

By Barry Grooms

You Should Be Afraid, Very Afraid!

Under all is the land and private property rights are considered the "American Dream". The 5th Amendment protects property by stating, "No person shall be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, with out just compensation." Our rights are something that most of citizens take for granted until it affects them directly and very few monitor the machine called legislation in Tallahassee. Year after year law makers and special interest strategize on legislation that may have adverse effect on tax payers in Florida and many times are successful in pushing through language that is so complex and confusing that the average Joe doesn't see it coming until tax time or they try to purchase or sell real property.

REALTORS have been at the forefront defending private property rights on behalf of Florida property owners since 1916 and continues to be the voice for Florida citizens in Tallahassee. *In recent years lawmakers have sponsored bills that could have greatly altered the landscape in many of our communities and across the state that were defeated by REALTORS.* I have been a participant in many of the committee meetings and with the lawmakers we chose to represent us at the Capital. I have been fortunate enough to have a seat at the table and more importantly a voice in the policies that protect our precious real estate.

I felt compelled to share with the public many of the initiatives that were successful in this year's session to further define and protect our rights and help explain why it is so critical to keep our eyes on the policy makers. The first of several bills that I will report on is the cap on estoppel certificate fees -- SB 398 (Sen. Passidomo, R-Naples) caps estoppel certificate fees at \$250 for unit owners who are current in their assessments. Sellers of properties who live in an HOA, condo association or co-op may be happy to learn that there will be a limit to the amount they'll pay for an estoppel certificate, a document that informs a buyer if the seller is current with their dues and assessments. The bill caps estoppel certificate fees at \$250 for unit owners who are current in their assessments. Associations may charge an additional \$100 for expedited estoppel certificates (delivered within three business days) and another \$150 to owners who are delinquent in their assessments. The bill sets the price of estoppel certificates for multiple units owned by the same person, and establishes a uniform, statewide format that ensures buyers and closing agents receive the appropriate information needed to close the real estate transaction. This bill also requires certificates to be valid for 30 days if delivered electronically or 35 days if delivered by mail. Effective: July 1, 2017.

The second bill that survived the gauntlet and passed is the 10 percent tax cap on non-

homestead property taxes -- In 2008, voters approved Amendment 1, which created a 10 percent cap on the annual increase of property taxes for all non-homestead properties. The 2008 amendment sunsets on Jan. 1, 2019, unless renewed in the 2018 general election. HJR 21 (Rep. Colleen Burton, R-Lakeland) puts the question before voters again in November 2018. Unlike the 2008 referendum, which had a 10-year lifespan, HJR 21 would make the cap permanent.

Most homeowners are familiar with the concept of homestead exemption and may be happy to hear that an additional homestead tax exemption bill passed-- Representing \$645 million (and then increasing in subsequent years) in property tax savings, HJR 7105 (Rep. Mike La Rosa, R-St. Cloud) puts a constitutional amendment on the 2018 ballot that would allow homeowners to shield an additional \$25,000 of the value of their home from non-school property taxes. This additional \$25,000 would apply the exemption to the portion of values between \$100,000 and \$125,000. Effective Jan. 1, 2019, if approved by 60 percent of voters.

On the same subject of homestead exemption a tax exemption for disabled first responders -- HB 455 (Rep. Larry Metz, R-Groveland) implements a constitutional amendment approved by voters in November 2016. It provides a 100 percent homestead tax exemption to first responders who become totally and permanently disabled in the line of duty. The bill also extends the 100 percent exemption to the surviving spouse under certain conditions. The estimated tax savings for these property owners is \$4.5 million. Effective: Upon becoming law.

My hope is that the next time you meet a REALTOR you may appreciate them for more than just helping buyers and sellers transact real estate but see them as a real champion for private property rights for all Floridians!

Barry Grooms is the 2017 Treasurer for Florida REALTORS, Florida's largest trade organization topping over 167,000 members with an annual budget of 19 millions dollars. He is slated to be Vice President of Florida REALTORS in 2018. His achievements include International Broker/Manager of the year for one of the world's largest real estate franchises. He is a student of public policy, legislative issues, finance and economics related to the real estate industry and frequently is a presenter at industry conferences and international events.



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