RENTING YOUR HOMESTEAD PROPERTY MAY INCREASE PROPERTY TAXES

Office of the Property Appraiser

For more information, please call 305-375-4712

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Homestead Exemption saves property owners thousands of dollars each year. Don't jeopardize your Homestead Exemption by renting your property.

Homestead Exemption provides two key savings:

- Up to a $50,000 exemption on property taxes
- And limits the increase of the assessed value to a maximum of 3% per year, which is commonly referred to as the Save Our Homes cap. Only those portions of the property used as the homestead are eligible for the Save Our Homes cap.

The following will affect your Homestead Exemption eligibility:

RENTING YOUR HOME ON JANUARY 1ST

When renting your home on January 1st, you will not be eligible for Homestead Exemption and you will lose your Save Our Homes cap. For example, if you rented your home on January 1st, of the current year, then you cannot receive the Homestead Exemption and the Save Our Homes cap. If the rental is terminated and you move back in by January 1st, of the following year, you must file a new application by March 1st of that year in order to receive a new Homestead Exemption. (Ref. sections 193.155 & 196.061, F.S.)

RENTING YOUR HOME PERIODICALLY AFTER JANUARY 1

When renting your home after January 1st for more than 30 days in two consecutive years, you will be ineligible for the Homestead Exemption and the Save Our Homes cap. For example, if you rent your home for a total of 35 days in year one and 31 days in year two, you will no longer qualify for Homestead Exemption and will lose your Save Our Homes cap. (Ref. sections 193.155 & 196.061, F.S.)

RENTING A PORTION OF YOUR PROPERTY

If you own a 2 bedroom/1 bath condo with a Homestead Exemption and rent one room (on January 1st or periodically as described above), only 50% of the property will be eligible for the Homestead Exemption and Save Our Homes cap, resulting in an increase of your property taxes. (Ref. section 193.155, F.S.)

RENTAL INCOME AND HOUSEHOLD MEMBERS' INCOME MAY DISQUALIFY YOU FOR THE LOW-INCOME SENIOR EXEMPTION(S)

To qualify for the Low-Income Senior or Long-Term Resident Senior Exemptions (age 65 and older), property owners must meet the annual adjusted gross income limits*. The rental income of the property may disqualify you from both Low-Income Senior Exemptions. If your adjusted gross income, including rental income, exceeds statutory limits, you will lose both Low-Income Senior Exemptions and your property taxes will increase. Additionally, the income from persons living with you cannot exceed the same annual adjusted gross income limits combined to qualify for the Low-Income Senior and Long-Term Resident Senior Exemptions. (Ref. section 196.075, F.S.)

* http://floridarevenue.com/property/Pages/DataPortal.aspx#ui-id-7

Failure to report the rental of your home may result in your Homestead Exemption and the Save Our Homes cap benefit being back taxed by recording a lien on your property.

YOU MUST CANCEL YOUR HOMESTEAD EXEMPTION UNDER THE FOLLOWING CONDITIONS:

- This property is **RENTED** *
- This property is **NOT THE PERMANENT RESIDENCE OF THE ORIGINAL APPLICANT(S)** **
- The original applicant(s) has **HOMESTEAD EXEMPTION ON ANOTHER PROPERTY**
- The **SPOUSE** of the original applicant has **HOMESTEAD EXEMPTION ON ANOTHER PROPERTY**
- The original applicant(s) receives a permanent residency **BENEFIT OR TAX CREDIT IN ANOTHER STATE OR PUERTO RICO**
- The original applicant(s) **PASSED AWAY**
- The original applicant(s) **TRANSFERRED OWNERSHIP OF THE PROPERTY BY EXECUTING A DEED BUT DID NOT RECORD IT WITH THE CLERK OF COURTS** ***

* Also, if portions of your property are rented or used for commercial purposes, you may be committing homestead fraud and you must notify us about these conditions as they affect eligibility of the Save Our Homes benefit. (Ref. 196.012, F.S.)

** Permanent residence is determined by the address listed on your driver's license, voter registration, vehicle registration, etc. (For more information, please refer to Section 196.015, F.S.)

*** Also applies to Non-Homestead Assessment Limitations

TO CANCEL YOUR HOMESTEAD EXEMPTION: COMPLETE, SIGN, AND RETURN YOUR AUTOMATIC RENEWAL RECEIPT

Improperly claiming homestead exemption will result in tax liens up to

10 YEARS TAXES,

PLUS A 50% PENALTY, AND 15% INTEREST

For more details and laws governing homestead exemption, please visit our Frequently Asked Questions online at www.miamidade.gov/pa/faq.asp or call 305-375-4712.

PROPERTY TAX EXEMPTION REQUIREMENTS GUIDE

HOMESTEAD EXEMPTION

- Legal/equitable title as of January 1st (if title is held in a trust, a copy of the trust document is required)
- Permanent residence on the property as of January 1st (residence address listed on the driver's license, voters registration, car registration and federal income tax returns determine permanent residence)
- Owner (or others legally or naturally dependent upon such person) must be a U.S. citizen or permanent U.S. resident and Florida resident as of January 1st

ADDITIONAL BENEFITS AVAILABLE FOR QUALIFIED HOMESTEAD PROPERTIES	
Exemption	**Qualifications**
Low Income Senior Citizen	• Age 65 or older as of January 1st • Adjusted Gross Income for all household members less than $30,174 (2019 Income Limit). Limit is determined and adjusted each year by Florida's Department of Revenue
Long Term Resident Senior Citizen	• Must be eligible for Low Income Senior Citizen Exemption and reside on the property for at least 25 years • Property's market value must be less than $250,000 (only applies to the first year)
$500 Widow/Widower	• Un-remarried widow or widower as of January 1st
$500 Civilian Disability/ $500 Blind	• Total and permanently disabled as of January 1st
$5,000 Veteran Disability	• Service-connected disabled veteran rated at 10% or more • OR Un-remarried surviving spouse of service-connected disabled veteran rated at 10% or more
Veteran Total and Permanent Disability	• Service-connected total and permanent disabled veteran • OR Un-remarried surviving spouse of service-connected total and permanent disabled veteran • OR Un-remarried surviving spouse of veteran who died on active duty
Civilian Total and Permanent Disability	• Paraplegic, hemiplegic, total and permanent disability requiring use of a wheelchair for mobility, legally blind or quadriplegic • Gross income for *entire* household is less than $29,415 (2019 Income Limit). Limit is determined and adjusted each year by Florida's Department of Revenue. *Income limit does not apply to Quadriplegics.*
Deployed Military	• Deployed outside of the continental U.S. in support of a qualified military operations during 2018. Visit our website for a list of qualified operations.
Veteran Discount	• Age 65 or older as of January 1st • Have a combat related disability • Honorably discharged
First Responder Totally and Permanently Disabled in the Line of Duty or Surviving Spouse	• First responder totally and permanently disabled in the line of duty as of January 1st • Must have been disabled as a result of injuries sustained in the line of duty as a first responder in Florida or during an operation in another state or country authorized by Florida or its counties • OR Un-remarried surviving spouse of a first responder disabled in the line of duty
Surviving Spouse of First Responder Who Died in the Line of Duty	• A surviving spouse of a first responder who died in the line of duty • First responder and spouse must have been permanent residents of Florida on January 1st of the year the first responder died
Grandparents Living Quarters	• Parent or grandparent of owner must be 62 years old or older as of January 1st • Qualified construction or re-construction completed after January 7, 2003 • Only applies during taxable years during which at least one such parent or grandparent maintains his or her primary residence in living quarters within the homestead property of the owner

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MIAMI-DADE COUNTY
PROPERTY APPRAISER
ADMINISTRATION DIVISION

PEDRO J. GARCIA
PROPERTY APPRAISER

Portability Transfer of Homestead Assessment Difference

Property owners with Homestead Exemption receive a benefit known as Amendment 10 or "Save Our Homes". Amendment 10 limits increases in the annual assessment of a home to a maximum of 3% regardless of the increase in market value.

Since 2008, homeowners were able to transfer (or port) the savings they have accumulated (known as the Homestead Assessment Difference) to another homestead property up to $500,000.

All property tax exemptions applications are due to March 1st and can be completed online or in person.

Calculating the Transfer of Homestead Assessment Difference (Portability)

Generally, there are two major components in calculating portability known as upsizing and downsizing. Here is how it works:

Portability			
Upsizing			
Prior Home		**New Home**	
Market Value	$250,000	Market Value	$400,000
Save Our Homes Assessment Difference	-$100,000	Transfer of Assessment Difference (PORT)	-$100,000
Assessment Value	$150,000	Assessed Value	$300,000
Downsizing			
Prior Home		**New Home**	
Market Value	$250,000	Market Value	$150,000
Save Our Homes Assessment Difference	-$100,000	Transfer of Assessment Difference (PORT)	-$60,000
Assessment Value	$150,000	Assessed Value	$90,000

*Note: The Save Our Homes Assessment Difference amount transferred is apportioned at 60%. Here is how it is calculated: 150,000 / 250,000 X 150,0000 = $90,0000 (New Assessed Value). Also, portability benefits may be reduced if the benefit is split among multiple homestead owners and the maximum amount of Save Our Homes Assessment Difference that can be transferred is limited to $500,000.

1. To transfer your assessment difference, you must have received a Homestead Exemption on the previous homestead property and must be the owner of the new homestead property.
2. If you and your spouse or former spouse would like to designate shares of the homestead assessment differences, you must file a DR-501TS (Designation of Owners Shares form) before you file your new portability application.
3. To transfer your assessment difference, you must have established a new homestead on or before January 1st of the second year after abandoning your previous homestead. All owners of a jointly owned previous homestead must abandon that homestead in order for the assessment difference to be transferred.

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Miami-Dade County Office of the Property Appraiser Pedro J. Garcia, CFA

Senior Tax Exemptions for Property Owners

Property owners who are 65 and older may be eligible for additional tax exemptions in Florida. Please refer to the chart below to see the additional tax exemptions and their requirements:

Exemptions	Requirements
Low Income Senior Citizen	• Receive Homestead Exemption • Age 65 or older as of January 1st • Adjusted Gross Income for all household members needs to be less than $30,174 (2019 Income Limit). Limit is determined and adjusted (or equal to) each year by Florida's Department of Revenue.
Long Term Resident Senior Citizen	• Must meet the requirements for Low Income Senior Citizen Exemption • Reside on the property for at least 25 years • Property's market value must be less than $250,000 (only applies to the first year).

In order to receive the Senior Exemptions, property owners must receive Homestead Exemption. The requirements are the following:

- Legal/equitable title as of January 1st (if title is held in a trust, a copy of the trust document is required)
- Permanent residence on the property as of January 1st (residence address listed on the driver's license, voters registration, car registration and federal income tax returns determine permanent residence)
- Owner (or others legally or naturally dependent upon such person) must be a U.S. citizen or permanent U.S. resident and Florida resident as of January 1st

If you are uncertain about what property tax benefits you have, please contact us at 305-375-4712 or visit our offices at any the following locations:

Downtown Office
Miami-Dade County Office of the Property Appraiser
Stephen P. Clark Center
111 NW 1st Street
Suite 710
Miami, Florida 33128

South Dade Office
Miami-Dade County Office of the Property Appraiser
South Dade Government Center
10710 SW 211th Street
Suite 207
Cutler Bay, Florida 33189

Miami-Dade County
Office of the Property Appraiser

Increase in Income May Affect the Low Income Senior Citizen Benefit

+ Increase in Adjusted Gross Income

If you are receiving the Low Income Senior Citizen benefit on your property, the adjusted gross income limit allowed by the Florida Department of Revenue in 2019 is $30,174.00 *including all household members*. If the adjusted gross income limit is exceeded, you are not entitled to this benefit and must cancel immediately.

How to Cancel a Benefit You No Longer Qualify For

The Office of the Property Appraiser sends automatic renewal receipts each year where you will be able to cancel your Low Income Senior Citizen benefit by filling out, signing and returning the form to our office.

Avoid the Hefty Fraud and Penalty Charges

Improperly claiming the Low Income Senior Citizen benefit may result in a cancellation of your benefit, a tax lien of up to 10 years with a 50% penalty plus 15% interest annually.

Reapplying for the Benefit

After the cancellation of your Low Income Senior Citizen benefit, you may reapply for the Low Income Senior Citizen benefit any time your adjusted gross income including all the household members is below the limits established by the Florida Department of Revenue.

If you have any questions, please contact the Office of the Property Appraiser:

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Stephen P. Clark Government Center
111 N.W. 1st Street, Suite 710
Miami, Florida 33128
(305) 375-4712

South Dade Office
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You may also email us at mdcpa@mdcpa.net or visit www.miamidade.gov/PA for more information.