

1 A bill to be entitled

2 An act relating to local business tax; amending s.
3 205.032, F.S.; authorizing a county to continue to
4 levy a business tax if a resolution or ordinance was
5 adopted by a specified date; providing the maximum
6 amount of business tax a county may impose; removing
7 notice requirements; amending s. 205.033, F.S.;
8 deleting a county's authority to increase its business
9 tax rates or impose additional business taxes;
10 reducing the maximum amount of transfer fees a county
11 may impose; removing exemption from apportionment
12 requirements for certain counties; amending s.
13 205.042, F.S.; authorizing a municipality to continue
14 to levy a business tax if a resolution or ordinance
15 was adopted by a specified date; providing the maximum
16 amount of business tax a municipality may impose;
17 removing notice requirements; amending s. 205.043,
18 F.S.; deleting a municipality's authority to increase
19 its business tax rates; reducing the maximum amount of
20 transfer fees a municipality may impose; amending s.
21 205.0535, F.S.; conforming provisions to changes made
22 by the act; providing an effective date.

23
24 Be It Enacted by the Legislature of the State of Florida:
25

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

28 205.032 Levy; counties.—The governing body of a county may
 29 continue to levy, ~~by appropriate resolution or ordinance~~, a
 30 business tax for the privilege of engaging in or managing any
 31 business, profession, or occupation within its jurisdiction if
 32 an appropriate resolution or ordinance was adopted before
 33 January 1, 2019. For all other counties, the business tax
 34 imposed on a taxpayer may not exceed \$25 ~~However, the governing~~
 35 ~~body must first give at least 14 days' public notice between the~~
 36 ~~first and last reading of the resolution or ordinance by~~
 37 ~~publishing a notice in a newspaper of general circulation within~~
 38 ~~its jurisdiction as defined by law. The public notice must~~
 39 ~~contain the proposed classifications and rates applicable to the~~
 40 ~~business tax.~~

41 Section 2. Section 205.033, Florida Statutes, is amended
 42 to read:

43 205.033 Conditions for levy; counties.—

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

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

48 ~~(b) Unless the county implements s. 205.0535 or adopts a~~
 49 ~~new business tax ordinance under s. 205.0315, a business tax~~
 50 ~~levied under this subsection may not exceed the rate provided by~~

51 ~~this chapter in effect for the year beginning October 1, 1971;~~
52 ~~however, beginning October 1, 1980, the county governing body~~
53 ~~may increase business taxes authorized by this chapter. The~~
54 ~~amount of the increase above the tax rate levied on October 1,~~
55 ~~1971, for taxes levied at a flat rate may be up to 100 percent~~
56 ~~for business taxes that are \$100 or less; 50 percent for~~
57 ~~business taxes that are between \$101 and \$300; and 25 percent~~
58 ~~for business taxes that are more than \$300. Beginning October 1,~~
59 ~~1982, the increase may not exceed 25 percent for taxes levied at~~
60 ~~graduated or per unit rates. Authority to increase business~~
61 ~~taxes does not apply to licenses or receipts granted to any~~
62 ~~utility franchised by the county for which a franchise fee is~~
63 ~~paid.~~

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

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

73 (3) Upon written request and presentation of the original
74 receipt, a ~~any~~ receipt may be transferred from one location to
75 another location in the same county upon payment of a transfer

76 fee of up to 10 percent of the annual business tax. The transfer
 77 fee must be at least \$3 but not more than \$10,~~but not less than~~
 78 ~~\$3 nor more than \$25.~~

79 (4) The revenues derived from the business tax, exclusive
 80 of the costs of collection and any credit given for municipal
 81 business taxes, shall be apportioned between the unincorporated
 82 area of the county and the incorporated municipalities located
 83 therein by a ratio derived by dividing their respective
 84 populations by the population of the county. ~~This subsection~~
 85 ~~does not apply to counties that have established a new rate~~
 86 ~~structure under s. 205.0535.~~

87 (5) The revenues so apportioned shall be sent to the
 88 governing authority of each municipality, according to its
 89 ratio, and to the governing authority of the county, according
 90 to the ratio of the unincorporated area, within 15 days after
 91 ~~following~~ the month of receipt. ~~This subsection does not apply~~
 92 ~~to counties that have established a new rate structure under s.~~
 93 ~~205.0535.~~

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

99 ~~(b) Subsections (4) and (5) do not apply to any revenues~~
 100 ~~derived from the additional tax imposed under this subsection.~~

101 ~~Proceeds from the additional business tax must be placed in a~~
102 ~~separate interest-earning account, and the governing body of the~~
103 ~~county shall distribute this revenue, plus accrued interest,~~
104 ~~each fiscal year to an organization or agency designated by the~~
105 ~~governing body of the county to oversee and implement a~~
106 ~~comprehensive economic development strategy through advertising,~~
107 ~~promotional activities, and other sales and marketing~~
108 ~~techniques.~~

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

111 ~~(6)(7)~~ Notwithstanding ~~any other provisions of this~~
112 chapter, the revenue received from a county business tax may be
113 used for overseeing and implementing a comprehensive economic
114 development strategy through advertising, promotional
115 activities, and other sales and marketing techniques.

116 Section 3. Section 205.042, Florida Statutes, is amended
117 to read:

118 205.042 Levy; municipalities.—The governing body of an
119 incorporated municipality may continue to levy, ~~by appropriate~~
120 ~~resolution or ordinance,~~ a business tax for the privilege of
121 engaging in or managing any business, profession, or occupation
122 within its jurisdiction if an appropriate resolution or
123 ordinance was adopted before January 1, 2019. For all other
124 municipalities, the business tax may not exceed \$25 ~~However, the~~
125 ~~governing body must first give at least 14 days' public notice~~

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

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

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

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

145 Section 4. Subsections (1), (2), and (3) of section
 146 205.043, Florida Statutes, are amended to read:

147 205.043 Conditions for levy; municipalities.—

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

150 (a) The tax must be based upon reasonable classifications

151 and must be uniform throughout any class.

152 ~~(b) Unless the municipality implements s. 205.0535 or~~
 153 ~~adopts a new business tax ordinance under s. 205.0315, a~~
 154 ~~business tax levied under this subsection may not exceed the~~
 155 ~~rate in effect in the municipality for the year beginning~~
 156 ~~October 1, 1971; however, beginning October 1, 1980, the~~
 157 ~~municipal governing body may increase business taxes authorized~~
 158 ~~by this chapter. The amount of the increase above the tax rate~~
 159 ~~levied on October 1, 1971, for taxes levied at a flat rate may~~
 160 ~~be up to 100 percent for business taxes that are \$100 or less;~~
 161 ~~50 percent for business taxes that are between \$101 and \$300;~~
 162 ~~and 25 percent for business taxes that are more than \$300.~~
 163 ~~Beginning October 1, 1982, an increase may not exceed 25 percent~~
 164 ~~for taxes levied at graduated or per unit rates. Authority to~~
 165 ~~increase business taxes does not apply to receipts or licenses~~
 166 ~~granted to any utility franchised by the municipality for which~~
 167 ~~a franchise fee is paid.~~

168 (b)(e) A receipt is not valid for more than 1 year and all
 169 receipts expire on September 30 of each year, except as
 170 otherwise provided by law.

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

176 be at least \$3 but not more than \$10.

177 (3) Upon written request and presentation of the original
178 receipt, a ~~any~~ receipt may be transferred from one location to
179 another location in the same municipality upon payment of a
180 transfer fee of up to 10 percent of the annual tax. The transfer
181 fee must be at least \$3 but not more than \$10, ~~but not less than~~
182 ~~\$3 nor more than \$25.~~

183 Section 5. Paragraphs (a) and (b) of subsection (3) of
184 section 205.0535, Florida Statutes, are amended to read:

185 205.0535 Reclassification and rate structure revisions.—

186 (3) (a) After the reclassification and rate structure
187 revisions have been transmitted to and considered by the
188 appropriate local governing body, it may adopt by majority vote
189 a new business tax ordinance. The business tax imposed on a
190 taxpayer may not exceed \$25 ~~Except that a minimum tax of up to~~
191 ~~\$25 is permitted, the reclassification may not increase the tax~~
192 ~~by more than the following: for receipts costing \$150 or less,~~
193 ~~200 percent; for receipts costing more than \$150 but not more~~
194 ~~than \$500, 100 percent; for receipts costing more than \$500 but~~
195 ~~not more than \$2,500, 75 percent; for receipts costing more than~~
196 ~~\$2,500 but not more than \$10,000, 50 percent; and for receipts~~
197 ~~costing more than \$10,000, 10 percent; however, in no case may~~
198 ~~the tax on any receipt be increased more than \$5,000.~~

199 (b) The total annual revenue generated by the new rate
200 structure for the fiscal year following the fiscal year during

201 which the rate structure is adopted may not exceed:

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

209 2. For counties, the sum of the revenue base, 10 percent
210 of that revenue base, and the amount of revenue distributed by
211 the county to the municipalities under s. 205.033(4) during the
212 most recently completed local fiscal year. The revenue base is
213 the business tax revenue generated by receipts issued for the
214 most recently completed local fiscal year ~~or the amount of~~
215 ~~revenue that would have been generated from the authorized~~
216 ~~increases under s. 205.033(1)(b), whichever is greater,~~ but may
217 not include any revenues distributed to municipalities under s.
218 205.033(4).

219 Section 6. This act shall take effect July 1, 2019.