

To: Property Appraisers, Tax Collectors, Clerks of the Court, Boards of County Commissioners, Taxing Authorities, and Interested Parties
From: Property Tax Oversight Program
Date: June 21, 2019
Bulletin: PTO 19-02

**FLORIDA DEPARTMENT OF REVENUE
PROPERTY TAX INFORMATIONAL BULLETIN**

**Assessment of agricultural equipment unable to be used for at least 60 days
due to the effects of Hurricane Michael**

The 2019 Legislature enacted [chapter 2019-42](#), Laws of Florida, (HB 7123) effective July 1, 2019. Section 2 of the law creates section 193.4517, Florida Statutes, to provide that for the 2019 tax roll, tangible personal property owned and operated by a farm, farm operation, or agriculture processing facility located in Okaloosa, Walton, Holmes, Washington, Bay, Jackson, Calhoun, Gulf, Gadsden, Liberty, Franklin, Leon, or Wakulla County is deemed to have a market value no greater than its value for salvage if the tangible personal property was unable to be used for at least 60 days due to the effects of Hurricane Michael. This section applies retroactively to January 1, 2019.

The Department has prepared a suggested form that taxpayers may use as the 2019 application for the value classification. The filing deadline is August 1, 2019. The suggested form is posted on the [county forms page](#).

A second suggested form provides suggested language for a denial of the application for the property appraiser to use and send to the applicant. The suggested form is posted on the [county forms page](#).

If the property appraiser denies the value classification, the taxpayer can petition the value adjustment board. Taxpayers must complete and file *Petition to The Value Adjustment Board - Request for Hearing* (Form DR-486) with the value adjustment board clerk. The Department believes the value classification is a classification issue as described in s. 194.011(3), F.S., regarding filing value adjustment board petitions on classification issues.

The Department is providing a new temporary code to use for the 2019 tangible personal property (NAP) tax roll submission. Property appraisers from the affected counties should use 'Y' to record the value classification on hurricane damaged farm equipment. The Department has posted the updated [NAP Personal Property Exemption Codes](#) for the 2019 roll submittal list with additional information.

The new law provides:

193.4517 Assessment of agricultural equipment rendered unable to be used due to Hurricane Michael.—

(1) As used in this section, the term:

(a) “Farm” has the same meaning as provided in s. 823.14(3)(a).

(b) “Farm operation” has the same meaning as provided in s. 823.14(3)(b).

(c) “Unable to be used” means the tangible personal property was damaged, or the farm, farm operation, or agricultural processing facility was affected to such a degree that the tangible personal property could not be used for its intended purpose.

(2) For purposes of ad valorem taxation and applying to the 2019 tax roll only, tangible personal property owned and operated by a farm, farm operation, or agriculture processing facility located in Okaloosa, Walton, Holmes, Washington, Bay, Jackson, Calhoun, Gulf, Gadsden, Liberty, Franklin, Leon, or Wakulla County is deemed to have a market value no greater than its value for salvage if the tangible personal property was unable to be used for at least 60 days due to the effects of Hurricane Michael.

(3) The deadline for an applicant to file an application with the property appraiser for assessment pursuant to this section is August 1, 2019.

(4) If the property appraiser denies an application, the applicant may file, pursuant to s. 194.011(3), a petition with the value adjustment board which requests that the tangible personal property be assessed pursuant to this section. Such petition must be filed on or before the 25th day after the mailing by the property appraiser during the 2019 calendar year of the notice required under s. 194.011(1).

(5) This section applies retroactively to January 1, 2019.

The Department of Revenue has provided this bulletin for your general information. Please distribute to your staff who may be affected by the changes in the law. If you have questions about its contents, please send them to DORPTO@floridarevenue.com.

[Suggested Form] Instructions

The 2019 Florida Legislature enacted a law providing a value classification in agricultural equipment assessment value at no greater than salvage value because of damage or destruction by Hurricane Michael in 2018. To be eligible for the value classification, the TPP must be determined “unable to be used;” that is, the TPP was damaged, or the farm, farm operation, or agricultural facility was affected to such a degree that the TPP could not be used for its intended purpose for at least 60 days due to the effects of Hurricane Michael. The owner of the property must file an application with the property appraiser’s office by **August 1, 2019**.

According to Department guidelines, “salvage value” means the amount expressed in terms of money that may be expected for the whole property or a component of the whole property that is retired from service for use elsewhere. Salvage value can be distinguished from scrap value which is the amount expressed in terms of money that could be realized for the property if it were sold for its material content, not for a productive use.

Completed by applicant:

- If available, provide the TPP account number.
- List the agricultural equipment unable to be used for its intended purpose for at least 60 days due to Hurricane Michael in 2018 with an assessment value no greater than its salvage value. List the equipment as it appeared on your 2019 *Tangible Personal Property Tax Return* (Form DR-405).
- After completing this form, sign, date, and forward it to the property appraiser’s office in the county where the property is located.

If your application for value classification under s. 193.4517(4), F.S., is not determined satisfactorily, the Florida Property Taxpayer’s Bill of Rights recognizes your right to an informal conference with the local property appraiser. You may also file a petition with the value adjustment board clerk, pursuant to s. 194.011(3), F.S. Regardless of a scheduled informal conference with the property appraiser, petitions involving determinations on value classifications may be petitioned to the value adjustment board. Complete and file *Petition to The Value Adjustment Board – Request for Hearing* (Form DR-486) with the value adjustment board clerk (Form DR-486 is incorporated by reference in Rule 12D-16.002, F.A.C.).

[Suggested Form]
**NOTICE OF DISAPPROVAL OF APPLICATION FOR
FARM EQUIPMENT ASSESSMENT VALUE CLASSIFICATION DUE
TO HURRICANE MICHAEL DAMAGE**

County _____
Tangible Personal Property Account Number _____

To: _____

**YOUR APPLICATION FOR THE FARM EQUIPMENT VALUE
CLASSIFICATION WAS DENIED.**

THIS DENIAL IS Total Partial If partial, explain.

REASON FOR DENIAL OR PARTIAL DENIAL:

If you disagree with this denial, you may request an informal conference with the local property appraiser. You may also file an appeal with the county value adjustment board, according to sections 193.4517(4) and 194.011(3), Florida Statutes. Petitions involving denials of applications for agricultural equipment value classification are due by the 25th day following the mailing of the *Notice of Proposed Property Taxes* by the property appraiser.

Note to PA: This form has space to indicate if the denial is total or partial and space for "Reason for denial or partial denial." The form also advises of the right to appeal to the value adjustment board under section 194.011, F.S. The Department believes the value classification is a classification issue as described in s. 194.011(3), F.S., regarding filing value adjustment board petitions on classification issues.