) from your previous homestead by the market value of your previous homestead, this would give you the portability percentage you can apply to the market value of your new homestead in order to arrive at your actual portability amount. See the example below:

<b>Another Portability Example</b>					
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Joe's Previous Homestead</b>					
<i>Value increase</i>		25.0%	32.0%	15.2%	31.6%
Market or Just Value	\$ 100,000	\$ 125,000	\$ 165,000	\$ 190,000	\$ 250,000
<i>Value increase</i>		3.0%	3.0%	3.0%	3.0%
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*Note the Homestead Exemptions, in addition to others if applicable would be taken from the taxable value.					

<b>Joe's New Homestead (Higher Value)</b>	<b>2020</b>
Market or Just Value	\$ 300,000
<i>Portable Amount</i>	<b>\$ (137,449)</b>
New Taxable Value	<b>\$ 162,551</b>
<b>Joe's New Homestead (Lower Value)</b>	<b>2020</b>
Market or Just Value	\$ 150,000
<i>Portable Amount*</i>	<b>\$ (82,469)</b>
New Taxable Value	<b>\$ 67,531</b>

*Portable Amount =					
Solve for Portability Percentage:					
Portability from Previous Homestead ÷ Old Homestead Market Value					
\$ 137,449	÷	\$ 250,000	=	55%	< Port Percentage
Port Amount		Old MV			
Solve for Portable Amount:					
Portability Percentage x Market Value of New Homestead					
0.55	X	\$ 150,000	=	<b>\$ 82,469</b>	< Portable Amount
Port Percentage		New MV			