Bond Case Briefs

Municipal Finance Law Since 1971

TAX - FLORIDA

Accardo v. Brown

Supreme Court of Florida - March 20, 2014 - So.3d - 2014 WL 1057291

Lessees of land pursuant to long-term leases from county brought action against county property appraiser and county tax collector seeking declaratory judgment and injunction against the assessment of ad valorem taxes against the land and improvements. The Circuit Court, Santa Rosa County awarded summary judgment to appraiser and tax collector. Lessees appealed. The District Court of Appeal affirmed and certified question of great public importance.

The Supreme Court of Florida held that doctrine of equitable ownership applied to land which was subject to perpetually renewable leases from county, as well as to improvements thereon, subjecting both land and improvements to ad valorem taxation.

For purposes of ad valorem taxation, existence of equitable ownership under a leasehold was not dependent upon lessee's ultimate right to acquire legal title. Lessee's interest under perpetually renewable lease was not materially different from that of lessee under lease for term of years with right to obtain title for nominal consideration upon termination of lease.

Payment of rent and other obligations imposed on lessees of real property by their leases were insufficient to defeat conclusion that lessees held virtually all benefits and burdens of ownership of both improvements and land, such that both improvements and land were subject to ad valorem taxation. Payment of rent and bearing of other obligations were typically incident to leaseholds under which tenant had equitable ownership, and many of lessees' obligations were similar to those typically imposed on owners under declaration of condominium or restrictive covenants in subdivision.

Statutory provision regarding taxation of property "originally leased for 100 years or more, exclusive of renewal options" did not apply to exempt from ad valorem taxation land and improvements held pursuant to perpetually renewable leases, where county from which land was leased was not "owner" thereof for purposes of ad valorem taxation.

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com