

FINANCE AND TAXATION COMMITTEE

**Thursday, December 5, 2024
10:15 a.m. – 12:00 p.m. ET**

**Meeting Room: Orange Ballroom C
Hilton Orlando
6001 Destination Parkway
Orlando, FL 32819**

FLC Staff Contact: Charles Chapman



Agenda



Finance and Taxation Legislative Policy Committee
Thursday, December 5, 2024, from 10:15 a.m. to 12:00 p.m.
Hilton Orlando – Meeting Room: Orange Ballroom C
6001 Destination Parkway, Orlando, Florida

AGENDA

- I.** Introduction and Opening Remarks.....**Chair Robert Stuart**
Commissioner, City of Orlando
- II.** Recap of Remaining Two Issues **Charles Chapman, FLC Staff**
 - a. Ad Valorem (Property) Taxes
 - b. Local Business Tax Reform
- III.** Vote on Recommended Priority**Chair Robert Stuart**
Commissioner, City of Orlando
- IV.** Committee Discussion and Vote on Language
of Recommended Priority.....**Chair Robert Stuart**
Commissioner, City of Orlando
- V.** Vote on Whether to Have a Policy Statement.....**Chair Robert Stuart**
Commissioner, City of Orlando
- VI.** Committee Discussion and Vote on Policy
Statement Language (if needed)**Chair Robert Stuart**
Commissioner, City of Orlando
- VII.** Additional Information..... **Charles Chapman, FLC Staff**
 - a. [Key Legislative Dates](#)
 - b. Key Contacts – [Click HERE to sign-up](#)
- VIII.** Closing Remarks.....**Chair Robert Stuart**
Commissioner, City of Orlando
- IX.** Adjournment

Breakfast and Lunch provided by the Florida League of Cities

WiFi is Available
Network: FLCLC2024
Access Code: FLCLC2024



Committee Roster



2024-2025 Legislative Policy Committee Finance and Taxation

Staffed by: Charles Chapman, Legislative Consultant

CHAIR:

The Honorable Robert Stuart
Commissioner, City of Orlando

VICE CHAIR:

The Honorable Molly Young
Mayor, Village of Tequesta

MEMBERS:

The Honorable Diana Adams
Deputy Mayor, City of West Melbourne

Molly Alleger
Assistant to the City Manager, City of Jacksonville Beach

The Honorable Erik Arroyo
Commissioner, City of Sarasota

The Honorable Joseph Barkley, III
Commissioner, City of Belleair Bluffs

The Honorable Thom Barnhorn
Councilor, City of Seminole

The Honorable Anthony Bonna
Councilman, City of Port St. Lucie

The Honorable Thomas Bronson
Council Member, City of Brooksville

Brian Bulthuis
City Manager, City of Clermont

The Honorable Dr. Michael Cadore
Councilman, City of Rockledge

The Honorable Tequilla Collins
Commissioner, City of Belle Glade

The Honorable Kevin Docherty
Council Member, Town of Ocean Breeze

The Honorable Brent Eden
Commissioner, City of Lake Alfred

The Honorable Ariel Fernandez
Commissioner, City of Coral Gables

The Honorable Judith Goldberg
Commissioner, Town of Highland Beach

The Honorable Michael Gonzalez
Council Member, City of Clermont

Lori Houghton
Finance Director, City of Tavares

Patricia Jackson
City Manager, City of Polk City

The Honorable Chris Johnson
Commissioner, City of Largo

The Honorable Anita Kane
Mayor, Town of Loxahatcheegroves.gov

David Keller
Special Projects Administrator, City of Hollywood

The Honorable Joe Kyles
Mayor, City of South Bay

The Honorable Joe LaCascia
Mayor, City of Polk City

The Honorable Barbara Langdon
Commissioner, City of North Port

Joseph F. Lo Bello
Town Manager, Town of Lake Clarke
Shores

The Honorable Lisa Mallozzi
Commissioner, City of Cooper City

David Margolis
City Attorney, City of Clearwater

The Honorable Kevin McCann
Mayor, City of Winter Springs

The Honorable Tradrick McCoy
Council Member, City of Riviera Beach

The Honorable Roger Michaud
Mayor, Town of Lake Park

The Honorable Maria Mitchell
Mayor, City of Miami Springs

Stephen Okiye
Finance Director, City of Port St. Lucie

The Honorable Monica Paris
Commissioner, City of Daytona Beach

Leslie Porter
City Manager, City of Dade City

The Honorable Edward R. (Ed) Potts
Vice-Mayor, City of Alachua

The Honorable Orlando Puyol
Councilmember, Village of North Palm
Beach

The Honorable Mike Radzik
Council Member, City of Groveland

The Honorable Gary Ready
Councilmember, Village of Palm
Springs

Carmen Rosamonda
City Manager, City of DeBary

Suzanne Sherman
City Manager, City of Palm Bay

The Honorable Megan Sladek
Mayor, City of Oviedo

The Honorable Vernel Smith
Commissioner, City of Haines City

The Honorable Fortuna Smukler
Commissioner, City of North Miami
Beach

Rebecca Spuhler
Finance Director, City of Largo

Kelly Strickland
Finance Director, City of Sarasota

Debra Sullivan
City Administrator, City of Belleair
Bluffs

The Honorable Brynn Summerlin
Mayor, City of Davenport

Christine Tenney
Director of Financial Services, City of
Fort Myers

Andrew Thompson
Chief Financial Officer, City of Oakland
Park

Ann Toney-Deal
City Manager, City of Seminole

Nicholas Walsh
Comptroller, City of Satellite Beach

The Honorable Kathy Washington
Councilwoman, Town of Welaka

The Honorable Judy Wertz Strickland
Councilmember, City of Arcadia

The Honorable Robert Yaffe

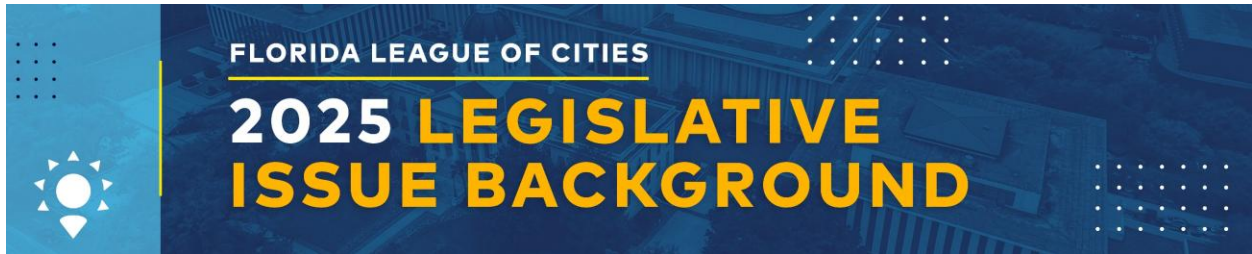
Council Member, Town of Bay Harbor
Islands

The Honorable Brian Yates

Mayor Pro Tem, City of Winter Haven



Ad Valorem (Property) Taxes



Property Taxes

Draft Statement:

The Florida League of Cities SUPPORTS a municipality's authority to levy property taxes to fund critical services such as infrastructure, police, fire and emergency services. While the current property tax system has challenges, further changes or exemptions would exacerbate inequities and unfairly shift the tax burden onto families, renters and businesses.

Background:

Florida property taxes, also known as ad valorem taxes, are property taxes that are based on the assessed value of real estate property. Municipalities heavily rely on property taxes. In most cases, property taxes make up the greatest share of revenues municipalities use to provide essential services like police, fire, parks, libraries and more. Reduction of property tax revenues jeopardizes a municipality's ability to provide essential services.

Property taxes are levied on various categories of property including, one homesteaded property (the primary home of Florida residents), two, non-homestead property (second homes or commercial properties) and three, tangible personal property (goods, property other than real estate and other articles of value the property owner can physically possess).

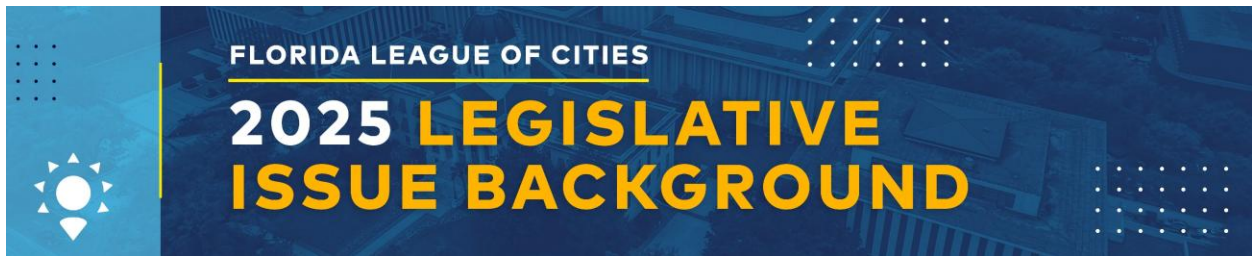
Florida's property tax system includes various exemptions. Most notable is the Homestead Exemption, which is a property tax break reducing the assessed value of a home by \$50,000. In recent legislative sessions, bills have been filed to either increase the dollar amount of homestead exemptions; add new categories of homestead exemptions for first responders, essential workers and veterans (and spouses of deceased veterans); or commission a study to eliminate property taxes altogether and replace them with consumption taxes. The League has consistently opposed these efforts.

Amendment 5 (HJR 7017) was just approved by Florida voters in the 2024 November election. This amendment places an adjustment to the homestead exemption to account for inflation. The referendum is self-executing with an implementation bill already approved by the Legislature and Governor (HB 7019). This inflationary adjustment plus mandatory rollback millage rates reduce the amount of property taxes being generated to fund general government services such as police, fire, parks, libraries and more.

The increasing population demands for municipal services and the cost to provide those services continue to increase. With the passage of Amendment Five, we are requesting that the Legislature give the program time to be effective before considering further reforming property taxes.



Local Business Tax Reform



Local Business Taxes

Draft Statement:

The Florida League of Cities SUPPORTS preserving municipal authority to collect local business taxes, a critical funding source for fostering economic growth, delivering public services and driving community development.

Background:

Local business taxes in Florida, as authorized under Chapter 205, Florida Statutes, are fees collected by counties and municipalities from businesses, professions and occupations operating within their jurisdictions. These taxes provide local governments with general revenue to support essential public services, including infrastructure, economic development and safety services, which all help create a thriving local business environment.

The local business tax grants a business the ability to operate within a specific jurisdiction. Not to be confused with regulatory fees or licenses, this tax is a general revenue stream that allows local governments to offset the costs associated with managing the needs of business communities, such as zoning enforcement, public safety and infrastructure support. Initially referred to as the “Local Occupational License Tax,” the name was changed in 2007 to clarify that the tax does not imply a regulatory license or official approval of competency but is simply a general tax.

In 2023, municipalities across Florida collected about \$175.2 million in revenue from local business taxes. These taxes represent one of the limited revenue sources available to local governments in Florida and provide a vital stream of general revenue that helps cities fund services and maintain local infrastructure.

Over recent years, the Florida Legislature has pursued various bills aimed at reducing or even phasing out local business taxes. These efforts are generally part of a broader state-level trend to curb what some lawmakers view as overly burdensome local regulations on businesses. Supporters of these measures argue that reducing these taxes fosters a more business-friendly environment, whereas opponents contend it limits vital local revenue streams.

In 2024, HB 609 was introduced as part of ongoing efforts to curtail local government reliance on business tax revenue. As originally filed, this legislation sought to eliminate local government authority to levy the local business tax. This legislation was amended to propose significant limitations on local business tax revenues by requiring that, for future years, revenue should not exceed the amount collected in the fiscal year ending September 30, 2023. Although HB 609 did not pass in 2024, it represents a significant legislative push to restrict local governments’ ability

to raise business tax revenue, which signals potential future attempts to reintroduce similar measures.



Key Dates



2024 - 2025 Key Legislative Dates

December 2024

- 2-6 Legislative Interim Committee Meetings (House of Representatives only)
- 5-6 [FLC Legislative Conference](#) – Hilton Orlando, 6001 Destination Parkway, Orlando, FL 32819; FLC Policy Committee Meetings on Dec. 5 (Round 3)
- 9-13 Legislative Interim Committee Meetings (Senate only)

January 2025

- 13-17 Legislative Interim Committee Meetings
- 21-24 Legislative Interim Committee Meetings

February 2025

- 3-7 Legislative Interim Committee Meetings
- 4-5 FAST Fly-in – Washington, DC
- 10-14 Legislative Interim Committee
- 17-21 Legislative Interim Committee
- 20 FLC Legislative Session Preview Webinar at 2:00 p.m. ET

March 2025

- 4 Regular Legislative Session Convenes
- 10-12 NLC Congressional City Conference – Washington, DC
- 24-26 FLC Legislative Action Days – Tallahassee, FL

May 2025

- 2 Last Day of Regular Legislative Session
- 15 FLC Post Legislative Session Review Webinar at 2:00 p.m. ET

For further details about the mentioned events or legislative information, contact medenfield@flcities.com.



Notes

