

*City of Dade City*  
**AGENDA MEMO**

**To:** Honorable Mayor and Members of the City Commission

**From:** Angelia Guy, City Clerk

**Subject:** Proposed ordinance for business tax increase

**Date:** August 9, 2016

It is requested that the City Commission consider the following information and recommendations:

**BACKGROUND:**

In 2002 The City of Dade City adopted Ordinance 2002-0803 to classify and set rate structures for Business Tax rates according to Section 205.0535(4) of Florida Statutes. The statutes allow collection of a 5% increase every two years. A rate survey was done of local cities and our tax rates are lower than charged by neighboring cities with comparable populations.

**ISSUES :** The city has not increased fees since 2002. The increased cost for Business Tax Software, renewal letters, reminders and issuance of business tax receipts have increased over the last 15 years, not increasing the rates have not funded any of the expense involved. Enforcement of business tax receipts and collection of fees involves time and effort from the Clerk's office as well as the fire inspector.

**ALTERNATIVES**

1. Approve the 5% increase and Introduce the ordinance and authorize advertisement for public hearing
2. Do not approve the ordinance or authorize advertisement for public hearing.

**FUNDING:** No Funding required

**RECOMMENDATION:** Staff recommends that the ordinance be introduced and advertised for public hearing. Staff also recommends that over the next year a reclassification and rate structure revision study be completed. This study would involve members from the business community per Florida Statutes Chapter 205.0535 to take an in depth look at our fees, classifications and category classifications.

BY THE CITY COMMISSION

**ORDINANCE NO.: 2016-12**

**AN ORDINANCE BY THE CITY COMMISSION OF THE CITY OF DADE CITY, FLORIDA AMENDING CHAPTER 86, ARTICLE II, BUSINESS TAX TO INCREASE FEES; AMENDING SECTION 86-42 TO INCREASE ALL BUSINESS TAX LICENSE FEES BY FIVE PERCENT; PROVIDING FOR REPEALER, SEVERABILITY, AND AN EFFECTIVE DATE.**

WHEREAS, pursuant to Section 205.0535, Florida Statutes, the City Commission previously adopted an occupational license reclassification and rate structure on July 29, 1995; and

WHEREAS, occupational license fees were subsequently renamed business tax license fees; and

WHEREAS, Section 205.0535(4), Florida Statutes, allows for occupational license rates to be increased by up to five percent (5%) every other year after initial adoption; and

WHEREAS, the City has not increased its business tax license fees since 2002; and

WHEREAS, the City Commission now wishes to increase its business tax license fees by five percent (5%).

NOW, THEREFORE, BE IT ORDAINED by the City Commission of the City of Dade City, Florida as follows:

**SECTION 1.** Section 86-42 General Rate Schedules, of the Dade City Code of Ordinances is hereby amended by increasing each business category by five percent (5%) as provided in Exhibit "A".

**SECTION 2.** In all other respects, the provisions of Chapter 86, Taxation, of the Dade City Code of Ordinances have not been amended or modified and remain in full force and effect.

**SECTION 3. Repealer.**

All provisions of the Dade City Code of Ordinances, as amended, and ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of any conflict.

**SECTION 4. Severability.**

It is declared to be the intent of the City Commission of the City of Dade City, Florida, that if any section, subsection, sentence, clause, or provision of this Ordinance shall be declared invalid, the remainder of this Ordinance shall be construed as not having contained said section, subsection, sentence, clause, or provision and shall not be affected by such holding.

**SECTION 5. Effective Date.**

This Ordinance shall take effect on October 1, 2016.

Adopted by the City Commission after first reading on July 26, 2016 and following public hearing on August 9, 2016.

ATTEST:

CITY OF DADE CITY, FLORIDA

\_\_\_\_\_  
Angelia K. Guy, City Clerk

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Camille S. Hernandez, Mayor

## EXHIBIT A

(1) The general rate schedules for retail, service, and manufacturing are as follows:

RETAIL	0--3,000 sq. ft.	3,001-- 10,000 sq. ft.	over 10,000 sq. ft.
\$0--\$3,000 inventory	\$27.56	\$ 44.10	\$ 66.15
\$3,001--\$20,000 inventory	44.10	66.15	88.20
over \$20,000 inventory	66.15	88.20	132.30

SERVICE	0--3,000 sq. ft.	3,001-- 10,000 sq. ft.	over 10,000 sq. ft.
1--5 employees	\$27.56	\$ 44.10	\$ 66.15
6--20 employees	44.10	66.15	88.20
over 20 employees	66.15	88.20	132.30

MANUFACTURING	0--3,000 sq. ft.	3,001-- 10,000 sq. ft.	over 10,000 sq. ft.
1--5 employees	\$44.10	\$ 66.15	\$ 88.20
6--20 employees	66.15	88.20	132.30
over 20 employees	88.20	132.30	176.40

(2) The general rate schedule for occupations not calculated under subsection (1) of this section is as follows:

Category 1: \$ 27.56	
Category 2: 44.10	
Category 3: 66.15	
Category 4: 88.20	
Category 5: 132.30	
Category 6: 176.40	
Category 7: 16.54	
Category 8: 11.03	
Category 9: 110.25	
Category 10: 77.18	

CODE	DESCRIPTION	SCHEDULE
100.0	Abstract/title company	Category 3
110.0	Accountant/auditor/bookkeeper	Category 2
120.0	Advertising	Service
130.0	Agency/bureau (not otherwise classified)	Category 3
140.0	Agent/broker/dealer (not otherwise classified)	Category 2
150.0	Amusement park/carnival/circus PER DAY	Category 5
160.0	Animal care/kennel	Service
170.0	Antique store/mall	Retail
180.0	Apartment/hotel/rooming house/bed & breakfast/etc.	
180.1	1--10 rooms	Category 1
180.2	11--25 rooms	Category 2
180.3	26--50 rooms	Category 3
180.4	over 50 rooms	Category 5
190.0	Apparel & accessories	Retail
200.0	Appliances	
200.1	Sales	Retail
200.2	Service & repair	Service
210.0	Astrologists/fortune tellers/etc.	Category 6
220.0	Attorney/lawyer	Category 2
230.0	Auctioneer	Category 2
240.0	Automobiles/vehicles/mobile homes	
240.1	Parts & supplies	Retail
240.2	Sales	Retail
240.3	Service/repair/cleaning	Service
250.0	Bakery	Service
260.0	Bank/savings & loan/credit union/loan company	Category 5
270.0	Barber/beauty shop, including cosmetology	Service
280.0	Bonding company/bail bondsmen	Category 3
290.0	Broadcasting studio (radio, TV)	Category 4

300.0	Building materials/hardware	Retail
310.0	Business equipment & supplies (not otherwise classified)	Retail
320.0	Business office	Service
330.0	Business services (not otherwise classified)	Service
340.0	Child care/day care/children's nursery	Service
350.0	Club, social/bar/dance hall	Category 4
360.0	Communications	
360.1	Sales	Retail
360.2	Service	Service
370.0	Computers & related items	
370.1	Computer services/data processing	Service
370.2	Computers/software/electronics	Retail
380.0	Consultant/counselor	Category 2
390.0	Contractor - See section 22-93	Category 2
400.0	Decorator	Category 2
410.0	Dentist	Category 2
420.0	Department store/general merchandise	Retail
430.0	Engineer/architect/surveyor/appraiser	Category 2
440.0	Farm & garden equipment & supplies	Retail
450.0	Florist	Service
460.0	Food & beverage sales (not restaurant)	Retail
460.1	Fish & seafood	Retail
460.2	Candy (manufacturing)	Manufacturing
470.0	Fuel dealer/distributor	Category 4
480.0	Funeral home & funeral services	Category 3
490.0	Furniture & home furnishings	Retail
500.0	Guns & firearms sales	Retail
510.0	Health club/fitness center	Service
520.0	Hospital/nursing home/assisted living facility	
520.1	1--10 beds	Category 1

520.2		11--25 beds	Category 2
520.3		26--50 beds	Category 3
520.4		Over 50 beds	Category 5
530.0	Instructor/teacher (private)		Category 2
540.0	Insurance		
540.1		Agent	Category 2
540.2		Company	Category 2
550.0	Janitorial/cleaning/maintenance		Service
560.0	Jewelry		
560.1		Secondhand gold & precious metals	Retail
560.2		Service & repair	Service
560.3		Sales	Retail
570.0	Laundry/laundromat/dry cleaner		Service
580.0	Lawn care		Service
590.0	Liquor sales - See chapter 10 of Code		
600.0	Locksmith		Category 1
610.0	Manufacturing		Manufacturing
620.0	Medical services (not otherwise classified)		Service
630.0	Personal services (not otherwise classified)		Service
640.0	Pest control		Service
650.0	Pharmacy		Category 2
660.0	Photographic & video services		Service
670.0	Physician/doctor/etc.		Category 2
680.0	Professional (not otherwise classified)		Category 2
690.0	Publisher/printer		Service
700.0	Railroad company		Category 5
710.0	Real estate		
710.1		Agent/salesperson	Category 1
710.2		Licensed broker/dealer	Category 2
720.0	Recreational equipment/games/toys		Retail

730.0	Recreational facilities/game room		Service
740.0	Rentals - equipment		Retail
750.0	Restaurant/cafeteria/cafe/ice cream parlor/deli/etc.		
750.1		0--10 seats	Category 1
750.2		11--25 seats	Category 2
750.3		26--50 seats	Category 3
750.4		Over 50 seats	Category 4
760.0	Retail & wholesale merchant (not otherwise classified)		Retail
770.0	Service station		
770.1		1--5 pumps/nozzles	Category 1
770.2		Over 5 pumps/nozzles	Category 3
780.0	Services & repairs (not otherwise classified)		Service
790.0	Social services		Service
800.0	Solicitor - See section 26-204		
810.0	Storage facilities/warehousing		Service
820.0	Theater		
820.1		1--150 seats	Category 3
820.2		Over 150 seats	Category 5
830.0	Transportation, materials		Service
840.0	Transportation, personal - Each vehicle - See chapter 106		Category 1
850.0	Travel agency		Category 3
860.0	Used merchandise (not otherwise classified)		Retail
870.0	Utility company		Category 5
870.1		Electric company under franchise	Category 9
870.2		Telephone company under franchise	Category 10
880.0	Vending & amusement machines - See section 86-41		
880.1		Amusements, games, & music	Category 7
		Merchandise & services	Category 8
890.0	Veterinarian		Category 2