



KEITH W. DAVIS

ATTORNEY AT LAW

Board Certified in City, County and Local Government Law

MEMORANDUM

TO: Mayor Brennan, Vice Mayor Arena, Council Members D'Ambra, Okun and Paterno
CC: Manager Couzzo, Clerk McWilliams
FROM: Attorney Davis
DATE: December 22, 2016

RE: Agenda Item – First Reading of Ordinance 1-17; Utility Tax Reduction for Water Service

The following describes in detail the above referenced agenda item:

Pursuant to Council direction, we have prepared the above referenced ordinance which has the effect of reducing the current utility tax on water only, from 6% to 3%.

The fiscal impact of this ordinance will be the reduction in tax by 3% on the tax for water service.

ORDINANCE NO. 1-17

AN ORDINANCE OF THE VILLAGE COUNCIL OF THE VILLAGE OF TEQUESTA, FLORIDA, AMENDING CHAPTER 70. TAXATION. OF THE CODE OF ORDINANCES OF THE VILLAGE OF TEQUESTA BY AMENDING ARTICLE IV. PUBLIC SERVICE TAX, DIVISION 2. ELECTRICITY, GAS AND WATER., SECTION 70-121, BY REDUCING THE PUBLIC SERVICE TAX ON THE PURCHASE OF WATER FROM 6% TO 3%; LEAVING THE PUBLIC SERVICE TAX ON THE PURCHASE OF ELECTRICITY, NATURAL GAS, LIQUEFIED PETROLEUM GAS, MANUFACTURED GAS AT THE CURRENT 9%; PROVIDING THAT EACH AND EVERY OTHER SECTION AND SUBSECTION OF CHAPTER 70 SHALL REMAIN IN FULL FORCE AND EFFECT AS PREVIOUSLY ADOPTED; PROVIDING A CONFLICTS CLAUSE, A SEVERABILITY CLAUSE, AND AUTHORITY TO CODIFY; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

WHEREAS, the Village Council of the Village of Tequesta, Florida desires to reduce its currently imposed public service tax on the purchase of water from 6% to 3% in accordance with Section 166.231, et. seq. of the *Florida Statutes*; and

WHEREAS, the Village Council of the Village of Tequesta, Florida desires to leave its currently imposed public service tax on the purchase of electricity, natural gas, liquefied petroleum gas, manufactured gas at the current rate of 9%; and

WHEREAS, the Village Council believes the reduction of said tax on the purchase of water will be in the best interests of the Village of Tequesta.

NOW, THEREFORE, BE IT ORDAINED BY THE VILLAGE COUNCIL OF THE VILLAGE OF TEQUESTA, FLORIDA, THAT:

Section 1. Chapter 70. Taxation. of the Code of Ordinances of the Village of Tequesta is hereby amended at Article IV. Public Service Tax, Division 2, Electricity, Gas and Water. Section 70-121, by reducing the public service tax on the purchase of water from 6% to 3%; providing that Chapter 70, Article IV, Division 2, Section 70 - 121 shall hereafter read as follows:

ARTICLE IV. - PUBLIC SERVICE TAX
DIVISION 2. - ELECTRICITY, GAS AND WATER

Sec. 70-121. - Tax levied.

There is hereby levied by the village on each and every sale, in the village, of electricity, metered natural gas, liquefied petroleum gas either metered or bottled, manufactured gas either metered or bottled, a tax of nine percent (9%) of the charge made by the seller thereof, which tax shall, in every case, be paid by the purchaser, for the use of the village, to the seller of such electricity, metered natural gas, liquefied petroleum gas either metered or bottled, manufactured gas either metered or bottled, at the time of paying the charge therefor, to the seller thereof, but not less often than monthly. In addition, there is hereby levied by the village on each and every sale, in the village, of water service, a tax of ~~six~~ three percent (3%) of the charge made by the seller thereof, which tax shall, in every case, be paid by the purchaser, for the use of the village, to the seller of such water service, at the time of paying the charge therefor, to the seller thereof, but not less often than monthly.

Section2. Each and every other section and subsection of Chapter 70. Taxation. of the Code of Ordinances of the Village of Tequesta, Florida, shall remain in full force and effect as previously enacted.

Section 3. All ordinances or parts of ordinances in conflict be and the same are hereby repealed.

Section 4. Should any section or provision of this Ordinance or any portion thereof, any paragraph, sentence or word be declared by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remainder of this Ordinance.

Section5: Specific authority is hereby granted to codify this Ordinance.

Section6: This Ordinance shall take effect immediately upon adoption. The effective date of the tax levy provided for herein shall be July 1, 2017.