

**Charlotte County Board of County Commissioners
Agenda Item Summary**

1. DEPARTMENT MAKING REQUEST/NAME/EXTENSION:

County Attorney

2. MEETING DATE:

July 15, 2014

3. REQUESTED MOTION/ACTION:

Conduct a Public Hearing to consider approving an Ordinance levying a local sales tax from January 1, 2021, to December 31, 2022, and providing for a referendum election, to be held on the November 4, 2014, general election. The local sales tax will fund infrastructure as defined by law including the required Justice Center expansion, improvements and equipment.

4. AGENDA

CONSENT
REGULAR
PRESENTATION
TIME REQUIRED:

5. IS THIS ITEM BUDGETED (IF APPLICABLE)?: Yes No IF NO, STATE ACTION REQUIRED

BUDGET ACTION:

FINANCIAL IMPACT SUMMARY STATEMENT:

DETAILED ANALYSIS ATTACHED?: YES NO BUDGET OFFICER _____ DATE _____

6. BACKGROUND: (WHY IS THE ACTION NECESSARY, AND WHAT ACTION WILL BE ACCOMPLISHED)

The Board of County Commissioners has authorized staff to place a referendum election on the ballot for the November 4, 2014, general election, which, if approved by the voters, would provide for a local sales tax being levied from January 1, 2021, to December 31, 2022. In order to accomplish this, it is necessary for the Board to approve this Ordinance levying the local sales tax and authorizing the aforementioned referendum election on the sales tax levy.

7. RECOMMENDED APPROVAL AND DATE (YES & NO BLOCK INDICATE IF APPROVAL IS/IS NOT REQUIRED)

DIVISION/DEPARTMENT DIRECTOR	PURCHASING DIRECTOR	BUDGET	OTHER	COUNTY ATTORNEY	COUNTY ADMINISTRATOR
YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>

8. COMMISSION ACTION:

APPROVED
 DENIED
 DEFERRED DATE TO BRING BACK:
 OTHER SPECIFY:

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

**ORDINANCE
NUMBER 2014-**

26
27
28
29
30
31
32
33
34
35

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF CHARLOTTE COUNTY, FLORIDA, LEVYING A LOCAL GOVERNMENT INFRASTRUCTURE SALES SURTAX ("LOCAL SALES TAX") IN CHARLOTTE COUNTY FROM JANUARY 1, 2021, TO DECEMBER 31, 2022; PROVIDING FOR THE LEVY OF THE LOCAL SALES TAX; PROVIDING FOR A REFERENDUM ELECTION; PROVIDING FOR THE DURATION OF THE LOCAL SALES TAX; PROVIDING FOR THE DISTRIBUTION OF REVENUES OF THE LOCAL SALES TAX; PROVIDING FOR HOLDING THE REFERENDUM ELECTION; PROVIDING FOR THE BALLOT QUESTION; PROVIDING FOR THE USE OF REVENUES; PROVIDING FOR THE DISSEMINATION OF INFORMATION CONCERNING THE LOCAL SALES TAX; PROVIDING FOR NOTIFICATIONS BY THE COUNTY ATTORNEY; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

RECITALS

WHEREAS, Section 212.055(2), Florida Statutes, authorizes the governing authority in each county to levy either a one-half percent (0.5%) or one percent (1%) local government infrastructure sales surtax (hereinafter "local sales tax") upon taxable transactions occurring within the county as provided in Section 212.054, Florida Statutes; and

WHEREAS, proceeds from the local sales tax, and any interest accrued thereto, are required by Section 212.055(2) to be used, *inter alia*, to finance, plan and construct needed infrastructure; and

WHEREAS, the Charlotte County Board of County Commissioners finds that Charlotte County would benefit by imposing a one percent (1%) local sales tax for two (2) years beginning January 1, 2021, and terminating December 31, 2022, so that proceeds

1 from this local sales tax may be used to finance, plan and construct needed infrastructure
2 including the required Justice Center expansion, improvements and equipment; and

3 **WHEREAS**, the imposition of the one percent (1%) local sales tax would result in a
4 one (1) cent sales surtax on each one dollar (\$1.00) for the years 2021 and 2022; and

5 **WHEREAS**, Section 212.055(2), Florida Statutes, provides that the levy of the local
6 sales tax shall be pursuant to an ordinance enacted by a majority of the board of county
7 commissioners of the county and approved by a majority of the electors of the county
8 voting in a referendum on the local sales tax.

9 **NOW, THEREFORE, BE IT ORDAINED** by the Board of County Commissioners of
10 Charlotte County, Florida:

11 **SECTION 1. LEVY OF THE LOCAL SALES TAX.** The Board of County
12 Commissioners of Charlotte County hereby levies a one percent (1%) local sales tax
13 pursuant to Section 212.055(2), Florida Statutes, effective January 1, 2021, to December
14 31, 2022.

15 **SECTION 2. REFERENDUM ELECTION.** The local sales tax levied in Section 1. of
16 this ordinance shall not take effect unless and until it is approved by a majority of the
17 electors of Charlotte County, voting in a referendum election on the local sales tax held as
18 required by this ordinance.

19 **SECTION 3. DURATION OF THE LOCAL SALES TAX.** Collection of the local
20 sales tax levied herein shall begin on January 1, 2021, and shall cease on December 31,
21 2022. There can be no extension of the levy of this local sales tax unless approved by a
22 majority of the electors of Charlotte County voting in a referendum election.

1 and to seek private donations to disseminate factual information to the citizenry of the
2 County concerning the local sales tax. The Board of County Commissioners of Charlotte
3 County finds that the expenditure of such funds and donations is for a public purpose and
4 is an authorized expenditure.

5 **SECTION 9. NOTIFICATIONS BY THE COUNTY ATTORNEY.** The County
6 Attorney is directed to notify the Charlotte County Supervisor of Elections immediately of
7 the adoption of this ordinance and provide the Supervisor of Elections with a certified copy
8 of this ordinance. The County Attorney is further directed to notify the Department of
9 Revenue within 10 days after the final adoption by ordinance or referendum of the levy,
10 termination, or rate change of the local sales tax, but not later than November 16, 2014,
11 prior to the effective date. Said notice shall include the time period during which the local
12 sales tax will be in effect, the rate, a copy of the ordinance and such other information as
13 the Department of Revenue shall require, in accordance with Section 212.054(7)(a),
14 Florida Statutes. In addition, the County Attorney is further directed to notify the
15 Department of Revenue by October 1, 2014, if the referendum, or consideration of the
16 ordinance, that would result in the levy, termination, or rate change of the local sales tax, is
17 scheduled to occur on or after October 1, 2014, in accordance with Section 212.054(7)(b),
18 Florida Statutes.

19 **SECTION 10. SEVERABILITY.** If any provision of this ordinance or the application
20 thereof to any person or circumstance is held invalid, the invalidity shall not affect other
21 provisions or applications of this ordinance which can be given effect without the invalid
22 provision or applications. To this end, the provisions of this ordinance are declared
23 severable.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54

SECTION 11. EFFECTIVE DATE.

A certified copy of this Ordinance shall be filed with the Department of State of the State of Florida within 10 days of enactment and shall take effect upon filing with said department.

PASSED AND DULY ADOPTED this _____ day of _____, 2014.

BOARD OF COUNTY COMMISSIONERS
OF CHARLOTTE COUNTY, FLORIDA

By: _____
Kenneth W. Doherty, Chairman

ATTEST:
Barbara T. Scott, Clerk of Circuit
Court and Ex-officio Clerk to the
Board of County Commissioners

By: _____
Deputy Clerk

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

By: Janette S. Knowlton
Janette S. Knowlton, County Attorney
LR 14-2720 *J.S.*

ECONOMIC IMPACT ESTIMATE

PURPOSE: Analyze what the ordinance is designed to accomplish. Describe present situation and the ordinance's effect thereon.

The purpose of this ordinance is to seek approval of the Charlotte County Local Government Infrastructure Sales Surtax to be levied in the years 2021 and 2022 by the Charlotte County voters in a referendum to be held by the Supervisor of Elections in conjunction with the November 4, 2014, General Election.

IMPACT: Consider costs and benefits, both monetary and non-monetary for the private sector (non-governmental entities) and the public sector (government). In discussing costs and benefits, distinguish between those which are social (borne by society as a whole) and those, which are private (accrue to certain individuals or groups). Identify the specific groups, which will be impacted.

A. Cost of Implementation: The election will be held in conjunction with the November 4, 2014, General Election. Thus, there is no additional cost for a special election. A portion of the sales surtax collected, not exceeding 3%, is retained by the state as costs of administration. So no additional costs are anticipated. There will be operating and maintenance costs associated with some of the projects, which will require adjustments to ad valorem millage rates, as the projects come on-line.

B. Source of Fund/Ultimate Burden of Costs: The local government infrastructure tax is an additional 1% on purchases which are already subject to the 6% state sales tax. For example, on a \$100 purchase, the local government infrastructure tax will add \$1 and the State collects \$6; for a total of \$7 State and local sales taxes. These costs are born by residents, as well as visitors to Charlotte County.

C. Effect on Competition and the Employment Market: The majority of the Counties in Southwest Florida are either collecting the local governmental infrastructure tax for County and City government projects or School Board expenditures, or special referendum taxes for the purchase of environmental lands. Thus, there is no anticipated effect on competition or the employment market.

D. Benefits on implementation: The monies collected from this tax will be used for infrastructure as defined by law including the required Justice Center expansion, improvements and equipment.

These monies are collected from residents, as well as visitors to Charlotte County, who make purchases (which is not the case for ad valorem millages, collected only from property owners).

The Local Government Infrastructure Tax projections for County-wide Infrastructure Projects are outlined below. The total projections are based on a Local Government Infrastructure Tax that is voted in for two years.

Two Year Projection		
Year	Annual Estimate	
2021	\$18.0	
2022	\$18.0	
Total Two Year Projection	\$36.0	