

Please contact our office for details.
 Property Appraiser Duval
 County, Florida
www.duvalpa.com
 904-630-2020

Portability



Upsize

Portability benefit amount is the difference between market/just value* and assessed value



Existing Homestead

Market/Just Value*	\$600,000
Less Portability Benefit	<u>-150,000</u>
Assessed Value*	\$450,000
Less Homestead Exemption	<u>-50,000</u>
Taxable Value*	\$400,000



Downsize

Market/Just Value*	\$400,000
Less Assessed Value*	<u>-250,000</u>
(Value with 3% cap)	
Portability Benefit	\$150,000
(37.5% of Market Value)	

Market Value*	\$200,000
Less Portability Benefit	<u>-75,000</u>
(37.5% of Market Value)	
Assessed Value*	\$125,000
Less Homestead Exemption	<u>-50,000</u>
Taxable Value*	\$75,000

*All values as determined by the Property Appraiser

Rev. 02-2020

General Information

- Time limits apply – you may transfer your CAP as of January 1 of either of the 2 immediately preceding years. In other words, you may only go one tax year without having a homestead exemption in order to transfer your CAP.
- Homestead Exemption Application required, along with the Transfer of Assessment Limitation Application
- Maximum portability transfer is \$500,000
- Applies to Florida counties, only
- Portability may be used an unlimited number of times
- Values to be determined by the County Property Appraiser
- Taxable value is multiplied by millage, which is determined by local government each year

Portability Frequently Asked Questions

Q: What is Portability?

A: Portability, also known as the “Transfer of Homestead Assessment Difference”, is the ability to transfer the dollar benefit of the Homestead CAP from one Homestead to another. The Homestead CAP is the difference between market value and assessed value, often known as the Save Our Homes Benefit.

Q: Do I have to sell my home before I can qualify for portability?

A: No, you only need to abandon (or give up) your existing homestead, meaning you may still own the property but no longer receive a homestead exemption on the property for the year you are attempting to get portability.

Q: Do I have to purchase a new property to get the portability benefit?

A: No, if you already own another property (2nd home, beach house, etc.) and establish your new homestead, you can remove (abandon) the homestead from the old property and apply for the portability benefit.

Q: Would my CAP amount be “portable” if I move to another county in Florida?

A: Yes. Portability is effective throughout the state.

Q: When do I apply for portability?

A: You typically apply for portability when you apply for the homestead exemption. There is a separate application for portability in addition to the homestead application.

Q: How do I apply for portability?

A: Fill out the DR-501T “Transfer of Homestead Assessment Difference” application when you file an application for your new homestead exemption. If you have already applied for the homestead exemption, you can download the application from our website, complete and submit it to the Property Appraiser’s office.

Q: Is the Portability application different from the Homestead application?

A: Yes, presently these are two different applications and both must be completed to receive both homestead and portability.

Q: After I’ve sold or abandoned my prior homestead, how long do I have to use my portability?

A: Florida Statute 193.155(8) states that you may transfer your CAP if you have, “received a homestead exemption as of January 1 of either of the 2 immediately preceding years.” In other words, you may only go one tax year without having a homestead exemption in order to transfer your CAP. Thus, if you sell or abandon your homestead on December 31 2015, then you must re-establish a homestead as your primary residence on or before January 1, 2017.

Q: How is the Save Our Homes CAP calculated?

A: The amount of the CAP is the difference between your Just (Market) Value and your Assessed Value. The difference between the market value and your assessed value is often called the “CAP differential” or “CAP savings”. The amount of the CAP can vary from year to year depending on the value of your property.

Q: What information do I need to complete the Portability Application?

A: Required information on the Portability Application includes the date which the previous homestead was sold or no longer used as a homestead, the county, address and parcel identification number of the previous homestead, and a list of all other owners listed on the tax roll.

Q: Do I have to be an owner to apply for portability?

A: Yes, you must be an owner on both the old home and the new home.

Q: Do both owners of a property need to sign the Portability Application?

A: Yes, if you lived and had homestead on the previous parcel and are both moving and living at the new parcel, you both must sign the Portability Application.

Q: I sold my home last year and just found out that my CAP was less than I thought it would be. Can I appeal last year's value to increase my CAP amount?

A: **No**, F.S. 194.011(6)(b) specifically precludes a taxpayer from petitioning to have the Just, Assessed, or taxable value of the previous homestead changed.

Q: What is the maximum amount of CAP I can transfer to my new property?

A: The maximum CAP amount you can transfer is \$500,000.

Q: Can I also apply for additional exemptions such as widow/widower, disability or senior exemption if I use portability?

A: Yes. You still can apply and receive any additional exemption for which you qualify.

Q: How do I know how much CAP I have to transfer or carry to my new homestead?

A: The amount of the CAP you can carry to your new homestead depends on whether you "up-size" (buy a higher valued property) or "downsize" (buy a lower valued property). The exact amount will be determined by the Property Appraiser's office after you file for homestead and Portability on your new residence.

Q: I sold my homestead in 2006 and I had a large CAP. Do I qualify for portability?

A: Unfortunately no. The law only allows portability for property that had a homestead from 2007 forward. Homesteads sold or abandoned in 2006 or prior do not qualify.

Q: If I sell my home this year and purchase a new homestead, would I be able to transfer my CAP to the new homestead in time to reduce my tax bill this year?

A: No. If you sell (or abandon) your homestead and apply for a new homestead in the same year, your CAP portability would be applied in the following year.

Q: I co-own a homestead with a friend and we have a \$700,000 CAP. Can we each take \$350,000 to our separate new homesteads?

A: No. The maximum amount of CAP transfer from a single homestead is \$500,000. Therefore, the maximum that could be transferred by two previous joint owners of a single homestead establishing different homesteads is \$250,000 each.

Q: I own a property that has three (3) people receiving the homestead exemption. One owner has a 60% interest. The other two owners have a 20% interest each. If we sell and apply for portability, how will the portability amount be split or divided between our new homesteads?

A: The new legislation requires that the portability amount be divided based on the percentage of ownership. So the CAP amount would be allocated based on each owner's percentage of ownership.

Q: If the previous homestead has both a homestead exemption and an agricultural classification (Greenbelt), how is the amount of transfer to be calculated?

A: The amount of the CAP that is eligible for transfer is equal to the difference between just and assessed value on the homestead portion of the property only.

Q: Can I increase the just value of my home in order to increase my CAP benefit?

A: The CAP is the difference between the just value and assessed value of the property. If your just value is substantially lower than what you believe is the fair market value of your home, there are few steps you may take. First, home values are not finalized until early to mid- July, so wait until your value is final before making a decision. Second, if the difference in value is the result of physical improvements to your home, the result will not increase your CAP, but could increase your taxable value, resulting in an increase in your taxes. If our records accurately reflect the features of the home and the low just value is merely a result of underestimating the market value, then, after July, contact our office for a review of the property. Please remember, our values reflect the average per square foot value of homes similar to yours and we do not value property based on a single sales price, even that of your own property.

Q: I forgot to file for homestead when I bought my house 5 years ago. I had a CAP on the previous home I sold at that time. Is it too late to file for homestead and portability?

A: You can file for Homestead, which will be applied going forward. However, you cannot apply for portability because you did not have homestead in either of the 2 preceding years.

Q: After Portability is applied to my new home, are increases in assessed value still capped at 3% going forward?

A: Yes, increases to assessed value for all homestead property in Florida is capped at 3% or the change in the Consumer Price Index (CPI) whichever is less. Portability does not change that.

Q: My fiancé and I are purchasing a home together and we both have separate homesteads now. Can we use Portability to bring both of our CAP amounts to our new home?

A: The new legislation allows you to bring the higher of the two CAP amounts, but not both. You should both file a portability application and our office will determine which CAP amount is higher.

Q: I am newly married and my spouse is moving into an existing homesteaded property. He has a larger CAP amount from the former residence than I do on my home. Can he bring his CAP to my homestead?

A: If he is on the title to your property (co-owner) and he applies for and receives homestead, he can bring his CAP amount with him, but you would have to abandon your homestead and re-apply. This would essentially replace your existing cap with his higher CAP amount.

Q: My wife and I were both owners of our former residence that we just sold. We bought a new home, but for estate planning purposes, we only put the new home in her name. Does Portability allow us to transfer 100% of the CAP from our former residence to the new residence?

A: No, since only your wife is on the title (deed) for the new home, you can only transfer 50% of

the CAP from the former homestead property.

Q: If my spouse and I own a property and we get divorced, can I use portability to take my CAP with me to a new home, even if my spouse remains in the former home we shared?

A: You can take only your portion of the CAP to a new homestead if your former spouse abandons the homestead on the prior residence. The spouse who remains on the former homestead would re-apply for homestead exemption and port that portion back. The form to

complete is, Designation of Ownership Shares of Abandoned Homestead, DR 501 TS with the Property Appraiser's Office.

Q: I am in the process of getting a divorce. How will this affect the homestead CAP on the marital home?

A: When the spouses divorce, they can split the CAP. Both parties must agree, otherwise the CAP remains on the marital home. If both parties agree, legislation requires that the CAP amount of the prior homestead be divided equally among the owners, unless the spouses agree to allocate a different percentage for each owner. A form designating the percent assigned to each party must be filed with the Property Appraiser's Office. Once the designation of percentage is filed with the Property Appraiser's Office, it is irrevocable.