

MEMORANDUM

FROM: Shell, Fleming, Davis & Menge

TO: Navarre Beach Lessees being represented by the law firm

SUBJECT: Mortgagee payments of contested 2006-2007 real property taxes assessed on leasehold improvements and/or land

DATE: June 3, 2008

We have received a number of calls from lessees whose Mortgagees have advised them that they are paying the 2006 or 2007 real property taxes assessed on the leasehold improvements or land on Navarre Beach. This issue is beyond the scope of our firm's employment by the beach lessees to pursue litigation against the taxing authorities to have the real property taxes declared null and void. What is stated in this Memorandum is not to be considered legal advice, because the law firm has not been retained to render advice on this issue. The facts in each case may be different and we have not undertaken to investigate or render opinions as to any particular set of facts regarding Mortgagees.

That said, the following information is provided as a public service. Those lessees whose mortgage lenders are paying the taxes may desire to download Section 194.171(3), Florida Statutes (2007) (attached to this memorandum), suspending all procedures for the collection of the contested taxes pending final disposition of the lawsuit, and furnish that copy to their Mortgagees.

Those lessees may also desire to furnish their Mortgagees with copies of the following which we are attaching to this memorandum:

1. Section 196.199(8)(a), Florida Statutes (2007), stating that taxes assessed on leasehold interests in governmentally owned properties (such as those on Navarre Beach) shall not become a lien on same or the property itself.
2. Section 197.432(9), Florida Statutes (2007), stating that a certificate may not be sold on, nor is any lien created in, property owned by any governmental unit the property of which has become subject to taxation due to lease of the property to a nongovernmental lessee.

Finally, those lessees may desire to bring to the Mortgagees' attention the case of State Dept. of Revenue v. Gibbs, 342 So.2d 562 (Fla. 1st DCA 1977), in which it was held that the Tax Collector for Escambia County could not issue tax

certificates to collect delinquent taxes owed by lessees on Pensacola Beach. The Court stated that the Florida Legislature had established an exclusive procedure for collection of taxes levied on all private leaseholds of governmentally owned real property through its enactment of Section 196.199. Leaseholds on Navarre Beach were within Escambia County when this court decision was made.

The Mortgagees' only interest in the payment of the 2006-2007 real property taxes assessed on the leasehold improvements or land should be to protect the status of their liens on the leaseholds. If those taxes do not create liens on the leaseholds, the Mortgagees are assuming a considerable risk in paying the contested taxes.

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The 2007 Florida Statutes

Title XIV
TAXATION AND
FINANCE

Chapter 194
ADMINISTRATIVE AND JUDICIAL REVIEW OF
PROPERTY TAXES

View Entire
Chapter

194.171 Circuit court to have original jurisdiction in tax cases.--

- (1) The circuit courts have original jurisdiction at law of all matters relating to property taxation. Venue is in the county where the property is located, except that venue shall be in Leon County when the property is assessed pursuant to s. [193.085\(4\)](#).
- (2) No action shall be brought to contest a tax assessment after 60 days from the date the assessment being contested is certified for collection under s. [193.122\(2\)](#), or after 60 days from the date a decision is rendered concerning such assessment by the value adjustment board if a petition contesting the assessment had not received final action by the value adjustment board prior to extension of the roll under s. [197.323](#).
- (3) Before an action to contest a tax assessment may be brought, the taxpayer shall pay to the collector not less than the amount of the tax which the taxpayer admits in good faith to be owing. The collector shall issue a receipt for the payment, and the receipt shall be filed with the complaint. Notwithstanding the provisions of chapter 197, payment of the taxes the taxpayer admits to be due and owing and the timely filing of an action pursuant to this section shall suspend all procedures for the collection of taxes prior to final disposition of the action.
- (4) Payment of a tax shall not be deemed an admission that the tax was due and shall not prejudice the right to bring a timely action as provided in subsection (2) to challenge such tax and seek a refund.
- (5) No action to contest a tax assessment may be maintained; and any such action shall be dismissed, unless all taxes on the property assessed in years after the action is brought, which the taxpayer in good faith admits to be owing, are paid before they become delinquent.
- (6) The requirements of subsections (2), (3), and (5) are jurisdictional. No court shall have jurisdiction in such cases until after the requirements of both subsections (2) and (3) have been met. A court shall lose jurisdiction of a case when the taxpayer has failed to comply with the requirements of subsection (5).

History.--s. 1, ch. 8586, 1921; CGL 1038; s. 2, ch. 29737, 1955; s. 1, ch. 67-538; ss. 1, 2, ch. 69-55; s. 8, ch. 69-102; s. 6, ch. 69-140; ss. 30, 31, ch. 70-243; s. 1, ch. 72-239; s. 6, ch. 74-234; s. 17, ch. 82-226; s. 7, ch. 83-204; s. 56, ch. 83-217; s. 211, ch. 85-342; s. 3, ch. 88-146; s. 151, ch. 91-112; s. 32, ch. 94-

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The 2007 Florida Statutes

[Title XIV](#)
TAXATION AND FINANCE

[Chapter 196](#)
EXEMPTION

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196.199 Government property exemption.--

(1) Property owned and used by the following governmental units shall be exempt from taxation under the following conditions:

(a) All property of the United States shall be exempt from ad valorem taxation, except such property as is subject to tax by this state or any political subdivision thereof or any municipality under any law of the United States.

(b) All property of this state which is used for governmental purposes shall be exempt from ad valorem taxation except as otherwise provided by law.

(c) All property of the several political subdivisions and municipalities of this state or of entities created by general or special law and composed entirely of governmental agencies, or property conveyed to a nonprofit corporation which would revert to the governmental agency, which is used for governmental, municipal, or public purposes shall be exempt from ad valorem taxation, except as otherwise provided by law.

(2) Property owned by the following governmental units but used by nongovernmental lessees shall only be exempt from taxation under the following conditions:

(a) Leasehold interests in property of the United States, of the state or any of its several political subdivisions, or of municipalities, agencies, authorities, and other public bodies corporate of the state shall be exempt from ad valorem taxation only when the lessee serves or performs a governmental, municipal, or public purpose or function, as defined in s. [196.012\(6\)](#). In all such cases, all other interests in the leased property shall also be exempt from ad valorem taxation. However, a leasehold interest in property of the state may not be exempted from ad valorem taxation when a nongovernmental lessee uses such property for the operation of a multipurpose hazardous waste treatment facility.

(b) Except as provided in paragraph (c), the exemption provided by this subsection shall not apply to those portions of a leasehold or other interest defined by s. [199.023\(1\)\(d\)](#), Florida Statutes 2005, subject to the provisions of subsection (7). Such leasehold or other interest shall be taxed only as intangible personal property pursuant to chapter 199, Florida Statutes 2005, if rental payments are due in consideration of such leasehold or other interest. All applicable collection, administration, and enforcement provisions of chapter 199, Florida Statutes 2005, shall apply to taxation of such leaseholds.

If no rental payments are due pursuant to the agreement creating such leasehold or other interest, the leasehold or other interest shall be taxed as real property. Nothing in this paragraph shall be deemed to exempt personal property, buildings, or other real property improvements owned by the lessee from ad valorem taxation.

(c) Any governmental property leased to an organization which uses the property exclusively for literary, scientific, religious, or charitable purposes shall be exempt from taxation.

(3) Nothing herein or in s. 196.001 shall require a governmental unit or authority to impose taxes upon a leasehold estate created, extended, or renewed prior to April 15, 1976, if the lease agreement creating such leasehold estate contains a covenant on the part of such governmental unit or authority as lessor to refrain from imposing taxes on the leasehold estate during the term of the leasehold estate; but any such covenant shall not prevent taxation of a leasehold estate by any such taxing unit or authority other than the unit or authority making such covenant.

(4) Property owned by any municipality, agency, authority, or other public body corporate of the state which becomes subject to a leasehold interest or other possessory interest of a nongovernmental lessee other than that described in paragraph (2)(a), after April 14, 1976, shall be subject to ad valorem taxation unless the lessee is an organization which uses the property exclusively for literary, scientific, religious, or charitable purposes.

(5) Leasehold interests in governmental property shall not be exempt pursuant to this subsection unless an application for exemption has been filed on or before March 1 with the property appraiser. The property appraiser shall review the application and make findings of fact which shall be presented to the value adjustment board at its convening, whereupon the board shall take appropriate action regarding the application. If the exemption in whole or in part is granted, or established by judicial proceeding, it shall remain valid for the duration of the lease unless the lessee changes its use, in which case the lessee shall again submit an application for exemption. The requirements set forth in s. 196.194 shall apply to all applications made under this subsection.

(6) No exemption granted before June 1, 1976, shall be revoked by this chapter if such revocation will impair any existing bond agreement.

(7) Property which is originally leased for 100 years or more, exclusive of renewal options, or property which is financed, acquired, or maintained utilizing in whole or in part funds acquired through the issuance of bonds pursuant to parts II, III, and V of chapter 159, shall be deemed to be owned for purposes of this section.

(8)(a) Any and all of the aforesaid taxes on any leasehold described in this section shall not become a lien on same or the property itself but shall constitute a debt due and shall be recoverable by legal action or by the issuance of tax executions that shall become liens upon any other property in any county of this state of the taxpayer who owes said tax. The sheriff of the county shall execute the tax execution in the same manner as other executions are executed under chapters 30 and 56.

(b) Nonpayment of any such taxes by the lessee shall result in the revocation of any occupational license of such person or the revocation, upon certification hereunder by the property appraiser to the Department of State, of the corporate charter of any such domestic corporation or the revocation, upon certification hereunder by the property appraiser to the Department of State, of the authority of any foreign corporation to do business in this state, as appropriate, which such license, charter, or authority is related to the leased property.

(9) Improvements to real property which are located on state-owned land and which are leased to a public educational institution shall be deemed owned by the public educational institution for purposes of this section where, by the terms of the lease, the improvement will become the property of the public educational institution or the State of Florida at the expiration of the lease.

(10) Notwithstanding any other provision of law to the contrary, property held by a port authority and any leasehold interest in such property are exempt from ad valorem taxation to the same extent that county property is immune from taxation, provided such property is located in a county described in s. 9, Art. VIII of the State Constitution (1885), as restated in s. 6(e), Art. VIII of the State Constitution (1968).

History.--s. 11, ch. 71-133; s. 1, ch. 76-283; s. 1, ch. 77-174; ss. 1, 2, ch. 80-368; s. 4, ch. 82-388; s. 13, ch. 83-215; s. 30, ch. 85-342; s. 1, ch. 86-141; s. 61, ch. 86-152; s. 81, ch. 88-130; s. 47, ch. 91-45; s. 160, ch. 91-112; s. 1, ch. 96-288; s. 1, ch. 96-323; s. 9, ch. 2006-312.

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The 2007 Florida Statutes

[Title XIV](#)

[Chapter 197](#)

[View Entire Chapter](#)

TAXATION AND FINANCE

TAX COLLECTIONS, SALES, AND LIENS

197.432 Sale of tax certificates for unpaid taxes.--

(1) On the day and approximately at the time designated in the notice of the sale, the tax collector shall commence the sale of tax certificates on those lands on which taxes have not been paid, and he or she shall continue the sale from day to day until each certificate is sold to pay the taxes, interest, costs, and charges on the parcel described in the certificate. In case there are no bidders, the certificate shall be issued to the county. The tax collector shall offer all certificates on the lands as they are assessed.

(2) A lien created through the sale of a tax certificate may not be enforced in any manner except as prescribed in this chapter.

(3) Delinquent real property taxes of all governmental units due on a parcel of land in any one year shall be combined into one certificate.

(4) A tax certificate representing less than \$100 in delinquent taxes on property that has been granted a homestead exemption for the year in which the delinquent taxes were assessed may not be sold at public auction or by electronic sale as provided in subsection (16) but shall be issued by the tax collector to the county at the maximum rate of interest allowed by this chapter. The provisions of s. [197.502\(3\)](#) shall not be invoked as long as the homestead exemption is granted to the person who received the homestead exemption for the year in which the tax certificate was issued. However, when all such tax certificates and accrued interest thereon represent an amount of \$100 or more, the provisions of s. [197.502\(3\)](#) shall be invoked.

(5) Each certificate shall be struck off to the person who will pay the taxes, interest, costs, and charges and will demand the lowest rate of interest, not in excess of the maximum rate of interest allowed by this chapter. The tax collector shall accept bids in even increments and in fractional interest rate bids of one-quarter of 1 percent only. If there is no buyer, the certificate shall be issued to the county at the maximum rate of interest allowed by this chapter.

(6) The tax collector shall require immediate payment of a reasonable deposit from any person who wishes to bid for a tax certificate. A person who fails or refuses to pay any bid made by, or on behalf of, him or her is not entitled to bid or have any other bid accepted or enforced by the tax collector until a new deposit of 100 percent of the amount of estimated purchases has been paid to the tax collector. When tax certificates are ready for issuance, the tax collector shall notify each person to whom a certificate was struck off that the certificate is ready for issuance and payment must be made within 48

hours from the mailing of such notice or the deposit shall be forfeited and the bid canceled. In any event, payment shall be made before delivery of the certificate by the tax collector.

(7) The form of the certificate shall be as prescribed by the department. Upon the cancellation of any bid, the tax collector shall resell that certificate the following day or as soon thereafter as possible, provided the certificate is sold within 10 days after cancellation of such bid.

(8) The tax collector shall make a list of all the certificates sold for taxes, showing the date of the sale, the number of each certificate, the name of the owner as returned, a description of the land within the certificate, the name of the purchaser, the interest rate bid, and the amount for which sale was made. This list shall be known as the "list of tax certificates sold." The tax collector shall append to the list a certificate setting forth the fact that the sale was made in accordance with this chapter.

(9) A certificate may not be sold on, nor is any lien created in, property owned by any governmental unit the property of which has become subject to taxation due to lease of the property to a nongovernmental lessee. The delinquent taxes shall be enforced and collected in the manner provided in s. 196.199(8). However, the ad valorem real property taxes levied on a leasehold that is taxed as real property under s. 196.199(2)(b), and for which no rental payments are due under the agreement that created the leasehold or for which payments required under the original leasehold agreement have been waived or prohibited by law before January 1, 1993, must be paid by the lessee. If the taxes are unpaid, the delinquent taxes become a lien on the leasehold and may be collected and enforced under this chapter.

(10) Any tax certificates issued pursuant to this section after January 1, 1977, which are void due to an error of the property appraiser, the tax collector, any other county official, or any municipal official and which are subsequently canceled, or which are corrected, pursuant to this chapter or chapter 196 shall earn interest at the rate of 8 percent per year, simple interest, or the rate of interest bid at the tax certificate sale, whichever is less, calculated from the date the certificate was purchased until the date the refund is ordered. Refunds made on tax certificates that are corrected or void shall be processed in accordance with the procedure set forth in s. 197.182, except that the 4-year time period provided for in s. 197.182(1)(c) does not apply to or bar refunds resulting from correction or cancellation of certificates and release of tax deeds as authorized herein.

(11) When tax certificates are advertised for sale, the tax collector shall be entitled to a commission of 5 percent on the amount of the delinquent taxes and interest when actual sale is made. However, the tax collector shall not be entitled to any commission for the sale of certificates made to the county until the commission is paid upon the redemption or sale of the tax certificates. When a tax deed is issued to the county, the tax collector shall not receive his or her commission for the certificates until after the property is sold and conveyed by the county.

(12) All tax certificates issued to the county shall be held by the tax collector of the county where the lands covered by the certificates are located.

(13) Delinquent taxes on real property may be paid after the date of delinquency but prior to the sale

of a tax certificate by paying all costs, advertising charges, and interest.

(14) The holder of a tax certificate may not directly, through an agent, or otherwise initiate contact with the owner of property upon which he or she holds a tax certificate to encourage or demand payment until 2 years have elapsed since April 1 of the year of issuance of the tax certificate.

(15) Any holder of a tax certificate who, prior to the date 2 years after April 1 of the year of issuance of the tax certificate, initiates, or whose agent initiates, contact with the property owner upon which he or she holds a certificate encouraging or demanding payment may be barred by the tax collector from bidding at a tax certificate sale. Unfair or deceptive contact by the holder of a tax certificate to a property owner to obtain payment is an unfair and deceptive trade practice, as referenced in s. 501.204 (1), regardless of whether the tax certificate is redeemed. Such unfair or deceptive contact is actionable under ss. 501.2075-501.211. If the property owner later redeems the certificate in reliance on the deceptive or unfair practice, the unfair or deceptive contact is actionable under applicable laws prohibiting fraud.

(16) The county tax collector may conduct the sale of tax certificates for unpaid taxes pursuant to this section by electronic means. Such electronic sales shall comply with the procedures provided in this chapter. The tax collector shall provide access to such electronic sale by computer terminals open to the public at a designated location. A tax collector who chooses to conduct such electronic sales may receive electronic deposits and payments related to the tax certificate sale.

History.--s. 174, ch. 85-342; s. 9, ch. 90-343; s. 4, ch. 91-295; s. 1, ch. 93-108; s. 1018, ch. 95-147; s. 10, ch. 98-139; s. 3, ch. 98-167; s. 1, ch. 99-141; s. 1, ch. 2003-22.

Westlaw.

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State Dept. of Revenue v. Gibbs,
 Fla.App. 1977.

District Court of Appeal of Florida, First District.
 STATE of Florida DEPARTMENT OF REVENUE,
 Appellant,

v.

E. J. GIBBS, Jr., et al., Appellees.
 No. BB-432.

Feb. 18, 1977.

The State Department of Revenue appealed from an adverse judgment entered by the Circuit Court, Escambia County, M. C. Blanchard, J., in its suit for declaratory judgment and injunctive relief against a county tax collector and others arising out of a tax sale of leased government land. The District Court of Appeal, McCord, J., held that the State Legislature had established an exclusive procedure for collection of taxes levied on all private leaseholds of governmentally owned real property and that the only method of valuation of leases of 99 years or more was furnished by a statute providing that property which is originally leased for 99 years or more, exclusive of renewal options, shall be deemed to be 'owned' for purposes of tax valuation.

Reversed and remanded.

West Headnotes

Taxation 371 ↪ 2519

371 Taxation

371III Property Taxes

371III(H) Levy and Assessment

371III(H)5 Valuation of Property

371k2512 Real Property in General

371k2519 k. Interests Less Than
 Fee in General; Leasehold Interests. Most Cited
 Cases

(Formerly 371k348(7))

Taxation 371 ↪ 2835

371 Taxation

371III Property Taxes

371III(K) Collection and Enforcement
 Against Persons or Personal Property

371III(K)2 Summary Remedies and Ac-
 tions

371k2835 k. In General. Most Cited
 Cases

(Formerly 371k572)

State Legislature established exclusive procedure for collection of taxes levied on all private leaseholds of governmentally owned real property, and only method of valuation of leases of 99 years or more is furnished by statute providing that property which is originally leased for 99 years or more, exclusive of renewal options, shall be deemed to be "owned" for purposes of tax valuation. West's F.S.A §§ 196.001(2), 196.199, 196.199(2)(a), (6), (7)(a), 197.116(7).

*563 Robert L. Shevin, Atty. Gen., Larry Levy, Asst. Atty. Gen., for appellant.

Bert H. Lane, of Beggs & Lane, T. David Mann, Pensacola, Millard Guy Hilburn, for appellee.

McCord, Judge.

This is an appeal from a final judgment in favor of appellees (defendants below) entered on appellant's (plaintiff below) motion for judgment on the pleadings. The complaint sought declaratory judgment and injunctive relief against appellees. The issue in the trial court and on this appeal is the interpretation of s 196.199(6) and (7)(a) and s 197.116(7), Fla.Stat.1975.

At the time the complaint was filed, appellee E. J. Gibbs, Escambia County Tax Collector, was proceeding to effect collection of delinquent taxes on leasehold interests in governmentally owned property on Santa Rosa Island in Escambia County pursuant to s 197.116, Fla.Stat. Appellant State of Florida Department of Revenue contended in the trial court and contends here that the exclusive pro-

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cedure for the collection of unpaid taxes on such leasehold interests is that provided in ss 196.199(7) and 197.116(7). The trial court ruled otherwise. We disagree and reverse.

By stipulation in the trial court, a temporary restraining order was entered enjoining Gibbs from accepting applications for tax deeds from holders of tax sale certificates issued on property described therein (and which might be affected by this action) for unpaid ad valorem taxes due for the years 1972, 1973, and 1974; enjoining appellee the Escambia County Board of Commissioners from transferring any tax sales certificates issued on such described property for such tax year; and enjoining appellee Millard Guy Hilburn from transferring any tax sales certificates issued on property which certificates had been purchased by him prior to the commencement of the lawsuit. All other tax sales certificates which might be affected by this action had been struck off to the County.

As above stated, the taxes involved in this suit are taxes levied upon leasehold interests in governmentally owned property. s 196.001(2), Fla.Stat., provides:

'Unless expressly exempted from taxation, the following property shall be subject to taxation in the manner provided by law:

(2) All leasehold interests in property of the United States, of the state, or any political subdivision, municipality, agency, authority or other public body corporate of the state.'

The leasehold interests on Santa Rosa Island which are subject to tax include both 99-year leases and leases for lesser terms of years. s 196.199 provides for certain exemptions of property owned by governmental units, and subsection (2)(a) thereof provides that,

'Leasehold interests in property of the United States, of the state or any of its several political subdivisions, or of municipalities, agencies, authorities and other public bodies corporate of the state

shall be exempt from ad valorem taxation only *564 when the lessee serves or performs a governmental, municipal, or public purpose or function, . . .'

The leases involved in this case are subject to taxation and do not fall within any exemption. The salient provisions of s 196.199 which are involved in this suit are subsections (6) and (7)(a) which state as follows:

'(6) Property which is originally leased for 99 years or more, exclusive of renewal options, shall be deemed to be 'owned' for purposes of this section.

(7)(a) Any and all of the aforesaid taxes On any leasehold described in this section shall not become a lien on same or the property itself, but shall constitute a debt due and shall be recoverable by legal action or by the issuance of tax executions that shall become liens upon any other property in any county of this state of the taxpayer who owes said tax.'(Emphasis supplied.)

Appellee tax collector contends (and the trial court agreed) that under the above quoted subsection (6) and subsection (7)(a), leases of 99 years or more are to be valued as though they were fee ownership and are to be treated like fee ownership in the collection process; that the taxes thereon are to be collected under s 197.116, Fla.Stat.1975, by sale of tax certificates on the leasehold interests just as tax certificates are sold for unpaid taxes on fee interests. It is his view that subsection (7)(a) above only applies to leasehold interests of less than 99 years duration.

The Supreme Court in *Williams v. Jones*, 326 So.2d 425 (Fla.1975), in upholding the constitutionality of this statute, clarified the meaning of subsection (6) in a way that we find controlling on the question presented here. There the court said:

'Our attention has not heretofore focused upon Subsection (6) of Section 196.199, Florida Statutes, which reads:

'Property which is originally leased for 99 years or

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more, exclusive of renewal options, shall be deemed to be 'owned' for purposes of this section.'

Since Subsection (2)(a) of Section 196.199, Florida Statutes, effectively removes from the exemption afforded property owned and used by the designated governmental units all leasehold interests which do not serve or perform a governmental, municipal, or public purpose or function as defined in Section 196.012(5), regardless of the length of the lease, it must be concluded that Subsection (6) dealing with 99-year leases was intended by the Legislature to provide a standard for valuation. Leases for an initial term of less than 99 years are to be valued based on the economic value thereof taking into consideration, among other things, the duration of the unexpired term of the lease, while in the case of leases for an initial term of 99 years or more the lessee may be considered to be the owner 'in fee simple' and the property subject to the lease shall be valued for tax purposes as all other property owned in fee simple. Since a lease for a term of 99 years or more is tantamount to ownership of the fee, we do not construe this to be an unreasonable classification by the Legislature.' (Emphasis supplied.)

The Supreme Court has thus ruled that subsection (6) was intended by the Legislature to provide a Standard for valuation. Although it did not specifically say that such is the Only purpose of that subsection, it is our view that the only meaning and purpose of the subsection is to provide a standard of valuation. To construe it otherwise would directly conflict with the immediately following subsection (7)(a) which provides that, 'Any and all of the aforesaid taxes On any leasehold described in this section shall not become a lien on same or the property itself, . . . ' (Emphasis supplied.) The 99-year leases are leaseholds described in the section referred to in s 196.199. The legislative intent, as we here construe it, is also borne out by subsection (7) of s 197.116, Fla.Stat., (the statute dealing with sale of tax certificates for unpaid taxes) which states as follows:

'(7) No certificate shall be sold on, nor any lien created in, property owned by any governmental unit whose property *565 has become subject to taxation due to its lease to a nongovernmental lessee. Such delinquent taxes shall be enforced and collected in the manner provided in s. 196.199(7).' (Emphasis supplied.)

When we consider the above statutes in pari materia, it is clear that the Legislature has established an exclusive procedure for collection of taxes levied on all private leaseholds of governmentally owned real property and that subsection (6) of s 196.199 provides only the method of valuation of leases of 99 years or more.

Reversed and remanded for further proceedings consistent herewith.

BOYER, C. J., and MILLS, J., concur.
 Fla.App. 1977.
 State Dept. of Revenue v. Gibbs
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