



Value Adjustment Board

AGENDA

March 25, 2025

3:00 PM

Administration Building,

**4th Floor, BCC Meeting Room, 477 Houston Street,
Green Cove Springs, FL 32043**

I. Welcome

II. Approval of Minutes

Value Adjustment Board Meeting Minutes October 3, 2024.

III. Public Comment

IV. For information only: Decisions by the attorney for the Value Adjustment Board, Aaron Thalwitzer, Esq. regarding whether good cause was shown by petitioners for late filing. The VAB voted at its organizational meeting to authorize the attorney to make these determinations without a hearing as allowed by law. No action required on this agenda item.

V. Consideration of Exemption Special Magistrate Recommended Findings of Fact, and Conclusions of Law for timely filed petitions and those for which good cause for late filing was shown. All Real Property and Tangible Personal Property petitions which were timely filed were withdrawn prior to hearing.

a. Acknowledgement of all petitions:

- **2024 Value Adjustment Board Petitions - Disposition - Revenue:**
 - 1,907 Petitions Filed - 1,906 were Withdrawn
 - 1 Exemption Petition was heard by the Special Magistrate
- **Total Revenue received:**
 - \$28,620.00

b. Consideration of the Special Magistrates Recommendations:

- Exemption Petition:
 - 2024-0001 - Steven W. and Jane S. Conner Family Trust - Sweet Moody Road - 21-07-25-010640-002-04

VI. Certification of the 2024 Personal Property and Real Property Ad Valorem Assessment Rolls.

VII. Adjournment

In accordance with the Americans with Disabilities Act, any person needing a special accommodation to participate in this matter should contact the Clay County ADA Coordinator by mail at Post Office Box 1366, Green Cove Springs, FL 32043, or by telephone at number (904) 269-6347 no later than three (3) days prior to the hearing or proceeding for which this notice has been given. Hearing impaired persons can access the foregoing telephone number by contacting the Florida Relay Service at 1-800-955-8770 (Voice), or 1-800-955-8771 (TDD).



VAB Agenda Item
Tuesday, March 25 3:00 PM

ATTACHMENTS:

Description

- Value Adjustment Board Meeting Minutes October 3, 2024.



VALUE ADJUSTMENT BOARD

MEETING MINUTES

October 3, 2024, 3:00 PM
Administration Building,
4th Floor, BCC Meeting Room,
477 Houston Street,
Green Cove Springs, FL 32043

I. Call to Order:

Present: Commissioner District 3 James Renninger, Chairman
Commissioner District 1 Mike Cella, Vice-Chairman
School Board Representative Michele Hanson
Joseph Wiggins

Absent: Richard Klinzman

Staff Present: Clay County Clerk of Court and Comptroller, Tara S. Green
Clay County Clerk of Court and Comptroller CAO Rick Dingle
Deputy Clerk to the Board/VAB Specialist, Christine M. Blanchett

Chairman James Renninger called the meeting to order at 3:27 pm.

II. Consideration of appointment of Attorney to represent the Value Adjustment Board

Value Adjustment Board Attorney - Letter of Interest

Appointment can be seen at [www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value Adjustment Board/October 3, 2024](http://www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value%20Adjustment%20Board/October%203,%202024), beginning at 00:33 and ending at 5:25. Below is a summary of the discussion and vote.

Tara S. Green, Clerk of Court and Comptroller, addressed the Board to provide information regarding the letter of interest submitted by Aaron Thalwitzer to serve as the VAB Attorney.

Chairman James Renninger recapped Mr. Thalwitzer's credentials and experience.

Aaron Thalwitzer, Esquire, was in attendance and available for questions from the Board.

Michele Hanson made a motion or approval to appoint Mr. Thalwitzer as the VAB Attorney, seconded by Joseph Wiggins—there questions and discussions regarding the rate of pay.

Michele Hanson amended her motion to include the hourly rate of \$225 per hour, plus

mileage reimbursement, seconded by Joseph Wiggins, which carried 4-0.

III. Introduction of the Value Adjustment Board Members and Board Clerk

a. 2024 Value Adjustment Board Members and Clerk Contact Information

Introductions can be seen at [www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October 3, 2024](http://www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October%203,%202024), beginning at 5:42 and ending at 7:47. Below is a summary of the discussion.

Tara S. Green, Clerk of Court and Comptroller, addressed the Board to provide information regarding the process and procedures for the VAB and to introduce the Value Adjustment Board Members and Board Clerk as required and recognized Clay County Property Appraiser Tracy Drake.

Value Adjustment Board Members and Clerk:

- Chairman - Commissioner James Renninger
- Vice-Chairman - Commissioner Mike Cella
- BCC Citizens Member - Richard Klinzman
- School Board Member - Michele Hanson
- School Board Citizen Member - Joe Wiggins
- VAB Attorney - Aaron Thalwitzer
- Clerk to the VAB - Clerk of Court and Comptroller - Tara S. Green
- Clerk Board Records Department Manager - Rick Dingle
- Deputy Clerk to the VAB - Christine M. Blanchett

IV. Selection of Special Magistrates for the Value Adjustment Board.

a. Selection of Special Magistrates for the Value Adjustment Board.

Contracts:

James Toro - Real Property

Alexander Ruden - TPP

Paul Sanders - Exemptions

Magistrate Selection can be seen at [www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October 3, 2024](http://www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October%203,%202024), beginning at 7:56 and ending at 9:32. Below is a summary of the discussion and vote.

Tara S. Green, Clerk of Court and Comptroller, addressed the Board to provide details and information regarding the Special Magistrates for the VAB as listed above.

There were comments, questions, and discussions regarding the reappointment of all three Special Magistrates and clarification for representation by each magistrate, as mentioned above.

Joseph Wiggins made a motion for approval to reappoint all three Special Magistrates, seconded by Vice-Chairman Mike Cella, which carried 4-0.

V. Statutory Requirement: Role of VAB and Discussion regarding Florida's property tax system, the roles of the Property Appraiser, Tax Collection, Clerk and Petitioner, opportunities for taxpayers to participate in the system, property tax rights.

- Compliance with statutory requirement special magistrates and board members, Rule 12D-9, F.A.C., containing uniform rules and procedures for hearings before value adjustment boards and special magistrates (if applicable), and the associated form that have been adopted by the department. Materials located online at: www.clayclerk.com/value-adjustment-board/links.
- Compliance with statutory requirement special magistrates and board members, Rule Chapter 12D-10, F.A.C., containing the rules have been adopted by the department. Materials located online at: www.clayclerk.com/valueadjustmentboard/links.
- Compliance with statutory requirement special magistrates and board members the requirements of Florida's Government in the Sunshine/Open Government laws including information on where to obtain the Government-In-The-Sunshine manual; Materials located online at: www.clayclerk.com/value-adjustment-board/links.
- Compliance with statutory requirements special magistrates and board members, Rules 12D-51.001, 12D-51.002 and 12D-51.003, F.A.C., and chapter 192 through 195, F.S., as reference information containing the guidelines and statues applicable to assessments and assessment administration; Materials located online at: www.clayclerk.com/value-adjustment-board/links.

Statutory Requirements can be seen at [www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October 3, 2024](http://www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October_3_2024), beginning at 9:33 and ending at 14:30. Below is a summary of the discussion.

Tara S. Green, Clerk of Court and Comptroller, addressed the Board to provide details and information regarding the statutory requirements that the Value Adjustment Board makes available to the public, such as certain materials mentioned above. The materials can be found at www.clayclerk.com/value-adjustment-board/links.

Tracy Drake, Clay County Property Appraiser, and Aaron Thalwitzer, VAB Attorney, addressed the Board to provide information and details regarding the role of all parties involved in the process.

- CCPAO
- CCTC
- VAB
- Petitioner/Tax Payer

There were questions and discussions regarding petitions filed, late-filed petitions, and increase in filings since 2023.

- VI. Statutory Requirement: Discussion regarding the tentative schedule for the Value Adjustment Board taking into consideration the number of petitions filed, the possibility of the need to reschedule, and the requirement that the Board stay in session until all petitions have been heard.

Tentative Hearing discussion can be seen at www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October 3, 2024, beginning at 14:38 and ending at 20:32. Below is a summary of the discussion and vote.

Tara S. Green, Clerk of Court and Comptroller, addressed the Board to provide details and information regarding the tentative schedule for the Value Adjustment Board, taking into consideration the number of petitions filed. The Board must stay in session until all petitions have been heard/resolved. There must be a proposal of at least two weeks for potential hearings. One for a primary week and one for backup/rescheduled hearings.

There were questions and discussions regarding the number of petitions withdrawn (24).

Tracy Drake, CCPAO, addressed the Board to provide information for the number of types of petitions filed and offer a recommendation for setting the dates to hear petitions.

- Personal Property - 27
- Exemptions - 7
- Real Property - 1,873

Dates for Hearings:

- Two Weeks for Initial Hearings - January 28 - 30 and February 4 - 6, 2024
- One Week for Back-up/Rescheduled - February 11 - 13, 2024

Following all discussions, Vice-Chairman Mike Cella made a motion for approval of the schedule as suggested, seconded by Michele Hanson, which carried 4-0.

- VII. Acknowledgment and Approval of the Resolution Directing the Property Appraiser to Extend and Certify the 2024 Real Property and Tangible Personal Property Ad Valorem Tax Rolls.

Extension of the 2024 Tax Roll can be seen at www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/VAB/October 3, 2024, beginning at 20:35 and ending at 21:45. Below is a summary of the discussion and vote.

Tara S. Green, Clerk of Court and Comptroller, addressed the Board to provide details regarding the need to acknowledge and approve the Resolution extending the 2024 Real Property and Tangible Personal Property Ad Valorem Tax Roll.

Joseph Wiggins made a motion for approval, seconded by Vice-Chairman Mike Cella, which carried 4-0.

VIII. Approval of Initial Certifications of the Value Adjustment Board for the 2024 Real Property and Tangible Personal Property Ad Valorem Tax Rolls.

Initial Certifications can be seen at [www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October 3, 2024](http://www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October%203,%202024), beginning at 21:46 and ending at 22:55. Below is a summary of the discussion.

Tara S. Green, Clerk of Court and Comptroller, addressed the Board to provide details and information for the request of approval of the initial certifications of the VAB for 2024 Real Property and Tangible Personal Property Ad Valorem Tax Roll.

Michele Hanson made a motion for approval, seconded by Vice-Chairman Mike Cella, which carried 4-0.

IX. Adoption of the Resolution for the Filing Fee for Petitions - \$15.00

Filing Fee can be seen at [www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October 3, 2024](http://www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October%203,%202024), beginning at 22:55 and ending at 26:57. Below is a summary of the discussion and vote.

Tara S. Green, Clerk of Court and Comptroller, addressed the Board to provide details and information for the request to adopt the maximum fee allowed of \$15.00 for the VAB filing fee, which has been in place since 1984.

Joseph Wiggins made a motion for approval, seconded by Vice-Chairman Mike Cella. Comments and discussions were had about presenting the issue to legislators and submitting a letter to the delegation asking for an amendment to increase the fee, as done by Duval County and Volusia County. The motion carried 4-0.

Following all discussions regarding submitting a letter to the delegation for an increase in the filing fee, Michele Hanson made a motion for approval of the letter, seconded by Joseph Wiggins, which carried 4-0.

X. Adoption of Clay County Value Adjustment Board Local Administrative Procedures.

Local VAB Procedures can be seen at [www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October 3, 2024](http://www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October%203,%202024), beginning at 26:58 and ending at 31:51. Below is a summary of the discussion and

vote.

Tara S. Green, Clerk of Court and Comptroller, addressed the Board to provide details and information regarding the request to adopt the local VAB administrative procedures. These procedures have not been updated or changed since 2012.

There were questions and discussions regarding updates to the procedures, timeframe, and review of the procedures by the VAB Attorney.

Following all discussions, Vice-Chairman Mike Cella made a motion for approval to have the VAB Attorney review the local administrative procedures, seconded by Joseph Wiggins, which carried 4-0.

XI. Discussion Regarding the Process for Filing Petitions and Making Payments Electronically.

Electronic filing discussion can be seen at [www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October 3, 2024](http://www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October%203,%202024), beginning at 31:55 and ending at 34:37. Below is a summary of the discussion.

Tara S. Green, Clerk of Court and Comptroller, addressed the Board to provide details and information regarding the process for filing petitions. In 2021, there was an implementation of submitting petitions and payments electronically.

There were questions and discussions regarding requiring petitions to be filed electronically and payment issued for the 1,561 paper petitions submitted.

XII. Discussion for Holding Hearings Utilizing Telephonic or Electronic Means.

Telephonic/Electronic hearings can be seen at [www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October 3, 2024](http://www.claycountygov.com/government/clay-county-tv-and-video-archive/committees/Value-Adjustment-Board/October%203,%202024), beginning at 34:40 and ending at 36:19. Below is a summary of the discussion and vote.

Tara S. Green, Clerk of Court and Comptroller, addressed the Board to provide information regarding the procedure/process for holding hearings by telephone or electronic means. In previous years, it has been at the discretion of the Special Magistrate.

Following a brief discussion regarding holding hearings using electronic or telephonic means, Michele Hanson made a motion for approval to leave the decision at the Special Magistrates discretion, seconded by Vice-Chairman Mike Cella, which carried 4-0.

XIII. Adjournment

Hearing no further business, Chairman James Renninger adjourned the meeting at 4:04 pm.

Attest:

Tara S. Green

Clay County Clerk of Court and Comptroller
Ex Officio Clerk of the Board

Chairman or Vice-Chairman



VAB Agenda Item
Tuesday, March 25 3:00 PM

ATTACHMENTS:

Description

- Special Magistrates Recommendations



DECISION OF THE VALUE ADJUSTMENT BOARD
VALUE PETITION

DR-485V
R. 11/23
Rule 12D-16.002 F.A.C.
Eff. 11/23

Clay County

The actions below were taken on your petition.

[X] These actions are a recommendation only, not final [] These actions are a final decision of the VAB

If you are not satisfied after you are notified of the final decision of the VAB, you have the right to file a lawsuit in circuit court to further contest your assessment. (See sections 193.155(8)(l), 194.036, 194.171(2), 194.181, 196.151, and 197.2425, Florida Statutes.)

Petition # 2024-0001 Parcel ID 21-07-25-010640-002-04
Petitioner name STEVEN CONNER
The petitioner is: [] taxpayer of record [] taxpayer's representative
[X] other, explain: TRUSTEE OF OWNING TRUST
Property address 6022 SWEET MOODY ROAD
GREEN COVE SPRINGS,
FLORIDA 32043

Decision Summary [X] Denied your petition [] Granted your petition [] Granted your petition in part

Table with 4 columns: Value Lines 1 and 4 must be completed, Value from TRIM Notice, Before Board Action Value presented by property appraiser Rule 12D-9.025(10), F.A.C., After Board Action. Rows include Just value, Assessed or classified use value, Exempt value, and Taxable value.

*All values entered should be county taxable values. School and other taxing authority values may differ. (Section 196.031(7), F.S.)

Reasons for Decision Findings of Fact See Attachment
Conclusions of Law See Attachment

[X] Recommended Decision of Special Magistrate Finding and conclusions above are recommendations.

Signature, special magistrate M. PAUL SANDERS 2/26/2025
Signature, VAB clerk or special representative Christine M. Blanchett 2/26/2025

If this is a recommended decision, the board will consider the recommended decision on 3.25.2025 at 3:00 pm
Address 477 Houston Street, Green Cove Springs, Florida, 32043 - 4th Floor

[] Final Decision of the Value Adjustment Board

Signature, chair, value adjustment board Print name Date of decision
Signature, VAB clerk or representative Print name Date mailed to parties

THE VALUATION ADJUSTMENT BOARD
OF
CLAY COUNTY, FLORIDA

Hearing Date February 10, 2025

Petition 2024-0001

Parcel # 27-07-25-010640-002-04

**SPECIAL MAGISTRATE RECOMMENDATION TO THE
VALUE ADJUSTMENT BOARD**

Petitioner seeks review of computation and application of the Homestead exemption in relation to other exemptions applied to the same parcel, including Agriculture and Conservation Easement exemptions.

Parties present were: The Petitioner; The Clay County Property Appraiser; The Attorney for the Clay County Property Appraiser; the Board Clerk, The Board Attorney, and the Special Magistrate.

RELEVANT PROCEDURAL HISTORY

Regarding the 2022 assessment, the Petitioner sought review of the Value Adjustment Board to determine the boundary of the homestead property versus the Agricultural and Conservation Easement classifications (and exemptions) that pertained to the 274.6 total acre parcel. It was determined that the homestead portion of the 274 acres consisted of one acre of land which contains the house and curtilage of the house. It was further determined that Agricultural and Conservation Easements did not apply to the homestead acre. This decision of the Special Magistrate was not approved by the Value Adjustment Board because of the recommendation's failure to state the proper standard of review. However, the Petition was denied by the Value Adjustment Board. The Petitioner filed an action in Circuit Court to have the issue reviewed judicially. The Circuit Court action was dismissed for reasons unknown to the Special Magistrate, and no ruling was issued by the Circuit Court.

Regarding the 2023 assessment, the Petitioner sought review of the Value Adjustment Board to determine whether a conservation exemption (50% reduction of assessed value) could be applied to the homestead acre containing the house and curtilage in addition to the homestead protections and exemptions afforded by homestead. There was a jurisdictional issue because in the prior year, an application for homestead effectively removed the Conservation classification, and the Petitioner had not re-applied for a new Conservation classification for the 2023 tax year. For this reason, there was no basis for the Property Appraiser to consider a Conservation Easement reduction for 2023. The Special Magistrate ruled that the Petition was denied for lack of jurisdiction, but the Petitioner could proceed in Circuit Court. Regardless of the denial, the Special Magistrate explained his interpretation of the statutes and arguments presented, merely because the issue was likely to return for the 2024 assessment year. In that explanation, the

Special Magistrate favored the Property Appraiser's interpretation, summation, and application of appropriate law.

Since last year's VAB hearing, the Petitioner has filed an action in Circuit Court regarding the 2023 assessment. This litigation is pending in Circuit Court, but will not affect the ruling of the VAB on any 2024 assessment issues.

FINDINGS OF FACT

The subject parcel consists one acre of a larger tract (274.6 acres, more or less). The parcel is subject to a perpetual Conservation Easement as recorded in Clay County Official Records Book 3607, Pages 33-58. This Easement was established in December, 2013 to an area larger than the subject parcel, but includes the subject parcel. The Petitioner purchased the subject parcel March 9, 2017, naming as owner(s) The Steven W. and Jane S. Conner Family Trust. Prior to ownership of the family trust, the land was used for timber production and did not contain any structures, residences, or other improvements. On May 17, 2017, the trustees filed an *Application and Return for Agricultural Classification of Lands* for the use of the entire unimproved parcel as timberland. This application was approved and applied to the 2018 assessment. On May 15, 2018, the trustees filed an application for exemption for *Real Property Dedicated in Perpetuity for Conservation*. It was determined that the parcel was in a Conservation Easement which also allows use for "allowed commercial purposes". A Conservation Easement exemption was also applied to the 2018 assessment with the entire parcel receiving an exemption equal to 50 % of the total assessed value.

The trustees constructed a residential home on the subject parcel with building permits issued August 1, 2018, followed by a Certificate of Occupancy on November 18, 2019. The home is a single- family detached improvement consisting of 7,142 square feet, with a (then) valuation at \$700,000. This new residence was added to the 2020 assessment. On February 4, 2020, the trustees filed an Original Application for Ad Valorem Tax Exemption for the 2020 assessment year. This included a request for Homestead exemption and transfer of Homestead transfer difference from a prior Homestead. Trust language and other relative factors were considered and accepted by the Property Appraiser and the Homestead exemption was approved for the 2020 assessment (and thereafter, automatically renewing each year).

Although the issue of whether the Conservation Easement 50% reduction to assessed value applies to the homestead has been argued in prior tax years, it has never been granted by the Property Appraiser. The one acre and residence remains separately assessed apart from the remaining 273.6 acres surrounding the residence. The Petitioner submitted an application for Conservation Easement classification and exemption for the 2024 assessment year for the one acre containing the house and its curtilage. The Property Appraiser permitted the homestead and assessed the one acre and home, but did not apply the Conservation Easement classification or exemption (50% reduction) to the 2024 assessment. The Petition seek review of this denial of the Conservation Easement Classification for that acre and residence.

THE PROPERTY APPRAISER'S ARGUMENT

The 2024 assessed value for this parcel only includes the value of the homestead without any agricultural or conservation easement exemptions applied to that acre.

The reason for excluding the Agricultural classification from the homestead assessment is because it is necessary to separate the residence from the agricultural land due to the use of land for agricultural timber growth is a "commercial purpose" versus the "residential purposes" used for the house and 1.0 acre. Homestead Exemption, as defined by the Florida Constitution, does not permit a Homestead to exist on a commercial purpose property. The relevant statute is as follows:

Section 196.012, F.S. – "for the purpose of this chapter, the following terms are defined as follows, except where the context clearly indicates otherwise:... (13) 'real estate used and owned as a homestead' means real property to the extent provided in s. 6(a), Art. VII of the State Constitution, but less any portion thereof used for *commercial purposes*, with the title of such property being recorded in the official records of the county in which the property is located..."

For assessment of the Homestead, the Property Appraiser relies on §193.155 (*Save Our Homes Act*). In particular, §193.155(6) states:

"Only property that receives a Homestead exemption is subject to this section. No portion of property that is assessed solely on the basis of character or use pursuant to §193.461 (*Agricultural Exemption*), or §193.501 (*Conservation Easement Exemption*), or assessed pursuant to §193.505 (*Historical Exemption*), is subject to this section. When property is assessed under §193.461, or §193.501, or assessed pursuant to §193.505 and contains a residence under the same ownership, the portion of the property consisting of the residence and curtilage must be assessed separately, pursuant to §193.011, for the assessment to be subject to the limitation in this section." (*emphasis added*)

Thus, when a residence is situated on agricultural land, the assessed value of the home cannot include any agricultural use or conservation use, meaning that exemptions for those uses cannot be applied to value. This is further defined by §193.461(3)(d) which states:

"when property receiving an agricultural classification contains a residence under the same ownership, the portion of the property consisting of the residence and curtilage must be assessed separately, pursuant to §193.011 (Factors to consider in deriving just valuation), to qualify for the assessment limitations set forth in §193.155 (Homestead assessments)."

Also, §193.461(3)(b) states:

"...only lands that are used primarily for bona fide agricultural purposes shall be classified as agricultural. The term 'bona fide agricultural purposes' means a good faith commercial agricultural use of the land."

Conservation Easements are governed by §196.26. Therein, Subsection (6) states as follows:

“buildings, structures, and other improvements situated on land receiving the (conservation) exemption and the land immediately surrounding the building, structures, and improvements must be assessed separately pursuant to §193. However, structures and other improvements that are auxiliary to the use of the land for conservation purposes are exempt to the same extent as the underlying land.”

The property Appraiser further argues that when applying §196.26(6) together with §193.155, even if auxiliary to the Conservation Easement purposes, such residence cannot be considered part of the Conservation Easement because an application for homestead has been applied to the residential portion of the land. This changes the use of the land and makes the argument of “auxiliary purpose” irrelevant for valuation. It is important to note that the Property Appraiser disagrees with the residence being auxiliary to the use of the land because it is not being used for a “commercial purpose”. The Conservation Easement language even states that and residence built on the Conservation Easement must be a “non-commercial” structure.

The Property Appraiser further argues that the Florida Department of Revenue (DOR) has a Property Tax Oversight (PTO) program that annually produces “Tax Roll Production, Submission, and Evaluation Standards”, governed by §193.114 F.S. Annually, the program publishes data field layouts, exemption code lists, and edit guides for assessment roll submittals. Each Property Appraiser in the State will have their assessment roll analyzed by the PTO to verify the accuracy and validity of the tax roll. Any discrepancy located by the PTO must be corrected by the Property Appraiser before the tax roll can be approved. The Code entry used to identify this one-acre as a conservation easement is “Code 37”. When programmed to reflect the conservation easement, the system creates a “Level 2 Edit” stating, “receiving exemption 37 where the exemption is greater than 50% of the assessed land value.” Due to this audit conflict, conservation easement of a homestead property is not permitted. This would be true for any county in the State.

The resulting calculation for total assessed value according to the Property Appraiser is \$374,902 for all lands and the homestead being valued separately without the Conservation Easement 50% reduction.

THE PETITIONER’S ARGUMENT

Pursuant to §196.26(6), the house is “auxiliary” to the use of the land as a Conservation Easement. This relies on the language of the Conservation Easement as originally established and recorded in the Official Records of the County. Petitioner cites the Conservation Easement which states:

“WHEREAS the Grantor and the Grantee [St. Johns River Water Management District] recognize the natural, scenic and special character of the Property and have a common purpose of conserving certain natural and agricultural values and character of the Property by conveyance of a Perpetual Conservation Easement... on, over, and across the

Property, which shall conserve the value, rural and agricultural character, ecological integrity and hydrological integrity of the Property, conserve and protect the animal and plant populations on the Property and prohibit certain further development activity on the Property...” and,

“Section III. Grantor reserves in perpetuity, and reserves for its successors and assigns in perpetuity, the following reserved rights, which may be exercised at any time (subject to notice requirements described) ...

3. Subdivisions, Buildings and Improvements

a) Each subdivided parcel may have one residential homesite, allowing for a total of 6 new residential homesites. Alteration shall be limited by the following:

i) Each parcel contain a maximum of 25,000 square feet of non-commercial rooftop including the residential home, ...”

The Petitioner argues that his residential home is under 25,000 square feet (at 7142 square feet) and qualifies under the language of the Conservation Easement to be a stated and included purpose of the Easement. Thus, the residence is “auxiliary” as required by §196.26(6). An example of this was the Petitioners intention to use the residence to assist with his care and maintenance of the Easement lands.

The Petitioner also argues that §196.031 defines homestead as “the residence and contiguous real property” meaning that all land owned by the Conservation Easement that is contiguous to the residential structure must be considered for homestead. The Petitioner asserts that a Homestead Classification may also include historic land, agriculture land, and conservation easement land, citing as follows:

“(1)(a) A person on, January 1, has the legal title or beneficial title in equity to real property in this state and who in good faith makes the property his or her permanent residence or the permanent residence of another or others legally or naturally dependent upon him or her, is entitled to an exemption from all taxation, except for assessments for special benefits, up to the assessed valuation of \$25,000 on the residence and contiguous real property, as defined in Section 6, Art. VII of the State Constitution...

(1)(b) Every person who qualifies to receive the exemption provided in paragraph (a) is entitled to an additional exemption of up to \$25,000 on the assessed value greater than \$50,000 for all levies other than school district levies...

(5) For the purpose of applying the exemptions of this section, the real property includes portions of the real property and contiguous real property assessed solely on the basis of character or use pursuant to §193.461 (Agriculture), §193.501 (Conservation Easement), or §193.505 (Historical).”

The Petitioner relied on PTO Bulletin 22-03 which explains and provides examples and calculations for the application of §196.031(5) which took effect July 1, 2022. The Petitioner believes this explanation by the PTO provides evidence that a homestead classification and exemptions can be and should be applied to property which already has the specified classifications in addition to the exemptions afforded by those classifications.

The Petitioner's mathematics calculated the Homestead by taking the assessed market value of the house and land (\$361,288 which includes all portability reductions), then subtracted \$25,000 twice for each homestead exemption then multiplied the result by half to get \$155,644. The homestead figure of \$155,644 was added to the agricultural and conservation easement values (\$63,614) to get \$219, 259.

CONCLUSIONS OF LAW

The question is of whether the Homestead acre should be assessed together with the Conservation Easement and thus entitled to receive a 50% Conservation Easement reduction on top of the Homestead exemption. The standard of review for this matter is preponderance of the evidence.

Florida Statutes are controlling in this issue. §196.031(1) does provide that a property owner is entitled to homestead classification if the use of the property meets the specified criteria, and that exemptions will apply as well as constitutional protections such as the *Save Our Homes Act* assessment caps and protections from claims of creditors. The word "contiguous" should not be expanded beyond its literal meaning. Contiguous means touching, and that is all. If a property owner decides to buy the lot next door, he or she can add that to their existing homestead. But, they cannot skip a lot in between and expect to get homestead on lots that do not touch. To declare that any land that is owned by the same owner and touches the homestead should be entitled to all homestead exemptions just because it is contiguous, while true, fails if the contiguous land has any other classifications, uses, or exemptions applied to those contiguous acres.

Regarding the auxiliary argument, the residence on the parcel at issue is used as a residence for the property owner and has been established by the Conservation Easement language to be permitted as part of the easement, and it must also be a "non-commercial" use. The residential structure and the acre it sits on are auxiliary to the purpose of the Conservation Easement because of the easement language. However, that acre and structure cannot be assessed as an agricultural acre pursuant to §193.461(3)(b) and §193.461(3)(d). None of this matters because an application for homestead has been approved for this acre and residence. The house and its acre is only entitled to a 50% reduction in value *if* the property owner never applied for homestead. When an application for homestead is approved, the classification of homestead requires an assessment as defined by 193.155(6), which requires the homestead and other classified uses be assessed separately. The other classified use exemptions do not apply to homestead. Thus, the Property Appraiser is correct that the term "auxiliary" is irrelevant for the homesteaded acre once an application for homestead is approved.

In 2022, §196.031(5) added a method to combine exemptions *after* separate assessments are made for any property that has multiple classifications applied to it. PTO Bulletin 22-03 gave examples and explained the mathematics stating:

Q. How do I calculate the homestead exemption for a parcel with classified use (classification as agricultural, conservation easement, or historical)?

A. Sum the homestead, agricultural use, conservation easement and historical classification assessed values of the homestead parcel; if the calculated assessed value is greater than \$50,000, the second exemption equals the amount above \$50,000 not to exceed an additional \$25,000.

The mathematics of the above formula benefits people who have lower total assessed values such that they would otherwise be losing benefit of the second \$25,000 homestead exemption merely because their classification reduced their total assessed value too low to qualify. When applied to *this* property, the mathematics show that the Petitioner would benefit more by accepting the taxable value provided by the Property Appraiser. The numbers are:


1	Total Just Value	\$1,629,527
2	Total Assessed Value	488,517
3	Homestead Assessed Value	361,288
4	Assessed Value of CE and Ag land	63,614
5	Assessed value app to HS Exempt	424,902
6	First HS Exempt	25,000
7	Second HS Exempt	25,000
8	Taxable Value	438,517

To compute - To get item 5, add item 3 + item 4; To get item 7 = item 5 - \$50,000 = 374,902 (this is greater than \$25,000, thus \$25,000); Item 6 will be = \$25,000 because it is the first exemption; Item 8 will be = item 2 – item 6 – item 7

The mathematics used by the Petitioner are incorrect. Neither the Florida Statutes nor the PTO Bulletin state to use the calculation methods performed by the Petitioner. The Florida Statutes are clear that the homestead must be valued separately from the other use classifications. Once assessed values are determined separately, they *may* be combined into the PTO equation, which may or may not provide an advantageous result for a property owner. In this case. The Property Appraiser’s original assessment of \$374,902 was more favorable to the taxpayer than the PTO equation result of \$438,517.

RECOMMENDATION TO THE VALUE ADJUSTMENT BOARD

I recommend that Petition 2024-0001 be **DENIED**.



 M. PAUL SANDERS, Special Magistrate

The Recommendation of the Special Magistrate is hereby adopted by decision of the Clay County Value Adjustment Board this _____ day of _____, 2025.

 CHAIRMAN, Value Adjustment Board