



BUSINESS IMPACT ESTIMATE

Before the enactment of a proposed ordinance, the County shall prepare or cause to be prepared a business impact estimate in accordance with Section 125.66(3), Florida Statutes.

BOCC Meeting Dates: permission to advertise: 1/9/24, 1st hearing: 2/20/24, 2nd hearing: n/a

Proposed Ordinance Title/Reference:

AN ORDINANCE CREATING ARTICLE VI OF CHAPTER 42 "TAXATION" OF THE ST. LUCIE COUNTY CODE; PROVIDING FOR TAX DEFERRAL FOR RECREATIONAL AND COMMERCIAL WORKING WATERFRONT PROPERTIES; ALLOWING FOR AD VALOREM TAX DEFERRALS FOR RECREATIONAL AND COMMERCIAL WATERFRONT PROPERTIES; PROVIDING FOR PURPOSE, APPLICABILITY AND DEFINITIONS; ESTABLISHING GUIDELINES FOR QUALIFICATION; PROVIDING FOR APPLICATION FOR TAX DEFERRAL, DENIAL OF TAX DEFERRAL, APPROVED APPLICATIONS, DEFERRED PAYMENT CERTIFICATES, TERMINATION OF TAX DEFERRAL, PREPAYMENT OF DEFERRED TAXES; PROVIDING FOR APPEALS; PROVIDING PENALTIES FOR WILLFULLY FILING INCORRECT INFORMATION; PROVIDING FOR DISTRIBUTION OF PAYMENTS; PROVIDING FOR CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

The Proposed Ordinance does does not fall under one of the following enumerated exceptions:¹

- The proposed ordinance is required for compliance with Federal or State law or regulation;
- The proposed ordinance relates to the issuance or refinancing of debt;
- The proposed ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
- The proposed ordinance is required to implement a contract or an agreement, including, but not limited to, any Federal, State, local, or private grant or other financial assistance accepted by the county government;
- The proposed ordinance is an emergency ordinance;
- The ordinance relates to procurement; or
- The proposed ordinance is enacted to implement the following:
 - a. Part II of Chapter 163, Florida Statutes, relating to growth policy, county and municipal planning, and land development regulation, including zoning, development orders, development agreements and development permits;
 - b. Sections 190.005 and 190.046, Florida Statutes, regarding community development districts;
 - c. Section 553.73, Florida Statutes, relating to the Florida Building Code; or
 - d. Section 633.202, Florida Statutes, relating to the Florida Fire Prevention Code.

A business impact estimate is not required for the above exceptions.

Summary of Proposed Ordinance and Statement of Public Purpose to be Served:

The proposed ordinance creates an ad valorem tax deferral application process for recreational and commercial working waterfront properties. The qualifying properties may defer payment of fifty (50) percent of their ad valorem taxes levied by the County (*except for taxes authorized by a vote of the electors pursuant to s. 9(b) or Section 12, Article VII of the State Constitution*) for a period of up to twenty (20) years by filing an annual application for tax deferral with the county tax collector on or before March 31 following the year in which the taxes are assessed.

The ad valorem tax deferral application is an option for a property owner and is not mandatory.

The Florida Legislature passed Chapter 2005-157, Laws of Florida (HB955), which provided a definition for the term "recreational and commercial working waterfront" and authorized county commissions to adopt tax deferral ordinances for recreational and commercial working waterfront properties.

¹ F.S. 125.66(3)(c)(2023)

Estimate of Direct Economic Impact on Private/For Profit Businesses:

a. Estimate of Direct Business Compliance Costs: Minimal direct compliance costs. The applicant will need to submit a complete application, including but limited to a list of outstanding liens and proof of fire and extended coverage insurance in an amount that is in excess of the sum of all outstanding liens, to the county tax collector for review.

b. New Charges/Fees on Businesses Impacted: Depending on the property value and deferral timeframe, there is an interest charge and the deferral will constitute a priority lien on the applicant's property.

Any person who willfully files incorrect information for a tax deferral shall pay a penalty of twenty-five (25) percent of the total amount of deferred taxes, non-ad valorem assessments subject to collection pursuant to the uniform method of collection set forth in Section 197.3632, Florida Statutes, and interest.

c. Estimate of Regulatory Costs: Per the statute and local ordinance, the applicant will need to maintain fire and extended coverage insurance in an amount that is in excess of the sum of all outstanding liens and deferred taxes and interest with a loss payable clause to the county tax collector.

Good Faith Estimate of Number of Businesses Likely Impacted:

It is estimated that 10 or less properties would qualify to apply for the tax deferral.

Any Additional Information:

The purpose of this ordinance is to implement Sections 197.2524, Florida Statutes (2023) by allowing ad valorem tax deferrals for recreational and commercial working waterfront properties.