



Hallandale Beach
PROGRESS. INNOVATION. OPPORTUNITY.

City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	June 20, 2018		Item Type: <small>(Enter X in box)</small>	Resolution	Ordinance	Other		
					X			
Fiscal Impact: <small>(Enter X in box)</small>	Yes	No	Ordinance Reading: <small>(Enter X in box)</small>	1st Reading		2nd Reading		
	X				X			
				Public Hearing: <small>(Enter X in box)</small>	Yes	No	Yes	No
	X			X				
Funding Source:	General Fund		Advertising Requirement: <small>(Enter X in box)</small>	Yes		No		
					X			
Account Balance:	5020-316100 (Munis) \$335,344		Quasi Judicial: <small>(Enter X in box)</small>	Yes		No		
						X		
Project Number :	N/A		RFP/RFQ/Bid Number:	N/A				
Contract/P.O. Required: <small>(Enter X in box)</small>	Yes	No	Strategic Plan Priority Area: <small>(Enter X in box)</small>					
		X						
			Safety	<input checked="" type="checkbox"/>				
			Quality	<input checked="" type="checkbox"/>				
			Vibrant Appea	<input type="checkbox"/>				
Sponsor Name:	Roger M. Carlton City Manager		Department: Development Services		Keven Klopp, Director, Development Services			

Short Title:

**AN ORDINANCE OF THE CITY OF HALLANDALE BEACH, FLORIDA,
INCREASING ALL LOCAL BUSINESS TAX RECEIPT FEES BY FIVE
PERCENT; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY;
PROVIDING FOR AN EFFECTIVE DATE.**

Staff Summary:

Background

Senate Bill 364 was signed by the Governor on May 3, 1993. The legislation permitted a one-time increase in Local Business Tax Receipt revenues equal to ten (10%) percent of the previous year's "revenue base". Thereafter, rates may be increased five (5%) percent every two years, per Section 205.0535(4), Florida Statutes. (Exhibit 2)

In order to collect the additional 10% revenue for FY 94/95, Ordinance 94-15 was adopted on June 7, 1994. The establishment of the Equity Study Commission and passage of that Ordinance not only increased fees by the allowable 10% of base revenue, but qualified the City to increase Local Business Tax Receipt fees by 5% every two years.

The local business tax was last increased by the City Commission on September 17, 2008 via Ordinance #2008-22, which passed and adopted a 5% tax increase for FY 08/09.

Why Action Is Necessary:

Chapter 205.042, Florida Statutes permits the governing body of an incorporated municipality to levy, by appropriate resolution or ordinance, a local business tax for the privilege of engaging in or managing any business, profession, or occupation within its jurisdiction.

Also, Chapter 205.0535, Florida Statutes allows municipalities to increase by ordinance, the rates of business taxes by up to 5 percent every other year. However, an increase must be enacted by at least a majority plus one vote of the governing body, 4-1 in the case of Hallandale Beach.

Current Situation

The City of Hallandale Beach has not increased its business tax across the board since 2008, although the state permits such increases to occur biennially. The majority of Hallandale Beach Business Tax Receipt assessments are lower than those of Aventura, Miami Gardens, and Dania Beach, the three cities used in Hallandale Beach's comparison study. (Exhibit 3) An increase in the business tax would put Hallandale Beach on par with surrounding areas.

The estimated increased revenue for the 5% proposed adjustment in all categories is \$19,500 for FY 18/19 as detailed in revenue breakdown. (Exhibit 4). A listing of current fees and proposed new fees is attached as Exhibit 1A to the proposed Ordinance for the 5% across the board tax increase.

Proposed Action:

Staff recommends the City Commission adopt the proposed Ordinance which authorizes a 5% increase in business taxes on First Reading and schedule Second Reading for June 20, 2018. These additional revenues are included in the FY 18/19 Budget.

Attachment(s):

- Exhibit 1 - Ordinance
- Exhibit 1A - Current Fees and Proposed New Fees (updated – unutilized categories removed)
- Exhibit 2 - Florida Statute 205-0535(4)
- Exhibit 3 - Comparison of Fee with other Cities re Proposed Fee Increase – FY 18/19
- Exhibit 4 - Revenue Sheet showing breakdown

Prepared by: S. Sewell
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Concurred with: Keven R. Klopp
Keven R. Klopp, Director
Development Services

Concurred with: 
Maggie Gouin
Director, Budget & Program
Monitoring