

Helping Homeowners Establish Florida as Their “Domicile”



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For decades, people have established residency in Florida to take advantage of the state’s favorable taxes and warm weather. According to recent U.S. Census data, over 16,000 people relocated to Sarasota-Manatee

between July 2017 and July 2018. But have those transplants technically made Florida their home? The answer to this question is significant, as it can impact estate planning, tax liabilities, and other financial matters. Each year, thousands of people relocate to Florida intending to make it their “legal residence” or “domicile,” but simply owning a home in Florida is different than becoming domiciled in Florida. Below are some things to keep in mind for those moving to the area planning to make Florida their domicile.

INTENT IS KEY

Intent is a key factor in determining a person’s state of domicile. If your client’s intent is to make Florida their “home,” there are affirmative steps to take to declare Florida their domicile. A person cannot have more than one legal residence. They must terminate residency in their former home state. This does not mean they must sever all ties with their former home, but it does require shifting some ties to Florida. No single act determines a person’s domicile. In addition to spending a greater percentage of each year living in Florida, they should consider taking as many of the following steps as possible to ensure Florida is recognized as their domicile:

1 | File a Florida “Declaration of Domicile”

This is a sworn statement, filed in the office of the clerk of the circuit court for the county in which one resides, stating that Florida is their permanent and principal home.

2 | Apply for Homestead Exemption

If they own a Florida home as their primary residence, they should consider applying for Florida’s homestead exemption, and notifying their prior state of any change of homestead status. Initial applications for the homestead exemption must be filed on or before March 1 of the year for which the exemption applies.



3 | File Federal Income Taxes

They should file their federal income taxes from their Florida address and send to the regional office for the State of Florida. If filing state income tax returns in another state, they should file as a non-resident.

4 | Update Estate Planning Documents

Those moving to Florida should consider revising their estate planning documents, not only to recite Florida as their domicile, but also to ensure compliance with Florida law.

5 | Additional Actions

Additional actions to demonstrate intent include obtaining a Florida driver’s license, registering an automobile here, registering to vote, obtaining local bank accounts, and establishing local club and church affiliations.

BOTTOM LINE

There are many advantages for your clients to declare Florida as their state of domicile. If their intent is to make Florida their legal residence or domicile, they will want to be sure their intent is clear and documented. ■

Williams Parker regularly assists new residents in establishing residency and transitioning estates to take advantage of Florida’s favorable tax climate and asset protection laws. For additional guidance regarding Florida relocation, please contact Williams Parker to request a copy of The Florida Relocation Guide, also available online at williamsparker.com/RelocationGuide.



FOR FURTHER INFORMATION, CONTACT:

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