

**TOWN OF DAVIE
TOWN COUNCIL AGENDA REPORT**

Item Number: 16.

To: Mayor and Councilmembers

From: David Quigley, AICP, Planning and Zoning Manager (954-797-1075)

Prepared By: David Quigley, AICP, Planning and Zoning Manager (954-797-1075) - Planning Zoning

Subject: Ordinance

Affected District: Town Wide

Item Request: Schedule for Council Meeting

Title of Agenda Item: **BUSINESS TAX RATE SCHEDULE - AN ORDINANCE OF THE TOWN OF DAVIE, FLORIDA, AMENDING THE TOWN'S BUSINESS TAX RATE SCHEDULE IN ACCORDANCE WITH SEC. 205.0535(5); PROVIDING FOR CONFLICT, PROVIDING FOR SEVERABILITY, AND PROVIDING FOR AN EFFECTIVE DATE. (Approved on first reading on October 6, 2021. In a roll call vote: Vice Mayor Hattan - yes; Councilmember Starkey - yes; Councilmember Luis - yes; Councilmember Whitman - yes; Mayor Paul - yes. (Motion carried 5-0)**

Executive Summary: The Town's business tax rate for "Retail/Wholesale/Jobber" is based on the retail or wholesale stock value of the business. Taxing the entire amount of "Retail/Wholesale/Jobber" stock value may deter otherwise desirable businesses from locating within the Town, placing the Town in a competitive disadvantage. The proposed ordinance would cap the taxable retail/wholesale stock value at \$10,000,000.

Key Points:

- The Town's business tax for the "Retail/Wholesale/Jobber" category is based on the retail/wholesale stock value of the business. The first \$300,000 is based on a flat rate but for the remainder is based on \$35.18 per \$10,000. For example, a business with a retail/wholesale stock value of \$10,000,000 would pay \$34,434 per year.
- Since very few businesses have a stock value of more than \$10,000,000, the proposed adjustment to the rate structure will have a small negative impact on business tax receipts in the short term but a positive impact in the long term as the Town becomes more competitive within the region.

Previous Actions:

Concurrences:

Fiscal Impact:

Has request been budgeted? No

If yes expected cost:

Account name and number:

If no, amount needed:

Account name funds will be appropriated from

Additional Comments

Recommendation: Motion to approve**Strategic Goals This Item Supports:**

None

ATTACHMENTS:

File Name

[1_Ord_BTR_retail-wholesale_rate_09-27-21.pdf](#)

Description

Ordinance