

By Senator Steube

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A bill to be entitled
An act relating to local business taxes; amending ss.
205.032 and 205.042, F.S.; prohibiting the governing
bodies of counties and municipalities, respectively,
from levying a local business tax that was not adopted
before a specified date; limiting the amount of the
tax; making conforming changes; amending s. 205.033,
F.S.; deleting certain provisions that, for counties,
limit the rate of the tax and authorize increases of
the tax; revising the maximum limits of certain
transfer fees; revising applicability of provisions
apportioning revenues from the tax; deleting certain
provisions authorizing the levying of an additional
business tax; amending s. 205.043, F.S.; deleting
certain provisions that, for municipalities, limit the
rate of the tax and authorize increases of the tax;
revising the maximum limits of certain transfer fees;
amending ss. 205.0535 and 205.054, F.S.; conforming
provisions to changes made by the act; creating s.
205.055, F.S.; providing an exemption from the
business tax, subject to certain conditions, to
specified veterans, spouses of veterans and active
servicemembers, and low-income individuals; repealing
s. 205.171, F.S., relating to exemptions allowed
disabled veterans of any war or their unremarried
spouses; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 205.032, Florida Statutes, is amended to
read:

205.032 Levy; counties.—The governing body of a county may

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33 not levy a business tax for the privilege of engaging in or
34 managing any business, profession, or occupation within its
35 jurisdiction if the county did not adopt such tax before January
36 1, 2017. The governing body of a county may continue to levy, ~~by~~
37 ~~appropriate resolution or ordinance,~~ a business tax for the
38 privilege of engaging in or managing any business, profession,
39 or occupation within its jurisdiction if the county adopted the
40 business tax before January 1, 2017, but in no case may such
41 business tax exceed \$25 for any single taxpayer. ~~However, the~~
42 ~~governing body must first give at least 14 days' public notice~~
43 ~~between the first and last reading of the resolution or~~
44 ~~ordinance by publishing a notice in a newspaper of general~~
45 ~~circulation within its jurisdiction as defined by law. The~~
46 ~~public notice must contain the proposed classifications and~~
47 ~~rates applicable to the business tax.~~

48 Section 2. Section 205.042, Florida Statutes, is amended to
49 read:

50 205.042 Levy; municipalities.—The governing body of an
51 incorporated municipality may not levy a business tax for the
52 privilege of engaging in or managing any business, profession,
53 or occupation within its jurisdiction if the municipality did
54 not adopt such tax before January 1, 2017. The governing body of
55 an incorporated municipality may continue to levy, ~~by~~
56 ~~appropriate resolution or ordinance,~~ a business tax for the
57 privilege of engaging in or managing any business, profession,
58 or occupation within its jurisdiction if the municipality
59 adopted the business tax before January 1, 2017, but in no case
60 may such business tax exceed \$25 for any taxpayer. ~~However, the~~
61 ~~governing body must first give at least 14 days' public notice~~

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~~between the first and last reading of the resolution or ordinance by publishing the notice in a newspaper of general circulation within its jurisdiction as defined by law. The notice must contain the proposed classifications and rates applicable to the business tax.~~ The business tax may be levied on:

(1) Any person who maintains a permanent business location or branch office within the municipality, for the privilege of engaging in or managing any business within its jurisdiction.

(2) Any person who maintains a permanent business location or branch office within the municipality, for the privilege of engaging in or managing any profession or occupation within its jurisdiction.

(3) Any person who does not qualify under subsection (1) or subsection (2) and who transacts any business or engages in any occupation or profession in interstate commerce, if the business tax is not prohibited by s. 8, Art. I of the United States Constitution.

Section 3. Section 205.033, Florida Statutes, is amended to read:

205.033 Conditions for levy; counties.—

(1) The following conditions are imposed on the authority of a county governing body to levy a business tax:

(a) The tax must be based upon reasonable classifications and must be uniform throughout any class.

~~(b) Unless the county implements s. 205.0535 or adopts a new business tax ordinance under s. 205.0315, a business tax levied under this subsection may not exceed the rate provided by this chapter in effect for the year beginning October 1, 1971;~~

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91 ~~however, beginning October 1, 1980, the county governing body~~
92 ~~may increase business taxes authorized by this chapter. The~~
93 ~~amount of the increase above the tax rate levied on October 1,~~
94 ~~1971, for taxes levied at a flat rate may be up to 100 percent~~
95 ~~for business taxes that are \$100 or less; 50 percent for~~
96 ~~business taxes that are between \$101 and \$300; and 25 percent~~
97 ~~for business taxes that are more than \$300. Beginning October 1,~~
98 ~~1982, the increase may not exceed 25 percent for taxes levied at~~
99 ~~graduated or per unit rates. Authority to increase business~~
100 ~~taxes does not apply to licenses or receipts granted to any~~
101 ~~utility franchised by the county for which a franchise fee is~~
102 ~~paid.~~

103 ~~(e)~~ A receipt is not valid for more than 1 year, and all
104 receipts expire on September 30 of each year, except as
105 otherwise provided by law.

106 (2) Any receipt may be transferred to a new owner, when
107 there is a bona fide sale of the business, upon payment of a
108 transfer fee of up to 10 percent of the annual business tax, but
109 not less than \$3 nor more than \$10 ~~\$25~~, and presentation of the
110 original receipt and evidence of the sale.

111 (3) Upon written request and presentation of the original
112 receipt, any receipt may be transferred from one location to
113 another location in the same county upon payment of a transfer
114 fee of up to 10 percent of the annual business tax, but not less
115 than \$3 nor more than \$10 ~~\$25~~.

116 (4) The revenues derived from the business tax, exclusive
117 of the costs of collection and any credit given for municipal
118 business taxes, shall be apportioned between the unincorporated
119 area of the county and the incorporated municipalities located

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therein by a ratio derived by dividing their respective populations by the population of the county. ~~This subsection does not apply to counties that have established a new rate structure under s. 205.0535.~~

(5) The revenues so apportioned shall be sent to the governing authority of each municipality, according to its ratio, and to the governing authority of the county, according to the ratio of the unincorporated area, within 15 days following the month of receipt. ~~This subsection does not apply to counties that have established a new rate structure under s. 205.0535.~~

~~(6)(a) Each county, as defined in s. 125.011(1), or any county adjacent thereto may levy and collect, by an ordinance enacted by the governing body of the county, an additional business tax up to 50 percent of the appropriate business tax imposed under subsection (1).~~

~~(b) Subsections (4) and (5) do not apply to any revenues derived from the additional tax imposed under this subsection. Proceeds from the additional business tax must be placed in a separate interest-earning account, and the governing body of the county shall distribute this revenue, plus accrued interest, each fiscal year to an organization or agency designated by the governing body of the county to oversee and implement a comprehensive economic development strategy through advertising, promotional activities, and other sales and marketing techniques.~~

~~(c) An ordinance that levies an additional business tax under this subsection may not be adopted after January 1, 1995.~~

(6) ~~(7)~~ Notwithstanding any other provisions of this

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chapter, the revenue received from a county business tax may be used for overseeing and implementing a comprehensive economic development strategy through advertising, promotional activities, and other sales and marketing techniques.

Section 4. Section 205.043, Florida Statutes, is amended to read:

205.043 Conditions for levy; municipalities.—

(1) The following conditions are imposed on the authority of a municipal governing body to levy a business tax:

(a) The tax must be based upon reasonable classifications and must be uniform throughout any class.

~~(b) Unless the municipality implements s. 205.0535 or adopts a new business tax ordinance under s. 205.0315, a business tax levied under this subsection may not exceed the rate in effect in the municipality for the year beginning October 1, 1971; however, beginning October 1, 1980, the municipal governing body may increase business taxes authorized by this chapter. The amount of the increase above the tax rate levied on October 1, 1971, for taxes levied at a flat rate may be up to 100 percent for business taxes that are \$100 or less; 50 percent for business taxes that are between \$101 and \$300; and 25 percent for business taxes that are more than \$300. Beginning October 1, 1982, an increase may not exceed 25 percent for taxes levied at graduated or per unit rates. Authority to increase business taxes does not apply to receipts or licenses granted to any utility franchised by the municipality for which a franchise fee is paid.~~

~~(c)~~ A receipt is not valid for more than 1 year and all receipts expire on September 30 of each year, except as

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otherwise provided by law.

(2) Any business receipt may be transferred to a new owner, when there is a bona fide sale of the business, upon payment of a transfer fee of up to 10 percent of the annual tax, but not less than \$3 nor more than \$10 ~~\$25~~, and presentation of the original receipt and evidence of the sale.

(3) Upon written request and presentation of the original receipt, any receipt may be transferred from one location to another location in the same municipality upon payment of a transfer fee of up to 10 percent of the annual tax, but not less than \$3 nor more than \$10 ~~\$25~~.

(4) If the governing body of the county in which the municipality is located has levied a business tax or subsequently levies such a tax, the collector of the county tax may issue the receipt and collect the tax thereon.

Section 5. Paragraph (b) of subsection (3) of section 205.0535, Florida Statutes, is amended to read:

205.0535 Reclassification and rate structure revisions.—

(3)

(b) The total annual revenue generated by the new rate structure for the fiscal year following the fiscal year during which the rate structure is adopted may not exceed:

1. For municipalities, the sum of the revenue base and 10 percent of that revenue base. The revenue base is the sum of the business tax revenue generated by receipts issued for the most recently completed local fiscal year ~~or the amount of revenue that would have been generated from the authorized increases under s. 205.043(1)(b), whichever is greater,~~ plus any revenue received from the county under s. 205.033(4).

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207 2. For counties, the sum of the revenue base, 10 percent of
208 that revenue base, and the amount of revenue distributed by the
209 county to the municipalities under s. 205.033(4) during the most
210 recently completed local fiscal year. The revenue base is the
211 business tax revenue generated by receipts issued for the most
212 recently completed local fiscal year ~~or the amount of revenue~~
213 ~~that would have been generated from the authorized increases~~
214 ~~under s. 205.033(1)(b), whichever is greater,~~ but may not
215 include any revenues distributed to municipalities under s.
216 205.033(4).

217 Section 6. Subsection (1) of section 205.054, Florida
218 Statutes, is amended to read:

219 205.054 Business tax; partial exemption for engaging in
220 business or occupation in enterprise zone.—

221 (1) Notwithstanding ~~the provisions of~~ s. 205.033(1)(a) or
222 s. 205.043(1)(a), the governing body of a county or municipality
223 may authorize by appropriate resolution or ordinance, adopted
224 pursuant to the procedure established in ~~s. 205.032 or s.~~
225 205.042, the exemption of 50 percent of the business tax levied
226 for the privilege of engaging in or managing any business,
227 profession, or occupation in the respective jurisdiction of the
228 county or municipality when such privilege is exercised at a
229 permanent business location or branch office located in an
230 enterprise zone.

231 Section 7. Section 205.055, Florida Statutes, is created to
232 read:

233 205.055 Exemptions; veterans, certain spouses, and low-
234 income individuals.—On or after July 1, 2016, a veteran or the
235 surviving spouse of a veteran of the United States Armed Forces;

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236 the spouse of an active military servicemember who has relocated
237 to the county or municipality pursuant to a permanent change of
238 station order; an individual who is receiving public assistance,
239 as that term is defined in s. 409.2554; or an individual whose
240 household income is less than 130 percent of the federal poverty
241 level based on the current year's federal poverty guidelines is
242 entitled to an exemption from the business tax and any fees
243 imposed under this chapter, if such individual completes and
244 signs, under penalty of perjury, a Request for Fee Exemption to
245 be furnished by the local governing authority and provides
246 written documentation in support of his or her request.

247 Section 8. Section 205.171, Florida Statutes, is repealed.

248 Section 9. This act shall take effect upon becoming a law.