

1
2 **FLORIDA DEPARTMENT OF REVENUE**

3 **PROPERTY TAX OVERSIGHT**

4 **PUBLIC MEETING**

5
6
7 **MAY 13, 2025**

8 **10:00 A.M. - 10:54 A.M.**

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13 **BREVARD COUNTY GOVERNMENT CENTER**

14 **2725 JUDGE FRAN JAMIESON WAY**

15 **BUILDING C - 3RD FLOOR (FLORIDA ROOM)**

16 **VIERA, FLORIDA**

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23 **Reported By:**

24 **Cindy R. Green, Court Reporter**
25 **Notary Public, State of Florida**

MEMBERS PRESENT:

JENNA HARPER, COMPLIANCE ASSISTANCE PROCESS MANAGER
JENNIFER ROSENZWEIG, SENIOR REVENUE ADMINISTRATOR
WALTER SACKETT, REVENUE PROGRAM ADMINISTRATOR
MICHAEL PARAMORE, COMPLIANCE DETERMINATION PROCESS
MANAGER
MICHAEL WILLIAMS, REGIONAL MANAGER
ROBERT TRAMPE, REGIONAL MANAGER
MARK HAMILTON, DOR GENERAL COUNSEL
RACHEL GOLDSTEIN, CHIEF LEGAL COUNSEL

OTHER PARTIES PRESENT:

CINDY R. GREEN, COURT REPORTER
NICHOLAS MAU
JEFFREY L. MANDLER, ESQUIRE (VIRTUAL)
JULIE M. SCHWARTZ, ESQUIRE (VIRTUAL)
DAN WOLFE, ESQUIRE (VIRTUAL)
BRADLEY TENNANT, ESQUIRE (VIRTUAL)
VARIOUS OTHER PARTIES ATTENDED VIRTUALLY

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PROCEEDINGS

May 13, 2025

10:00 a.m.

(The May 13, 2025 Public Meeting was called to order, after which the following took place:)

MS. ROSENZWEIG: Good morning. My name is Jennifer Rosenzweig. I'm a Senior Revenue Administrator within Property Tax Oversight. I'll be the moderator for today's meeting. My role as moderator is to preside in a neutral fashion.

Today is May 13th, 2025. Staff from the Department are here today to receive comments on draft updates to the Florida Real Property Appraisal Guidelines. At this time, I would like staff to introduce themselves.

MR. HAMILTON: Mark Hamilton, General Counsel, Florida Department of Revenue.

MR. SACKETT: Walter Sackett, Revenue Program Administrator I, Department of Revenue.

MR. PARAMORE: Michael Paramore, Compliance Determination Process Manager.

MR. WILLIAMS: Michael Williams, North Regional Manager for Compliance Determination.

MR. TRAMPE: Robert Trampe, South Regional

1 Manager for Compliance Determination.

2 MS. HARPER: Jenna Harper, Compliance
3 Assistance Process Manager.

4 MS. ROSENZWEIG: This is a Public Meeting
5 scheduled in general conformity with the
6 requirements of Chapter 120, Florida Statutes,
7 in accordance with Sections 195.062 and 195.032,
8 Florida Statutes.

9 Although these Guidelines do not have the
10 force and effect of rules, in furtherance of
11 enhancing public trust and a collaborative
12 effort with interested parties, the Department
13 is holding this meeting to discuss the
14 amendments to the Florida Real Property
15 Appraisal Guidelines.

16 The Department published a notice of this
17 Public Meeting in the April 15th, 2025 edition
18 of the Florida Administrative Register, Volume
19 51, Number 73, Page 1384.

20 We've placed copies of the agenda and coded
21 version of the draft Guidelines on the counter,
22 to the side. For those attending via the
23 computer, the documents are available on the
24 Department's webpage at
25 floridarevenue.com/opengovt/pages/meetings.aspx.

1 To find the Department to find the
2 documents on the DOR website, begin at the DOR
3 homepage. On the left side, under Quick Links,
4 select the Public Meetings link, and then PTO
5 Public Meeting, 10:00 a.m., May 13th, 2025.

6 The agenda, coded Guidelines, clean
7 Guidelines, and the Summary of Changes are
8 provided.

9 For purposes of discussion during today's
10 meeting, we'll be referring to the coded version
11 under the May 13th, 2025 Public Meeting links.

12 I'll now ask Mark Hamilton to provide a
13 brief overview of the Department's vision of the
14 process for updating the Guidelines presented at
15 today's meeting.

16 MR. HAMILTON: The Florida Real Property
17 Appraisal Guidelines before you today are part
18 of the standard measures of value and authorized
19 by Sections 195.032 and 195.062, Florida
20 Statutes.

21 Pursuant to Section 195.062, Florida
22 Statutes, they must be adopted in general
23 conformity with the rulemaking procedures set
24 forth in Section 120.54, Florida Statutes.
25 However, by law, these Guidelines do not

1 establish the value of any property, do not have
2 the force or effect of rules, and are only to be
3 used to aid and assist county appraisers.

4 Prior to our last public meeting held on
5 November 20th, 2024, the Department received
6 comments pertaining to the Guidelines and
7 whether they constitute a rule. The Department
8 has continued to be very clear on this subject.
9 The Guidelines are not rules under the law.

10 The Department issued PTO Bulletin 10-23,
11 dated August 19th, 2010, addressing this very
12 issue, and advising that the applicable
13 provisions of Florida law clearly provide that
14 these Guidelines are not rules and do not have
15 the force or effect of law. The Department's
16 position on that issue is not changed.

17 Similar to the process that was followed
18 for the Department's updates to the Florida
19 Agricultural Classified Use Guidelines, the
20 Department is utilizing a robust public process
21 for updating these Guidelines. This includes
22 extensive opportunities for public input, both
23 in writing or in-person at Public Meetings like
24 the one being held today.

25 The Department has not pre-selected the

1 number of Public Meetings we intend to hold for
2 these Guidelines in the future. Throughout the
3 process, the Department has envisioned having as
4 many meetings as needed to determine that no
5 additional ones will further assist us for
6 updating these Guidelines.

7 The Department greatly appreciates the
8 comments and input received to date from the
9 public. I also want to specifically acknowledge
10 and thank Ms. Julie Schwartz for comments she
11 provided to the Department for these Guidelines
12 earlier this year. Those comments along with
13 any others received by the Department have been
14 posted to our website.

15 Due to a technical issue, Ms. Schwartz's
16 comments were not a part of the Department's
17 consideration with the draft Guidelines before
18 you today. I apologize to Ms. Schwartz for this
19 initial oversight. Ms. Schwartz provided
20 invaluable feedback to the Department during the
21 process, which resulted in our updates to the
22 Agricultural Classified Use Real Property
23 Appraisal Guidelines, and I assure her and
24 everyone else that the Department will carefully
25 review and consider her comments regarding these

1 Guidelines as part of any additional revisions
2 to the Guidelines that may be forthcoming.

3 Again, the Department appreciates the
4 public participating in today's meeting and look
5 forward to receiving any additional input to
6 assist us with the draft Guidelines that is
7 before you today.

8 The Department has subject matter team
9 members here to try to answer any questions you
10 may have regarding the draft, but we may not
11 have all the answers today. After today's
12 meeting, we will endeavor to follow up as needed
13 in order to address any outstanding questions or
14 issues on the Guidelines.

15 We appreciate your participation in this
16 process and want to make sure we consider all
17 issues that may be raised today or as part of
18 any written comments you may wish to submit.

19 MS. ROSENZWEIG: I'll now ask Jenna Harper
20 to explain the process that we will use for
21 taking comments on the agenda items.

22 MS. HARPER: There are three options for us
23 to take comments on the items listed on the
24 agenda.

25 One, if you are attending this meeting

1 using your computer in Go To Webinar, raise your
2 hand using the icon on the Grab Tab, which is on
3 the left of your Control Panel, and we will
4 address you when it's your turn to speak.

5 Please state your name and whom you
6 represent, and the court reporter will enter it
7 into the record along with your question or
8 comment.

9 If you experience difficulty, please use
10 the quick chat option to send me a message.

11 Number two, if you are attending this
12 meeting using the option Telephone with Audio
13 PIN and you have a question or a comment, please
14 send an email to dorpto@floridarevenue.com to
15 let me know you wish to speak. We will address
16 you by name and unmute your phone when it is
17 your turn to speak.

18 And option three, if you are using the
19 option Telephone with No Audio PIN, you must
20 email your question or comment directly to
21 dorpto@floridarevenue.com. Please use the
22 subject line May 13 meeting.

23 For the comment, add your name and whom you
24 represent in your email. We will read your
25 comment out loud and the court reporter will

1 enter it into the record.

2 As a reminder, please, if you are in the
3 room, turn off your phone or any cellphone
4 ringers or noise-making device.

5 Thank you.

6 MS. ROSENZWEIG: We will take comments on
7 each agenda item from anyone present or from
8 webinar and phone attendees. For anyone
9 present, please step up to the podium when you
10 want to speak on an agenda item.

11 For anyone using a computer, raise your
12 hand electronically as Jenna just described.

13 Please tell us your name and whom you
14 represent. We ask that you limit comments to
15 each topical agenda item currently open for
16 discussion in the drafts published and provided
17 online for the meeting.

18 Please hold all other general comments
19 until after we've discussed the agenda items.

20 I'll now present the draft Guidelines.

21 I'll summarize the proposed additional
22 changes within each section of the draft
23 Guidelines and then open that specific section
24 up for members of the public to provide comments
25 relevant to those proposed changes.

1 For purposes of this meeting, we will be
2 referencing the draft two coded version of the
3 Florida Real Property Appraisal Guidelines.

4 Note that the underlined language is new
5 language or moved from another section and
6 stricken language is language intended to be
7 removed or moved elsewhere in the draft
8 document.

9 Throughout the coded draft version two of
10 the Real Property -- Florida Real Property
11 Appraisal Guidelines, minor editorial changes
12 are highlighted in blue, while substantive edits
13 for clarity and consistency are highlighted in
14 yellow.

15 Beginning with section one titled
16 Introduction on page four. This has several
17 minor editorial changes for clarity and
18 consistency.

19 A sentence was added to Section 1.4. to
20 clarify these Guidelines do not address
21 appraising personal property or classified use
22 properties.

23 Are there any comments on the proposed
24 additional changes to Section 1?

25 MS. HARPER: Mr. Mandler, you may speak.

1 MR. MANDLER: Thank you. Good morning,
2 everyone, and good morning to everyone on
3 Computer Land. My name is Jeffrey Mandler. I'm
4 an attorney located in Miami, Florida.

5 With me today on the seminar or workshop is
6 my partners Julie Schwartz and Dan Wolfe. We'll
7 be presenting on different portions of the
8 Guidelines.

9 With regret, we have to say that we're
10 going to go over some of the changes. We were
11 unable to submit our comments in a timely
12 manner. And Mr. Hutchinson, thank you for
13 acknowledging it. And so some of my comments
14 are going to deal with the old draft, not just
15 the new draft. And we do have a little bit
16 more.

17 One of the reasons why is, you know, we are
18 all attorneys concentrating our practice in the
19 ad valorem area. And when the first notices
20 came out, they came out during what we call our
21 tax season when we're extremely busy handling
22 VAB hearings.

23 We've had the opportunity to look at them a
24 little bit closer, speak to some of our
25 colleagues in the profession, and get some

1 feedback. And so we're going to give you a
2 little bit more of an input than we did at the
3 last meeting.

4 In terms of Section 1, Mr. Hamilton, you
5 saw we had sent some statements. My comments
6 really deal with 1.1. It feels to me like
7 you're missing out on the most important thing
8 here. We had made a very technical comment in
9 paragraph 1.1. stating that the roles are valued
10 in accordance with departments of the
11 Constitution, but it's also statutes and case
12 law that you and the Department and property
13 appraisers are following. But more importantly,
14 we always consider the most important role of
15 the DOR is uniformity. And nowhere really do I
16 see in this first paragraph a comment about
17 that. And so my first recommendation -- and
18 again, I'm going to take another step back.

19 We look at these Guidelines more as
20 instructions for property appraisers rather than
21 an aid to us as taxpayers who are handling it.
22 And so the comments we're making are comments
23 we're making so that when we look at it, it
24 would be a young property appraiser who's new to
25 the profession and looking to these Guidelines

1 to really help them go forward and come up with
2 a fair and equitable assessment. And so a lot
3 of the comments we're going to be making are to
4 help clarify and guide the younger property
5 appraiser or older property appraiser who needs
6 an update on the law in this area.

7 And so that's going to be our focus today.
8 We hopefully will do it in a quick and efficient
9 manner. And that's my only first comment on
10 Section 1.

11 Thank you.

12 MS. HARPER: Thank you.

13 Are there any other people that would like
14 to speak or have a comment on Section 1? Please
15 raise your hand if you are on the webinar. (No
16 response.)

17 MS. ROSENZWEIG: Okay. Continuing to
18 Section 2 titled Foundational Principles. This
19 is on page seven. This section has several
20 minor editorial changes for clarity and
21 consistency.

22 Are there any comments on the proposed
23 additional changes to Section 2?

24 MS. HARPER: All right. Mr. Mandler?

25 MR. MANDLER: I am sorry to start. But

1 again, ma'am, we didn't have a lot of time to
2 really review this.

3 Most of the comments I'm going to make
4 right now were presented in the comments that we
5 submitted for the first round, but were
6 inadvertently not addressed.

7 One of the biggest issues with property
8 appraisers is uniformity and the application of
9 the eighth criteria. And so we had made
10 specific addresses here about how to apply the
11 eighth criteria. And what we tried to do is use
12 the special main -- excuse me -- the Special
13 Magistrate's training manual as guidance on
14 that.

15 And what is really important here is the
16 fact that the eighth criteria is really
17 different from the other factors. And there's
18 nothing in this section that really helps you
19 get there. And so what we think is required
20 here, again, for the reader who's reading
21 through this, trying to equate himself with
22 Florida law, is a specific finding of the
23 importance of the eighth criteria and a little
24 bit of the background. We made that in writing
25 to you. And so that we think is extremely

1 important.

2 But also important is in Section 2.1., the
3 second paragraph. I don't have numbers on this.
4 It reads Section 193.011, requires a property
5 appraiser -- I think you've missed an important
6 word there, which is to properly consider each
7 of these criteria.

8 And then what's really important -- and
9 this has been stressed in the training manual
10 and in court cases, and especially in the new
11 amendments that were not so new, 194 -- to
12 record the methodology and to show how they
13 considered this in their computer records.

14 And so those are two very, very important
15 things that we believe this section is omitting,
16 and we would respectfully request that they be
17 added to the next draft.

18 MS. HARPER: Thank you.

19 MR. MANDLER: And that's my comment on this
20 section.

21 Thank you.

22 MS. HARPER: Does anybody else have a
23 comment or a question on Section 2?

24 Ms. Schwartz, I have you unmuted, but I
25 believe it says you are self muted.

1 MS. SCHWARTZ: Okay. I apologize. Can you
2 hear me now?

3 MS. HARPER: Yes, ma'am.

4 MS. SCHWARTZ: Okay. Thank you so much.
5 I'm sorry. Just getting used to the webinar
6 technology.

7 So, thank you. My name is Julie Schwartz.
8 Jeffrey Mandler introduced me earlier. I'm an
9 attorney at Rennert, Vogel, Mandler and
10 Rodriguez, and we represent taxpayers.

11 So I did want to speak on Section 2.3.1.,
12 which is on page 12 of the coded Guidelines.
13 And this is Real Property Rights, and it talks
14 about unencumbered fee-simple estates, so that
15 for ad valorem tax purposes in Florida, the real
16 property rights to be valued are the
17 unencumbered fee-simple estate, which -- that's
18 clear and we have no issue with that.

19 But what we -- because it's such an
20 important concept and the fact that it should be
21 -- that what should be assessed and appraised is
22 the unencumbered fee simple as opposed to a
23 leased-fee estate. We felt that there should be
24 some more discussion here in addition to just
25 this one sentence. And I know that there is a

1 definition included on page 43, but I think in
2 addition to just having that definition in the
3 back, it would be helpful to have a little bit
4 more discussion in this 2.3.1.

5 And also, the definition, which is on page
6 43, is a definition from the IAAO Glossary for
7 Property Appraisal and Assessment. And so what
8 we would request -- and we'll submit written
9 comments afterwards as well -- but there are
10 really different definitions of fee simple for
11 different professions.

12 For example, the legal profession and the
13 appraisal profession have slightly different
14 definitions that emphasize different things.
15 And the legal profession's definition of fee
16 simple emphasizes the duration of the estate.
17 For example, that it's infinite duration as
18 opposed to, for example, a life estate.

19 Whereas, the appraisal definition
20 emphasizes it is absolute ownership, but also
21 the fact that it's unencumbered by any other
22 interest; for example, a long-term lease. And
23 it really gets to the distinction between lease
24 fee and fee simple.

25 And so we would propose that rather than

1 having on page 43, what's currently in the
2 Guidelines is the IAAO definition, which says an
3 estate of infinite duration, freely alienable,
4 the most complete ownership in real estate
5 possible, although still subject to the four
6 powers of government. And it says may still be
7 subject to other private encumbrances or
8 restrictions. That doesn't have the language.
9 And it's sort of a subtle distinction, but it's
10 important.

11 It doesn't have the same language that you
12 find in the Appraisal Institute's definition,
13 which -- and I'll just read directly from the
14 Appraisal of Real Estate, the latest Appraisal
15 of Real Estate book, says they define fee simple
16 as the absolute ownership unencumbered by any
17 other interest or estate, subject only to the
18 limitations imposed by the governmental powers
19 of taxation, eminent domain, police power and
20 escheat.

21 So the governmental powers portion is the
22 same, but the appraisal definition as opposed to
23 the IAAO's definition, which really is the
24 definition from the legal profession, emphasizes
25 that it's unencumbered by any other interest or

1 estate. And so, again, that's -- the
2 distinction there is really getting to the
3 difference between lease fee and fee simple.
4 And that, I think, is critical.

5 And so we would suggest changing out that
6 definition on page 43 and substituting in the
7 Appraisal Institute's definition.

8 MS. HARPER: Thank you.

9 Mr. Mandler, I see that your hand is
10 raised. Is that from earlier or do you have
11 another comment, sir?

12 MR. MANDLER: Am I unmuted?

13 MS. HARPER: You are.

14 MR. MANDLER: Ma'am, it was only because my
15 partner, Julie, was having difficulty joining
16 in.

17 MS. HARPER: Okay.

18 MR. MANDLER: I was going to raise my hand
19 to suggest that you hesitate slightly.

20 My only other follow-up, ma'am, as we're
21 speaking, I'm just wondering if there was any
22 comments from anyone from the Department who is
23 there. I know you listed a lot of people. I
24 try to write down everyone's name and whether
25 they have any feedback on any of that just as a

1 follow-up.

2 MR. HAMILTON: Not at this time, no, but we
3 appreciate your comments and the additional
4 information and sources that you've provided.

5 MS. ROSENZWEIG: Moving to Section 3 titled
6 The Mass Appraisal Process in Florida. This
7 begins on page 13.

8 This section has several minor editorial
9 changes for clarity and consistency. Are there
10 any comments on the proposed additional changes
11 to Section 3?

12 MS. HARPER: Mr. Wolfe, I see that you have
13 your hand raised. Do you have a question or
14 comment?

15 MR. WOLFE: Yes, I do. Can you hear me
16 okay?

17 MS. HARPER: Yes, sir.

18 MR. WOLFE: Great. Well, my name is Dan
19 Wolfe. I work with Jeffrey Mandler and Julie
20 Schwartz, part of their team. And as Julie
21 mentioned, we represent taxpayers all across the
22 state.

23 My comment's pretty short. It's in regards
24 to Section 3.3. Identification of Real Property.
25 I believe this was also a comment that we had

1 made in the first round that didn't get picked
2 up for the reasons that Jeff and Julie already
3 made reference to. But it's in regards to the
4 second sentence beginning with just valuations.
5 So the sentence reads right now, "Just
6 valuations should exclude personal property."

7 What I would suggest is that we make clear
8 there that we're not just talking about tangible
9 personal property. I think when we see the
10 words personal property, we right away gravitate
11 towards TPP, tangible personal property. But we
12 should make clear that we're also referring to
13 intangible personal property, things like
14 business value and goodwill. And I think those
15 are really the ones that -- you know, especially
16 when we're talking -- I know Jeff made reference
17 to, you know, younger property appraisers or
18 just property appraisers in general.

19 I think everybody agrees that TPP, tangible
20 personal property doesn't -- or shouldn't be
21 assessed together with the just valuation of
22 real property, but it's the intangible personal
23 property that we tend to run into more issues
24 with, you know, at hearings, but also just in
25 conversations and in correspondence with the

1 property appraiser's office.

2 So I think really just to summarize, just a
3 quick clarification here that we're talking
4 about not just tangible personal property, but
5 also intangible personal property.

6 And that's my comment.

7 MS. HARPER: Thank you.

8 Mr. Mandler, your hand is raised. Do you
9 have a comment?

10 MR. MANDLER: No, ma'am. I was just
11 hesitating because my partners are on the phone
12 and just took a little while to sign in.

13 I defer.

14 MS. HARPER: Okay. Thank you.

15 Ms. Schwartz, your hand is raised. Do you
16 have a comment? If so, you --

17 MS. SCHWARTZ: No. I apologize.

18 MS. HARPER: That's okay.

19 MS. SCHWARTZ: Let me see if I can unraise
20 my hand.

21 MS. HARPER: I do not see any other hands
22 raised.

23 MS. ROSENZWEIG: Okay. Continuing to
24 Section 4 titled Mass Appraisal Data.

25 This section begins on page 15 and has

1 several minor editorial changes for clarity and
2 consistency. Substantive edits for clarity and
3 consistency are proposed for several subsections
4 in this section.

5 The term entrepreneurial profit was added
6 to the list of appraisal terms with the
7 definition being added to Addendum A. This term
8 replaced developers profit in Section 4.4.6.
9 For clarity and support, a citation related to
10 entrepreneurial profit was added to
11 Subsection 4.4.6.

12 In Subsection 4.4.8., edits and a citation
13 relating to income data are proposed. In
14 Subsection 4.5.1., edits and a citation
15 regarding maintaining a data collection manual
16 are proposed.

17 Are there any comments on the proposed
18 additional changes to Section 4?

19 MS. HARPER: All right. Ms. Schwartz?

20 MS. SCHWARTZ: Okay. Thank you. Can you
21 hear me?

22 MS. HARPER: Yes, ma'am.

23 MS. SCHWARTZ: Okay. Thank you.

24 So I wanted to speak on 4.4.8., which talks
25 about collecting income data. And this is a

1 major change from the previous Guidelines. And
2 I think that it really contradicts the current
3 law. And it's a very important topic from the
4 taxpayers' perspective.

5 Because previously, if you look at the
6 strikeouts and the amendments to 4.4.8., it
7 previously just said that income data is
8 necessary for the income approach, which is
9 true. But now, this section has really been
10 changed quite substantially to state that
11 current actual income data is necessary for the
12 property appraiser to derive market-based
13 indicators for the income approach. And then it
14 goes on to state that this information and
15 cooperative responses from taxpayers are
16 essential to the equitable and fair
17 administration of ad valorem property taxes.
18 And also that property appraisers should
19 actively solicit this information through direct
20 contacts and surveys. And all of those things
21 are new. And we object to having those included
22 because they really contradict the statutes,
23 which are even included right here in the same
24 section.

25 So Section 195.027(3) is the statute. It's

1 replicated here almost in full. It leaves out
2 the very beginning that says that rules and
3 regulations shall be provided whereby -- and
4 then it picks up where the property appraiser,
5 Department of Revenue, Auditor General, shall be
6 able to obtain access.

7 And this talks about the ways in which
8 access to taxpayers' private financial
9 information can be accessed. And in contrast to
10 what is now included in this draft, 4.4.8., it's
11 actually very limited. And it says that this
12 access to taxpayer information should only be
13 given in very limited circumstances where it's
14 necessary and where determination has been made
15 that that taxpayer's information is needed in
16 order to assess properly that taxpayer's
17 property.

18 So the spirit of the way this is written
19 now implies that all taxpayer financial
20 information should be actively sought out by
21 property appraisers and that it's necessary for
22 proper assessment. And it really is not
23 necessary. Market information is necessary.
24 But taxpayer information is not. And that also
25 gets back to some of what I talked about before

1 in terms of lease fee versus fee simple.

2 Current actual information from taxpayers
3 could include very -- leases that were
4 negotiated many years ago under different market
5 conditions and don't represent the current
6 market data that would be used in a fee-simple
7 assessment.

8 So it really oftentimes would not even be
9 relevant. However, it can be relevant. If a
10 lease was negotiated recently, then it is a good
11 indication of market value. But just looking at
12 actual financial documents from the taxpayer
13 don't necessarily provide market data.

14 And just to emphasize, I would like to
15 just, your know, go through in detail the
16 195.027, which is on page 22. And it says that
17 the PA, Department of Revenue, Auditor General
18 shall be able to obtain access where necessary
19 to financial records relating to non-homestead
20 property, which records are required to make a
21 determination of the proper assessment as to a
22 particular property in question.

23 That's very different than gathering
24 wholesale financial information from the
25 taxpayers of the state of Florida in order to

1 kind of assemble and derive market data.

2 It goes on then to say, "Access to a
3 taxpayer's records shall be provided only in
4 those instances in which it's determined that
5 such records are necessary to determine either
6 the classification or the value of the taxable
7 non-homestead property."

8 So in fact, even before seeking a
9 particular taxpayer's information, there should
10 be a determination made that it's necessary,
11 which, again, is contradictory to the idea that
12 there would just be a wholesale request of all
13 taxpayers', you know, confidential information.

14 And so we think that this really is an
15 important issue that we hope, you know, will be
16 given some thought and looked at seriously
17 because it's really a departure from the current
18 law, and it contradicts the statute on point
19 that's right here in the same section.

20 One last thing here is there was a section
21 that was in the previous Guidelines that I think
22 would make sense to add back, where it cited
23 other useful sources of income information or
24 market data. So it gave examples of cap rate
25 surveys or locally-published surveys, investor

1 surveys. And I think that that would be useful
2 here to provide some guidance as to other
3 sources of market data that should be used in
4 assessing properties.

5 And the Appraisal of Real Estate book does
6 have a table, and we'll put that in our written
7 comments that has a long list of the types and
8 specific examples and the types of sources that
9 do provide this kind of market data that would
10 be useful for appraising properties as opposed
11 to the financial -- you know, the private
12 financial documents of the taxpayers.

13 Thank you.

14 MS. HARPER: Thank you, Ms. Schwartz.

15 Mr. Tennant, I see that you have your hand
16 raised as well. If you want to unmute.

17 MR. TENNANT: Yes. Thank you very much.

18 My name is Brad Tennant. I'm also an
19 attorney, and I'm with RealAdvice.

20 I actually was going to say essentially the
21 same thing the prior speaker said. And she said
22 so eloquently, I won't repeat it, but I will
23 just note we concur and echo much of her
24 comments as we have provided in our written
25 responses and get more into details in Section 6

1 about what specifics we believe should be
2 changed.

3 Thank you.

4 MS. HARPER: Thank you.

5 Seeing no other hands raised, we will move
6 on.

7 MS. ROSENZWEIG: Section 5 titled Quality
8 Assurance for Mass Appraisal, beginning on page
9 26, has several minor editorial changes for
10 clarity and consistency.

11 Are there any comments on the additional
12 proposed changes to Section 5?

13 MS. HARPER: I do not see any hands raised.

14 MS. ROSENZWEIG: Moving to Section 6 titled
15 Mass Appraisal Evaluation, page 31. This
16 section has several minor editorial changes for
17 clarity and consistency.

18 For clarity, the acronym RCN for
19 Replacement Cost New is proposed to be
20 abandoned.

21 The example regarding highest and best use
22 in 6.1. is proposed for removal.

23 To avoid repetition, the same sentences --
24 the same sentence from Sections 6.4., 6.5. and
25 6.6. is proposed to be moved to Section 6.2.

1 Substantive edits for clarity and
2 consistency are proposed for several subsections
3 in Section 6. The term entrepreneurial
4 incentive was added to the list of appraisal
5 terms with the definition being added to
6 Addendum A. This term replaced developers'
7 anticipated profit in Subsection 6.4. -- I'm
8 sorry, 6.4.1.

9 For clarity and support, a citation related
10 to entrepreneurial incentive was added to
11 Subsection 6.4.1. In Subsection 6.6.4., an edit
12 is proposed to clarify applicability of case
13 law.

14 Are there any comments on the additional
15 proposed changes to Section 6?

16 MS. HARPER: Mr. Mandler?

17 MR. MANDLER: I'm sorry, everyone, for
18 dominating the session a little bit. But I
19 think this is important.

20 I just want to start first with I think
21 that you're going to find a lot of
22 contradictions with the new change to the 4.4.8.
23 that Julie had discussed.

24 We're a market value state, and so contract
25 rent is kind of irrelevant. And I'm going to

1 focus on this section on some of the things that
2 I think are really important that I just left
3 out here.

4 Starting with 6.1. This is probably one of
5 the most contentious areas in ad valorem
6 taxation of highest and best use, especially in
7 the state of Florida where we have such a
8 push-pull between current use and the changes
9 that are being imposed upon or coming into our
10 communities -- and into the communities.

11 And in response to that, both our
12 Constitution, the statutes and case law has
13 really made it clear that we look at highest and
14 best use in Florida a little bit differently
15 than the appraisal world. And this all started
16 with the case Lanier v. Overstreet, which was a
17 Florida Supreme Court decision in 1965.

18 So we think that you need to have specific
19 references here against speculation. One of the
20 biggest issues is property appraisers speculate
21 about future land use changes that may occur.
22 And as the Supreme Court made clear, we are on
23 an annual cycle. And those changes have to be
24 not just reasonably probable, but they need to
25 be immediate.

1 And although that is here, there's no
2 specific statement which guides the property
3 appraisers to refrain from speculating about
4 changes or things that may occur after
5 January 1. And so my comments here are just
6 going to be, first, on 6.1. So those are the
7 issues that we have with that. You need to be
8 stronger about speculation.

9 Number two, I'm going to leave part of this
10 for my partner, Julie, 6.3. And give me one
11 second. I'm on a different page. (Pause) I'm
12 going to hold my comments and let other people
13 come back and come back to this briefly.

14 But my only other comment on 6.1. is that
15 this last paragraph, and I have it on page 31,
16 that reads, "Highest and best use may shift."
17 It then goes on to page 32. And they say,
18 "Because this type of research and analysis is
19 directly focused on observed participants, it is
20 a useful method for considering the highest and
21 best use.

22 Again, I think the language here is not
23 instructive enough. This type of research, of
24 course, is useful, but it should be limited.
25 There has to be something about limiting it to

1 the highest and best use in the immediate
2 future. And so I think that sentence can be
3 reworked, and we will submit it to you in
4 writing to further clarify property appraisers
5 that speculating into the future about possible
6 changes is what's prohibited in the state of
7 Florida, even though in the appraisal world, it
8 is allowed.

9 And so that clarification really needs to
10 be stronger in this Section 6.1.

11 Thank you.

12 MS. HARPER: Thank you.

13 All right. Next, and we're going to take a
14 comment from Mr. Tennant, then Mr. Wolfe, and
15 then Ms. Schwartz.

16 So Mr. Tennant, you may go first.

17 MR. TENNANT: Yes. Thank you very much.

18 So once again, I will echo some of the
19 comments made by Mr. Mandler and others, but I
20 want to look specifically at Section 6.4.1. And
21 these are changes that, once again, are
22 indicating the difference between a fee-simple
23 analysis and fee analysis.

24 I'll try to be concise here with the
25 citations. But Article 7, Section 9A of the

1 Florida Constitution actually includes a
2 limitation, a very clear limitation related to
3 the levy of ad valorem taxes.

4 The ad valorem taxes on intangible personal
5 property are exempt from taxation related to
6 ad valorem taxes. So this is not something --
7 this is not authority granted by the
8 Constitution to property appraisers to include.

9 This also tracks Section 192.001 related to
10 the definitions of both real property and
11 personal property, which includes intangible
12 personal property as well as tangible personal
13 property, among others.

14 There are some cases directly on point,
15 Singh versus Walt Disney World Resorts is a good
16 analysis of intangible value and the application
17 of profit relative to what should be assessed
18 under Florida law.

19 To give an example, as has been echoed by
20 many of the other speakers here, the difference
21 between a leased fee and fee simple for property
22 tax purposes might be illustrated by simply a
23 building that has an exorbitant lease associated
24 with it versus the exact same building that does
25 not.

1 This does not change the ability of the
2 assessor to increase the value on, one, based on
3 the value of the leases entered into by the
4 person with the higher number. These are
5 profit. This is very clearly included in the
6 definition of intangibles under Florida statute
7 and is not something that should be taken into
8 account relative to property assessment.

9 I will also quickly note that I understand
10 from the property appraiser standpoint the
11 simplicity of utilizing building permits and
12 other public filings relating to determining
13 profit, calculating value of construction. But
14 I just want to emphasize that there is a very
15 real difference between the purpose of those
16 building permits and taxation. Aside from
17 definition, permits are based on contract law.

18 And under contract law, that contractor can
19 be paid for whatever value they bring, be it
20 intangible, be a profit, and that's part of the
21 contract. And as Florida law, in this regard,
22 have spurred from mechanics lien laws and other
23 contractor lien laws in which they could recover
24 from the value of their contract. This is not
25 the same as having a profit included in assessed

1 value, which the Florida Constitution very
2 clearly prohibits.

3 And so while these are readily available
4 sources for the assessor to use, they're not
5 viable as far as providing the end result of
6 valuation. And particularly at 6.4.1., it's
7 very important to not misdirect or -- let me
8 rephrase that. It's very important to make sure
9 these Guidelines provide the correct information
10 that, as Mr. Mandler and others said, that a new
11 assessor can look at and make an informed
12 decision relative to both their authority and
13 their statutory limitations. So specifically by
14 including things like entrepreneurial
15 incentives, these are not in conformity with
16 Florida law.

17 I will also quickly note that this goes
18 throughout in echoing many of the comments from
19 the other ones. There are several instances in
20 these Guidelines in which this is brought up.
21 So as a change, it's very important to identify
22 that as a constitutional limitation, this is not
23 something that can be changed outside of a
24 referendum.

25 And if these Guidelines have an effect of

1 essentially having assessors violate
2 individuals' constitutional rights, then we've
3 done ourselves a disservice with those assessors
4 and set them up for more litigation and,
5 frankly, more attorney's fees when it comes to
6 their valuation of properties.

7 And I'll leave it at that. Thank you.

8 MS. HARPER: Thank you.

9 Mr. Wolfe, you are up next.

10 MR. WOLFE: Hello? Can you hear me okay?

11 MS. HARPER: Yes, sir.

12 MR. WOLFE: Perfect. Sorry about that.

13 All right. So my comments are very
14 specific and they won't be long.

15 Going to 6.3., which is discussing land
16 valuation. It's specific to 6.3.2. in my first
17 comment regarding the Allocation Method.

18 We want to make clear. And I think it kind
19 of does talk about it a little bit in 6.3.1,
20 that, you know, the primary method of valuing
21 land is via the sales comparison approach. So
22 it does say that there. But I think we want to
23 be extra clear in 6.3.2. that the Allocation
24 Method is certainly not the primary method for
25 valuing land. And what we would actually

1 suggest doing, we wouldn't change, really, any
2 of the language in 6.3.2., but we would add a
3 final sentence from the Appraisal of Real
4 Estate, the 15th Edition. And I don't just --
5 you know, we'll obviously include this in our
6 written comments, but it's a relatively short
7 quote, so I'll just read it into the record.

8 Directly from the Appraisal of Real Estate.
9 "This method is rarely used as the primary land
10 valuation technique for properties other than
11 residential subdivision lots." So again, it's
12 just, to be clear, this is not a primary method
13 of valuing land.

14 Same basic comment with 6.3.5. regarding
15 the Land Residual Technique. Again, we really
16 don't have much issue with the language as is,
17 but we would add in a final sentence directly
18 from the Appraisal of Real Estate, 15th Edition,
19 that this technique is applicable in the
20 alternative uses of a particular site in highest
21 and best use analysis when land sales are not
22 available.

23 And that's it.

24 MS. HARPER: Thank you.

25 And Ms. Schwartz, you have your hand

1 raised. If you do have a comment, Ms. Schwartz,
2 you can -- there you go.

3 MS. SCHWARTZ: Yes, I'm sorry. Can you
4 hear me?

5 MS. HARPER: Yes, ma'am.

6 MS. SCHWARTZ: Okay. Thank you. I
7 apologize for that.

8 So I did have a comment on 6.6.1., which is
9 Market Rent and Expense Analysis. And it's
10 really just to say that I think that this
11 section could use, again, a little more
12 instruction within the section. And it states
13 now that market rent, which is distinct from
14 contract rent, corresponds to the fee simple
15 estate, and that contract rent corresponds to
16 the lease fee estate. That's all true.

17 But I think that there's a definition and
18 some guidance in the Appraisal of Real Estate,
19 15th Edition, that would also just help to give
20 a little more explanation of this. And we'll
21 include it again in our written comments, but it
22 states that market rent may be indicated by
23 recent rents that are paid for a space for a
24 comparable space. "In more formal terms, the
25 term market rent is the rent a property should

1 bring in a competitive and open market under all
2 conditions requisite to a fair lease
3 transaction." So just to have a little more
4 guidance and example and direction would be
5 helpful here.

6 And then also, I think the third sentence
7 is a little bit kind of inaccurate, I would say.
8 It says, "Therefore, contract rent is irrelevant
9 to real property valuation for ad valorem tax
10 purposes in Florida unless independent support
11 is available indicating that contract rent is
12 equal to market rent.

13 But if you go back to the information and
14 the explanation that I just read from the
15 Appraisal of Real Estate, really, contract rent
16 doesn't always need to be verified by
17 independent support. If it is a recent lease
18 that meets, you know, the definition, if it was
19 in a competitive and open market, then recent
20 leases within a property can be an indication of
21 market rent, and they're not really irrelevant.
22 You know, everything needs to be analyzed and
23 given the proper weight. But I think it's a
24 little misleading to say that contract rent is
25 irrelevant. It's not that cut and dried.

1 And so we would ask -- again, we'll make
2 written comments, but I think this could use a
3 little more explanation and a little bit more
4 nuance in this section.

5 And thank you. And that's all the comments
6 that I have for 6 and for the rest of the
7 Guidelines.

8 MS. HARPER: Thank you, Ms. Schwartz.

9 I do not see any other hand raised. We can
10 move on.

11 MS. ROSENZWEIG: There are four addenda to
12 these Guidelines. Addenda A, titled
13 Definitions, beginning on page 40, has been
14 edited to remove two definitions and add three.

15 Addendum B, on page 46, titled Relevant
16 Valuation Concepts, has several minor editorial
17 changes for clarity.

18 Addendum C, on page 49, titled Managing
19 Sale Data for Parcels That Change has several
20 minor editorial changes for clarity.

21 Addendum D, titled Topical Index for Sale
22 Ratio Studies, has several minor editorial
23 changes for clarity. That begins on page 51.

24 Are there any comments on the proposed
25 changes to Addenda A through D? (No response.)

1 MS. HARPER: I do not see any hands raised.

2 MS. ROSENZWEIG: Are there any additional
3 comments from the public? (No response.)

4 MS. HARPER: I do not see any hands raised
5 or emails.

6 MS. ROSENZWEIG: On behalf of the
7 Department, I want to thank everyone for
8 participating and sharing your comments with us.

9 Your participation is very helpful during
10 this process. You may provide written comments
11 to us. Please bear in mind they do become part
12 of the public record. We ask that any written
13 comments be provided to us by close of business
14 on August 1st, 2025. You may send those
15 comments by email to dorpto@floridarevenue.com
16 or mail your comments to Property Tax Oversight,
17 Florida Department of Revenue, P.O. Box 3000,
18 Tallahassee, Florida 32315-3000.

19 This concludes the meeting.

20 (The Public Meeting concluded at 10:54
21 a.m.)

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C E R T I F I C A T E

STATE OF FLORIDA)

COUNTY OF ORANGE)

I, CINDY R. GREEN, Court Reporter, certify
that I was authorized to and did report the
aforementioned May 2025 Property Tax Oversight
meeting, and that the transcript is a true and
complete record of my notes and recordings.

I further certify that I am not a relative,
employee, attorney or counsel of any of the parties,
nor am I financially interested in the outcome of
the foregoing action.

DATED this 29th day of May, 2025.

Cindy R Green

CYNTHIA R. GREEN, Court Reporter
Notary Public, State of Florida
(electronic signature)

Commission Expiration: 07/02/28
Commission No.: HH 567524