

1. Requested Motion:**Meeting Date: Mar 20, 2017**

Provide Direction to Staff on Tax Exemptions for Certain Seniors, Low Income, Long term Residents

Why the action is necessary:

Must notify Lee County Tax Collector by April 1, 2017.

What the action accomplishes:

Compliance with Lee County Tax Collector notifications.

2. Agenda:

ADMINISTRATIVE AGENDA

3. Requirement/Purpose:

Other

4. Submitter of Information:

Finance

5. Background:

The Town Code of Ordinances, Chapter 24, FINANCE AND TAXATION, Article IV Section 24.78, Additional homestead exemptions provides for a \$25,000 exemption for persons 65 and older:

In accordance with section 6(f), art. VII of the Florida Constitution, the town allows an additional homestead exemption of \$25,000.00 for any person who has the legal or equitable title to real estate and maintains thereon the permanent residence, who has attained age 65 years, and whose household income does not exceed \$20,000.00 (\$28,841 adjusted for Consumer Price Index). If title is held jointly with right of survivorship, the person residing on the property and otherwise qualifying may receive the entire amount of the additional homestead exemption.

Additional exemptions have occurred but have not been adopted by the Town:

- A) Florida Statutes was amended in the 2012 legislative session to increase the additional homestead exemption for low-income seniors to \$50,000.00;
- B) November 5, 2012 election an amendment to the Florida Constitution was passed by the state electorate approving a new homestead exemption for long-term resident low-income seniors; The new exemption exempts 100% of the assess value of a senior's homestead property if:
- The property's just value is LESS than \$250,000 and
 - The property has been the owner's permanent residence for at least 25 years and
 - The household income, as defined by general law, does not exceed \$20,000 (\$28,841 adjusted for Consumer Price Index).
- C) November 8, 2016 election, Amendment 5 to the Florida Constitution was passed by the state electorate: Proposing an amendment to the State Constitution to revise the homestead tax exemption that may be granted by counties or municipalities for property with just value less than \$250,000 owned by certain senior, low-income, long-term residents to specify that just value is determined in the first tax year the owner applies and is eligible for the exemption. The amendment takes effect January 1, 2017, and applies retroactively to exemptions granted before January 1, 2017

The benefits of these 3 exemptions options are currently not available to seniors on Fort Myers Beach. In order for it to apply locally, one or more must first be authorized by the Town.

Attached is backup information along with draft ordinances. Based upon Town Council's direction if approved the appropriate Ordinance would be brought forward for the requisite hearings in April.

Attachments:

ORDINANCE 2017-xxxx Providing Additional Homestead Exemption of \$250000 for Qualifying Low Income Seniors-AMEND5 (DOCX)

ORDINANCE 2017-xxx Providing Additional Homestead Exemption of \$250000 for Qualifying Low Income Seniors (DOCX)

ORDINANCE 2017-xx Providing Homestead Exemption of \$50000 (DOCX)

MASTER Agenda Memo senior exemptions (DOCX)

6. **Alternative Action:**

20

7. **Management Recommendations:**

8. **Recommended Approval:**

Maureen Rischitelli

Maureen Rischitelli, Director of Administrative Services

3/13/2017

Peterson Law Group

Peterson Law Group, Town Attorney

3/13/2017

Michelle Mayher

Michelle Mayher, Town Clerk

3/14/2017

James Steele

James Steele, Town Manager

3/14/2017

ORDINANCE 2017-xxx

AN ORDINANCE OF THE TOWN OF FORT MYERS BEACH, FLORIDA, AMENDING THE CODE OF ORDINANCES OF THE TOWN OF FORT MYERS BEACH, CHAPTER 24, TAXATION AND ASSESMENT, SECTION 24.78, ADDITIONAL HOMESTEAD EXEMPTION FOR LONG TERM SENIOR'S TO PROVIDE AN ADDITIONAL HOMESTEAD EXEMPTION FOR LOW INCOME SENIORS WHO HAVE BEEN PERMANENT RESIDENTS FOR AT LEAST 25 YEARS AND HAVE HOMESTEADED PROPERTY WITH AN ASSESSED VALUE OF LESS THAN \$250,000; TO SPECIFY THAT JUST VALUE IS DETERMINED IN THE FIRST TAX YEAR THE OWNER APPLIES AND IS ELIGIBLE FOR THE EXEMPTION. ALLOWING PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL OF ALL ORDINANCES IN CONFLICT HERewith; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in 2012 an amendment to the Florida Constitution was passed by the state electorate approving a new homestead exemption for long-term resident low income seniors; and

WHEREAS, in 2016 an amendment to the Florida Constitution was passed by the state electorate approving a new homestead exemption for long-term resident low income seniors for property with just value less than \$250,000 owned by certain senior, low-income, long-term residents to specify that just value is determined in the first tax year the owner applies and is eligible for the exemption; and

WHEREAS, the Town Commission must adopt the new homestead exemption in order for it to be available to residents; and

WHEREAS, the Town Commission of the Town of Fort Myers Beach desires to amend Section 24.78 of the Town of Fort Myers Beach Code of Ordinances to include the homestead exemption.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COMMISSION OF THE TOWN OF FORT MYERS BEACH, FLORIDA, THAT:

SECTION 1. The recitals stated above are hereby incorporated herein by reference.

SECTION 2. Chapter 24, FINANCE AND TAXATION, Section 24.78, Additional homestead exemption for persons 65 and older, is hereby amended to read as follows:

- A. In accordance with Section.§ 6(d), Article VII, Florida Constitution, and F.S. §196.075, any person 65 years or over who has legal or equitable title to real estate located within the Town of Fort Myers Beach and maintains thereon his/her permanent residence which residence qualifies for and receives homestead exemption pursuant to §6(a), Art. VII, Florida Constitution, and whose household income does not exceed \$28,841.00 shall be entitled to make application for an additional homestead exemption of either:
- 1) \$50,000.00 or

- 2) the assessed value of the property if the just value is less than \$250,000 and the permanent residence of the owner has been maintained thereon for at least 25 years; just value is determined in the first tax year the owner applies and is eligible for the exemption;
- B. The additional homestead exemption, if granted shall be applicable to all ad valorem tax millage rates levied by the town.
- C. Definitions. For the purpose of this subsection, the following words and phrases shall have the meanings respectively ascribed to them as in F.S. § 196.075:
- "Household." A person or group of persons living together in a room or group of rooms as a housing unit, but the term does not include persons boarding in or renting a portion of the dwelling.
- "Household income." The adjusted gross income, as defined in Section 62 of the United States Internal Revenue Code, of all members of a household.
- D. Requirements. Every person claiming an additional homestead exemption pursuant to this section is subject to the following provisions:
- 1) An application therefore must be filed with the county property appraiser not later than March 1 of each year for which such exemption is claimed. Such application shall include a sworn statement of household income for all members of the household and shall be filed on a form prescribed by the Florida Department of Revenue.
 - 2) On or before June 1 of each such year every applicant must file supporting documentation with the property appraiser. Said documentation shall include copies of all federal income tax returns for the prior year, wage and earning statements (W-2 forms), and any other documentation deemed necessary and required by the property appraiser, including documentation necessary to verify the income received by all members of the household for the prior year. The taxpayer's statement shall attest to the accuracy of such copies and documentation.
 - 3) Failure to file the application and sworn statement by March 1 or failure to file the required supporting documentation by June 1 of any given year shall constitute a waiver of the additional exemption privilege for that year.
 - 4) If title is held jointly with right of survivorship, the person residing on the property and otherwise qualifying may receive the entire amount of the additional homestead exemption.
 - 5) Receipt of an additional homestead exemption provided for in this section shall be subject to the provisions of F.S. §§ 196.131 and 196.161, pertaining to wrongful receipt of a homestead exemption.

SECTION 3. Copies of this Ordinance shall be immediately furnished to the Property Appraiser of Lee County, Florida.

SECTION 4. If any section, subsection, sentence, clause or provision of this Ordinance is held invalid, the remainder of the Ordinance shall not be affected.

SECTION 5. All ordinances and parts of ordinances in conflict herewith shall be and the same are hereby repealed.

SECTION 6. This Ordinance shall take effect upon second reading in accordance with Law, and the Charter of the Town of Fort Myers Beach.

NOW, THEREFORE, BE IT ORDAINED by the Town Council of the Town of Fort Myers Beach, that:

The foregoing Ordinance was adopted by the Town Council upon a motion by and seconded by and upon being put to a roll call vote, the result was as follows:

The foregoing ordinance was enacted by the Town Council upon a motion by and seconded by and, upon being put to a vote, the result was as follows:

Dennis C. Boback, Mayor

Rexann Hosafros, Vice Mayor

Anita Cereceda, Council Member

Joanne Shamp, Council Member

Tracey Gore, Council Member

DULY PASSED AND ADOPTED ON THIS DAY OF APRIL, 2017

ATTEST:

TOWN OF FORT MYERS BEACH

By: _____

By: _____

Michelle D. Mayher, Town Clerk

Dennis C. Boback, Mayor

Approved as to form by:

Town Attorney

ORDINANCE 2017-xxx

AN ORDINANCE OF THE TOWN OF FORT MYERS BEACH, FLORIDA, AMENDING THE CODE OF ORDINANCES OF THE TOWN OF FORT MYERS BEACH, CHAPTER 24, TAXATION AND ASSESMENT, SECTION 24.78, ADDITIONAL HOMESTEAD EXEMPTION FOR LONG TERM SENIOR'S TO PROVIDE AN ADDITIONAL HOMESTEAD EXEMPTION FOR LOW INCOME SENIORS WHO HAVE BEEN PERMANENT RESIDENTS FOR AT LEAST 25 YEARS AND HAVE HOMESTEADED PROPERTY WITH AN ASSESSED VALUE OF LESS THAN \$250,000; ALLOWING PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL OF ALL ORDINANCES IN CONFLICT HERewith; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in 2012 an amendment to the Florida Constitution was passed by the state electorate approving a new homestead exemption for long-term resident low income seniors; and

WHEREAS, the Town Commission must adopt the new homestead exemption in order for it to be available to residents; and

WHEREAS, the Town Commission of the Town of Fort Myers Beach desires to amend Section 24.78 of the Town of Fort Myers Beach Code of Ordinances to include the homestead exemption.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COMMISSION OF THE TOWN OF FORT MYERS BEACH, FLORIDA, THAT:

SECTION 1. The recitals stated above are hereby incorporated herein by reference.

SECTION 2. Chapter 24, FINANCE AND TAXATION, Section 24.78, Additional homestead exemption for persons 65 and older, is hereby amended to read as follows:

- A. In accordance with Section. § 6(d), Article VII, Florida Constitution, and F.S. §196.075, any person 65 years or over who has legal or equitable title to real estate located within the Town of Fort Myers Beach and maintains thereon his/her permanent residence which residence qualifies for and receives homestead exemption pursuant to §6(a), Art. VII, Florida Constitution, and whose household income does not exceed \$28,841.00 shall be entitled to make application for an additional homestead exemption of either:
 - 1) \$50,000.00 or
 - 2) the assessed value of the property if the just value is less than \$250.000 and the permanent residence of the owner has been maintained thereon for at least 25 years.
- B. The additional homestead exemption, if granted shall be applicable to all ad valorem tax millage rates levied by the town.
- C. Definitions. For the purpose of this subsection, the following words and phrases shall have the meanings respectively ascribed to them as in F.S. § 196.075:

"Household." A person or group of persons living together in a room or group of rooms as a housing unit, but the term does not include persons boarding in or renting a portion of the dwelling.

"Household income." The adjusted gross income, as defined in Section 62 of the United States Internal Revenue Code, of all members of a household.

D. Requirements. Every person claiming an additional homestead exemption pursuant to this section is subject to the following provisions:

- 1) An application therefore must be filed with the county property appraiser not later than March 1 of each year for which such exemption is claimed. Such application shall include a sworn statement of household income for all members of the household and shall be filed on a form prescribed by the Florida Department of Revenue.
- 2) On or before June 1 of each such year every applicant must file supporting documentation with the property appraiser. Said documentation shall include copies of all federal income tax returns for the prior year, wage and earning statements (W-2 forms), and any other documentation deemed necessary and required by the property appraiser, including documentation necessary to verify the income received by all members of the household for the prior year. The taxpayer's statement shall attest to the accuracy of such copies and documentation.
- 3) Failure to file the application and sworn statement by March 1 or failure to file the required supporting documentation by June 1 of any given year shall constitute a waiver of the additional exemption privilege for that year.
- 4) If title is held jointly with right of survivorship, the person residing on the property and otherwise qualifying may receive the entire amount of the additional homestead exemption.
- 5) Receipt of an additional homestead exemption provided for in this section shall be subject to the provisions of F.S. §§ 196.131 and 196.161, pertaining to wrongful receipt of a homestead exemption.

SECTION 3. Copies of this Ordinance shall be immediately furnished to the Property Appraiser of Lee County, Florida.

SECTION 4. If any section, subsection, sentence, clause or provision of this Ordinance is held invalid, the remainder of the Ordinance shall not be affected.

SECTION 5. All ordinances and parts of ordinances in conflict herewith shall be and the same are hereby repealed.

SECTION 6. This Ordinance shall take effect upon second reading in accordance with Law, and the Charter of the Town of Fort Myers Beach.

NOW, THEREFORE, BE IT ORDAINED by the Town Council of the Town of Fort Myers Beach, that:

The foregoing Ordinance was adopted by the Town Council upon a motion by and seconded by and upon being put to a roll call vote, the result was as follows:

The foregoing ordinance was enacted by the Town Council upon a motion by and seconded by and, upon being put to a vote, the result was as follows:

Dennis C. Boback, Mayor

Rexann Hosafros, Vice Mayor

Anita Cereceda, Council Member

Joanne Shamp, Council Member

Tracey Gore, Council Member

DULY PASSED AND ADOPTED ON THIS DAY OF APRIL, 2017

ATTEST:

TOWN OF FORT MYERS BEACH

By: _____
Michelle D. Mayher, Town Clerk

By: _____
Dennis C. Boback, Mayor

Approved as to form by:

Town Attorney

ORDINANCE 2017-

AN ORDINANCE OF THE TOWN OF FORT MYERS BEACH, FLORIDA, AMENDING THE CODE OF ORDINANCES OF THE TOWN OF FORT MYERS BEACH, CHAPTER 24, TAXATION AND ASSESSMENT, ARTIVLE IV HOMESTEAD EXEMPTION, SECTION 24.78, ADDITIONAL HOMESTEAD EXEMPTION FOR PERSONS 65 AND OLDER, TO INCREASE THE EXEMPTION FROM \$25,000.00 TO \$50,000.00; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL OF ALL ORDINANCES IN CONFLICT HEREWITH; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 196.075, Florida Statutes was amended in the 2012 legislative session to increase the additional homestead exemption for low-income seniors to \$50,000.00; and

WHEREAS, Section 24.78 of the Town of Fort Myers Beach Code of Ordinances currently allows a \$25,000 additional exemption; and

WHEREAS, the Town Commission of the Town of Fort Myers Beach desires to amend Section 24.78 of the Town of Fort Myers Beach Code of Ordinances to be consistent with the revisions to .Section 196.075.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COMMISSION OF THE TOWN OF FORT MYERS BEACH, FLORIDA, THAT:

SECTION 1. The recitals stated above are hereby incorporated herein by reference.

SECTION 2. Chapter 24, TAXATION AND ASSESSMENT, Section 24.78, Additional homestead exemption for persons 65 and older, is hereby amended to read as follows:

In accordance with Section 6(f), Article VII, Florida Constitution, and Section 196.075, Florida Statutes, any person 65 years or over who has legal or equitable title to real estate located within the Town of Fort Myers Beach and maintains thereon his/her permanent residence which residence qualifies for and receives homestead exemption pursuant to Section 6(a), Art. VII, Florida Constitution, and whose household income does not exceed \$28,841.00 shall be entitled to make application for an additional homestead exemption of \$50,000. This additional homestead exemption, if granted, shall be applicable to all ad valorem tax millage rates levied by the Town.

SECTION 3. Copies of this Ordinance shall be immediately furnished to the Property Appraisers of Lee County, Florida.

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ATTEST: TOWN OF FORT MYERS BEACH

By: _____
Michelle D. Mayher, Town Clerk

by: _____
Dennis C. Boback, Mayor

Approved as to form by:

Town Attorney

Attachment: ORDINANCE 2017-xx Providing Homestead Exemption of \$50000 (2017-55 : Amendment 5 to Florida Constitution: Homestead



TO: Jim Steele, Town Manager
FROM: Maureen Rischitelli, Director of Administrative Services
DATE: March 9, 2017
ISSUE: Homestead Exemptions

BACKGROUND:

The Town Charter Chapter 24, FINANCE AND TAXATION, Article IV Section 24.78, Additional homestead exemptions provides for a \$25,000 exemption for persons 65 and older:

In accordance with section 6(f), art. VII of the Florida Constitution, the town allows an additional homestead exemption of \$25,000.00 for any person who has the legal or equitable title to real estate and maintains thereon the permanent residence, who has attained age 65 years, and whose household income does not exceed \$20,000.00. If title is held jointly with right of survivorship, the person residing on the property and otherwise qualifying may receive the entire amount of the additional homestead exemption.

Additional exemptions have occurred but have not been adopted by the Town:

- A) Florida Statutes was amended in the 2012 legislative session to increase the additional homestead exemption for low-income seniors to \$50,000.00;
- B) November 5, 2012 election an amendment to the Florida Constitution was passed by the state electorate approving a new homestead exemption for long-term resident low-income seniors; The new exemption exempts 100% of the assess value of a senior's homestead property if:
 - The property's just value is LESS than \$250,000 and
 - The property has been the owner's permanent residence for at least 25 years and
 - The household income, as defined by general law, does not exceed \$20,000 (current amount \$28,841.00 as adjusted by Consumer Price Index)
- C) November 8, 2016 election, Amendment 5 to the Florida Constitution was passed by the state electorate: Proposing an amendment to the State Constitution to revise the homestead tax exemption that may be granted by counties or municipalities for property with just value less than \$250,000 owned by certain senior, low-income, long-term residents to specify that just value is determined in the first tax year the owner applies and is eligible for the exemption. The amendment takes effect January 1, 2017, and applies retroactively to exemptions granted before January 1, 2017

In order for these to be in effect the Town must amend our local ordinance.

The Town is obligated to advise the Property Appraiser by April 1, of any proposed changes.

Estimated impact

According to the Property Appraisers records

If we implement the additional 25,000 it would apply to the 73 existing qualified taxpayers =1,789,205

If we implement the long term senior, there are 8 of the 73 that would qualify and the resident difference is the value impact for that exemption = 340,253

Comparisons provided by the Property Appraiser:

To: Lee County and Municipal Governments,

Amendment 5 was approved by voters in the general election. The amendment allows cities and counties to extend a tax exemption for certain senior, low-income, long-term residents, if the value of their home grows beyond the \$250,000 cap already on the books. It takes effect January 1, 2017, and applies retroactively to exemptions granted before January 1, 2017. The benefits under Amendment 5 are currently not available to seniors in Lee County. In order for it to apply locally, the amendment must first be authorized by a city or the county.

Below is a chart of what has been authorized in the past by each taxing authority.

Taxing Authority implemented by ordinance prior to 1/1/2017	Senior Exemption – 25,000	Senior Exemption Additional 25,000	Long term Senior’s – equal to the Assessed Value if Just Value is less than 250,000 each year	Amendment 5
Unincorporated	Yes	Yes	Yes	No
Bonita Springs	Yes	No	No	No
Cape Coral	Yes	Yes	No	No
Estero	Yes	Yes	Yes	No
Fort Myers	Yes	No	No	No
Fort Myers Beach	Yes	No	No	No
Sanibel	Yes	No	No	No