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Dear Neighbor,

I hope you found last month's Jupiter Farms market snapshot helpful. This month I share with you the details on the proposed new property tax plan and show you how you can determine if it's better to stick with the current Save Our Homes exemption or transition to the proposed "Super Exemption" (if it passes). Going through this exercise may also help you determine how you plan to vote! And, whichever way you decide, **PLEASE VOTE!**

In order to understand which plan will work best for you, you first need to fully understand how you currently benefit under the Save Our Homes Amendment and how you *might* benefit under the proposed Super Exemption. Please refer to the enclosed pages for a detailed description of each, plus step-by-step instructions for using the Property Appraiser's online calculator which shows you – using your actual property – how you may benefit under each plan.

If you find this information useful, please let me know. I'd love to hear from you!

Best Regards,

Andrea DiRico
Jupiter Farms Resident
Broker-Associate, *REALTOR*®
North County Properties

Note: It is never my intention to solicit the listing of another broker. This letter is not a solicitation.

www.BuyJupiterFarms.com

IMPORTANT JUPITER FARMS PROPERTY TAX INFORMATION

IMPORTANT UPDATE: On September 24th, a Leon County Circuit Court ruled the language of the new tax plan amendment was “misleading and confusing” and threw it off the January 2008 ballot. I am leaving this document intact so you can see what the proposed plan entailed, however, it is very possible that this plan will never make it to the voters. Please check my website at www.BuyJupiterFarms.com for updates on this issue.

The Existing Plan – Save Our Homes

The current Save Our Homes Amendment works like this:

- **A \$25,000 deduction off your property’s assessed value (other smaller deductions may also apply)**
All qualified homesteaded property gets a \$25,000 deduction off the assessed value, the amount upon which taxes are calculated on. (Note: Your assessed value may vary significantly from your market value). For example, if your house has a market value of \$500,000, but is only assessed at \$300,000, after your \$25,000 homestead deduction, your taxes are calculated on only \$275,000. If taxes are roughly 2% of the assessed value, then taxes on your home would be \$5500, saving you roughly \$500 per year over not being homesteaded.
- **Your assessed value can only go up a max 3% per year, regardless of what your property is worth**
Each year, the Property Appraiser’s office can only increase the assessed value of your home by a maximum of 3% (called the “cap”). This does not mean your actual *taxes* can only go up 3%, it means the number your taxes are *calculated on* can only go up 3%. For example, if one year your house is assessed at \$300,000, the following year it can only be assessed at \$309,000 (3% more), even if its market value is well over \$500,000 or more! At a 2% tax rate, taxes on \$309,000 are about \$6500, where taxes on \$500,000 would be about \$10,000! – That’s \$3500 more without the Save Our Homes cap!

The Proposed “Super Exemption” Plan

Is the Super Exemption better? That depends on your individual situation and the value of your property, which is why the legislature has included in their proposal the option for you to CHOOSE which plan you want. If the plan passes, and you want to stick with Save Our Homes, you still can, but if you want to transition to the Super Exemption, you have that option. Just know, once you transition – you can’t go back!

The “Super Exemption” would basically work like this:

- **The 3% cap on your assessed value from Save Our Homes would go away**
- **The \$25,000 deduction off your assessed value would go away**
- **Taxes would now be calculated in two “tiers” as a percentage of your market value, as determined by the Property Appraiser’s Office, as follows:**
 - 75% of your home's first \$200,000 in market value would be exempt from property taxes.
 - If the market value of your property is greater than \$200,000, then 15% of the amount from \$200,000 - \$500,000 would be exempt. Any value over \$500,000 is not exempt.
 - Taxes are calculated on the taxable value that results from subtracting the total exemptions from the property’s market value.

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Market Value – Total Exemptions = Taxable Value

Example:

Assume your property has a market value of \$500,000

75% exemption on first \$200,000 = \$150,000

15% exemption on the next \$300,000 = \$45,000

Total homestead exemption = \$150,000 + \$45,000 = \$195,000

Total taxable value = \$500,000 - \$195,000 = \$305,000. Taxes are calculated on \$305,000.

If the tax rate is 2%, taxes on \$305,000 would be \$6100.

**Please note: For illustration purposes, I am using a tax rate of 2% in the examples. Your actual tax rate may be more or less than 2%.*

It's important to determine if this formula will work better for you than staying with the current Save Our Homes amendment. Remember, if it passes and you switch, you can't switch back! Fortunately, the Property Appraiser's office has developed a dynamic online calculator that allows you to see the potential benefit, under each plan, for your specific property, for 20 years into the future.

Online Tax Plan Comparison Calculator

To see the online tax plan comparison calculator in action, follow these steps:

1. Go to the Property Appraiser's website at <http://www.pbcgov.com/papa> and click on "Record Search" on the left hand side.

Property Appraiser, Palm Beach County, Florida, USA - Windows Internet Explorer

http://www.pbcgov.com/papa/index.htm

Property Appraiser, Palm Beach County, Florida, USA

Gary R. Nikoiti, CFA Property Appraiser's Public Access System PAPA

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Save Our Homes

Senior Corner

Welcome to the Palm Beach County Property Appraiser's Office "We Value Our Community"

Welcome to PAPA, the Palm Beach County Property Appraiser's Web site. Everything you want to know about property values in Palm Beach County and our office is at your fingertips.

PAPA stands for Property Appraiser Public Access. We designed PAPA to make your research quick and easy, and even fun. As your Property Appraiser, I believe you have the right to know how your property is appraised and PAPA is the fastest way to access your property information. PAPA also provides quick links to other government agencies in Palm Beach County, such as taxing authorities, the Tax Collector's Office and the Clerk of Courts.

Property Appraiser News

TAXABLE VALUE CALCULATOR NEW

Homestead Denial Notices NEW

Homestead Exemption Update NEW

Late File Petitions

SAVE OUR HOMES PORTABILITY

PORTABILITY PETITION HERE

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Property Appraiser Calendar

Sept. 14, 2007

July 30, 2007

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- Click on the “Address” radio button and type in your property address. Click the “Search” button.

The screenshot shows the 'General Property Search' page of the PAPA system. At the top, it identifies Gary R. Nikolits, CFA as the Property Appraiser for Palm Beach County. The search options include Owner, Subdivision, Address (selected), P.C.N., and O/R Book/Page. The address fields are filled with: Street No: 12345, Pre Direction: a dropdown menu, Street Name: Jupiter Farms (marked as a required field), Suffix: RD, and Post Direction: a dropdown menu. There are 'Additional Filters', 'Search', and 'Clear' buttons, along with a 'Help' link.

- Once you're into your property tax record, click on the “Taxable Value Calculator” button in the upper right hand corner.

The screenshot displays the 'Property Information' section. It lists the following details: Location Address: 12345 Jupiter Farms Rd (Example), Municipality: UNINCORPORATED, Parcel Control Number: 00-41-41-14-00-000-0000, Subdivision: Official Records Book: 14-41-41, Page: 1, Sale Date: Nov-1999, and Legal Description: 14-41-41, W 1/2 OF ELY 1/3 OF S 1/4 OF SE 1/4 OF SE 1/4. On the right side, there are buttons for 'View Map' and 'Taxable Value Calculator'.

- Your current market value and assessed value will be pre-filled. Click the “Calculate” button.

The screenshot shows the 'Exemption Calculator' form. It contains the following pre-filled information: Owner Name: Smith John, PCN Number: 00-41-41-14-00-000-0000, Location Address: 12345 Jupiter Farms Rd (Example), Market Value: \$577,188, and Assessed Value: \$311,941. The Real Estate Appreciation Rate is set to 5%. There is a 'Calculate' button and a link for 'What is this?'. The 'Exemptions Included Are' section has 'HX' checked. At the bottom, there are buttons for 'Disclaimer', 'Print', and 'Close'.

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5. The comparison between sticking with the existing Save Our Homes plan and switching to the proposed “Super Exemption” (called the “two-tiered exemption” on this website) appears.

Exemption Calculator

Owner Name:

PCN Number:

Location Address:

Market Value:

Assessed Value:

Real Estate Appreciation Rate: % [What is this?](#)

Exemptions Included Are: HX:

Year	TAXABLE VALUE Using 3% Cap (Save Our Homes)	TAXABLE VALUE Proposed Two-tiered Exemption
Year 1	\$286,941	\$382,188
Year 2	\$294,739	\$407,867
Year 3	\$302,733	\$434,854
Year 4	\$310,926	\$463,217
Year 5	\$319,324	\$493,023
Year 6	\$327,932	\$524,347
Year 7	\$336,755	\$557,266
Year 8	\$345,799	\$591,861
Year 9	\$355,069	\$628,216
Year 10	\$364,571	\$666,421
Year 11	\$374,310	\$706,571
Year 12	\$384,293	\$748,763
Year 13	\$394,525	\$793,101
Year 14	\$405,014	\$839,694
Year 15	\$415,764	\$888,657
Year 16	\$426,783	\$940,109
Year 17	\$438,078	\$994,177
Year 18	\$449,655	\$1,050,994
Year 19	\$461,521	\$1,110,698
Year 20	\$473,684	\$1,173,437

* The Save Our Homes option will always be more beneficial.

Using this calculator, you can see the potential benefit to your property under each plan going out 20 years. Play around with different appreciation rates and market values to see how the comparison changes.

I'd love to discuss your opinion on the new proposed tax plan. I've certainly got my own opinion! Shoot me an email and tell me what you think: Andrea@AndreaDiRico.com. And of course, if you know anyone looking to buy or sell in Jupiter Farms, please send them my way!

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