

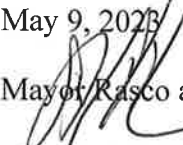


VILLAGE OF KEY BISCAYNE

MEMORANDUM

Village Council
Joe I. Rasco, Mayor
Franklin H. Caplan, Vice Mayor
Brett G. Moss
Edward London
Allison McCormick
Oscar Sardiñas
Fernando A. Vazquez

Village Manager
Steven C. Williamson

DATE: May 9, 2023
TO:  Mayor Rasco and Councilmembers
THRU: Steven C. Williamson, Village Manager
FROM: Jeremy Calleros Gauger, Director – Building,
Zoning, & Planning Department
RE: Amendment of the Local Business Taxation Schedule

RECOMMENDATION

I recommend the Village Council approve the resolution to increase Local Business Tax rates by 5%. Reference the table of existing versus proposed fees in Appendix 1.

BACKGROUND

Local Business Tax categories and rates are regulated at the state level through Florida Statute Chapter 205. The schedule of fees is in Chapter 25 of the Village Ordinances.

Increases in rates are regulated through section (c) of Chapter 25:

“Effective for and from the receipt period commencing on October 1, 2002, each Tax amount set forth above shall be increased by five percent. Further, pursuant to F.S. § 205.0535(4), which allows biennial review, the Council may again review and revise the Tax rates in 2008 for the Receipt period commencing on October 1, 2008.”

However, most rates have not been changed since being imposed via Ordinance 1992-13 on June 9, 1992.

The Village Administration proposes raising the fees by 5%, which is the maximum amount allowed by the code. This increase is proposed to better cover the administrative costs of ensuring businesses comply with Village ordinances.

Local Business Tax receipts are an important aspect of overall code compliance. Tax receipts categorize businesses, which allows code compliance staff to ensure that businesses are operating in appropriate zoning districts and on suitable premises. Tax receipts are used with Certificates of Use which tie businesses to specific properties. Certificates of Use are in turn related to Certificates of Occupancy issued by the Building Department. Certificates of Occupancy are issued to buildings to confirm that they are safe to occupy.



VILLAGE OF KEY BISCAINE

Tax receipts, certificates of use, and certificates of occupancy are interdependent in ensuring health, safety, and welfare of commercial operations.

FINDINGS

A 5% increase in fees will not impede the operation of businesses within the Village while it will aid the Village in better administering code compliance of commercial operations in the Village.

Criteria 1 The proposed amendment is consistent with the Comprehensive Plan.

Analysis The changes proposed are consistent with the intent and purpose of the goals, objectives, and policies stated on the Village of Key Biscayne's Master Plan (Comprehensive Plan).

Goal 1 of the Village Master Plan states "Key Biscayne should be a residential community." Regulating commercial operations is critical to preserving the residential character of Key Biscayne.

Finding Consistent

CONCLUSION

Based on Findings and relevant background information, staff recommends that Council approve the ordinance.

ORDINANCE NO. 2023-_____

AN ORDINANCE OF THE VILLAGE OF KEY BISCAYNE, FLORIDA, AMENDING SECTION 25-31, "BUSINESS TAX SCHEDULE," OF CHAPTER 25 OF THE VILLAGE CODE OF ORDINANCES TO INCREASE THE BUSINESS TAX RECEIPT SCHEDULE RATES; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, pursuant to Section 205.042, Florida Statutes, the Village of Key Biscayne (the "Village") is authorized to levy a local business tax for the privilege of engaging in or managing any business, profession, or occupation within its jurisdiction; and

WHEREAS, the Village currently levies a local business tax pursuant to Article II, "Local Business Tax Receipt," of Chapter 25 of the Village Code of Ordinances (the "Code"); and

WHEREAS, Section 205.0535(4), Florida Statutes, and Section 25-31(c) of the Village Code, provides that municipalities may, every other year, increase or decrease by ordinance the rates of business taxes by up to five percent; and

WHEREAS, the Village desires to amend Section 25-31, "Business Tax Schedule," of the Village Code to increase the business tax schedule rates by five percent in accordance with Section 205.0535(4), Florida Statutes, and section 25-31(c) of the Village Code; and

WHEREAS, the Village Council finds that adoption of this Ordinance is in the best interest and welfare of the Village and its residents.

NOW, THEREFORE, BE IT ORDAINED BY THE VILLAGE COUNCIL OF THE VILLAGE OF KEY BISCAYNE, FLORIDA, AS FOLLOWS:

Section 1. **Recitals.** That the above-stated recitals are true and correct and are incorporated herein by this reference.

Section 2. **Amending Section 25-31 of Chapter 25 of the Village Code.** That Section 25-31, “Business Tax Schedule,” of Chapter 25, “Taxation,” of the Code of Key Biscayne, Florida, is hereby amended to read as set forth in Exhibit “A” attached hereto and incorporated herein.

Section 3. **Severability.** That the provisions of this Ordinance are declared to be severable and if any section, sentence, clause or phrase of this Ordinance shall for any reason be held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining sections, sentences, clauses, and phrases of this Ordinance but they shall remain in effect, it being the legislative intent that this Ordinance shall stand notwithstanding the invalidity of any part.

Section 4. **Codification.** That it is the intention of the Village Council and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Village’s Code of Ordinances, and that the sections of this Ordinance may be renumbered or relettered to accomplish such intentions, and that the word Ordinance shall be changed to Section or other appropriate word.

Section 5. **Conflicts.** That all ordinances or parts of ordinances, resolutions or parts of resolutions, in conflict herewith, are repealed to the extent of such conflict.

Section 6. **Effective Date.** That this Ordinance shall become effective immediately upon final adoption on second reading. However, the business tax schedule rates adopted as part of Exhibit “A” shall not become effective until October 1, 2023.

PASSED on first reading on the _____ day of _____, 2023.

PASSED AND ADOPTED on second reading on the _____ day of _____, 2023.

JOE I. RASCO
MAYOR

ATTEST:

JOCELYN B. KOCH
VILLAGE CLERK

APPROVED AS TO FORM AND LEGALITY:

WEISS SEROTA HELFMAN COLE & BIERMAN, P.L.
VILLAGE ATTORNEY

Appendix 1 - Rates

Business Type	Unit	Original Rate	Proposed Rate
Advertising space renters	per space	\$ 3.75	\$ 3.93
Amusement, game or recreational device, (not otherwise licensed by some other law of this State)	per device	\$ 18.75	\$ 19.68
Cafes, restaurants and other eating establishments:	0—30 seats	\$ 37.50	\$ 39.37
	31—74 seats	\$ 75.00	\$ 78.75
	75—149 seats	\$ 112.50	\$ 118.12
Drive-in restaurants where customers are served while seated in their cars	150+ seats	\$ 150.00	\$ 157.50
	in addition to seats	\$ 75.00	\$ 78.75
Contractors, subcontractors or journeymen (principals shall be deemed employees)	1—10 employees	\$ 22.50	\$ 23.62
	11—20 employees	\$ 45.00	\$ 47.25
	21-30 employees	\$ 67.50	\$ 70.87
	31-40 employees	\$ 90.00	\$ 94.50
	41—50 employees	\$ 112.50	\$ 118.12
	51—100 employees	\$ 281.25	\$ 295.31
	101—150 employees	\$ 421.85	\$ 442.94
	151—200 employees	\$ 562.50	\$ 590.62
	201 or more employees	\$ 585.90	\$ 615.19
Dancehalls or places where entertainment is provided for a charge		\$ 281.25	\$ 295.31
	One night only	\$ 187.50	\$ 196.87
Financial institutions, which shall include insurance companies, banks, bankers, trust companies, savings companies, building and loan associations, and savings and loan associations and other financial institutions which are regulated by State or federal law.		\$ 150.00	\$ 157.50
Hotels, motels and apartment hotels (for the purpose of determining the number of rooms, every room that can be leased or rented shall be included):	per room	\$ 1.85	\$ 1.94
	Minimum Tax	\$ 18.75	\$ 19.68
Intangible or tangible personal property (every Person engaged in the Business of trading, bartering, serving, buying, lending or selling intangible or tangible personal property, whether as owner, agent, broker or otherwise)		\$ 93.75	\$ 98.43
Liquefied petroleum gas, dealers and installers: Installation of equipment to be used with liquefied petroleum gas		\$ 62.50	\$ 65.62

Dealer in liquefied petroleum gas, in appliances and equipment for use of such gas and in the installation of appliances and equipment		\$ 156.25	\$ 164.06
Manufacturing and/or processing (principals shall be deemed employees):	1—10 employees	\$ 37.50	\$ 39.37
	11-20 employees	\$ 75.00	\$ 78.75
	21-30 employees	\$ 112.50	\$ 118.12
	31-40 employees	\$ 150.00	\$ 157.50
	41-50 employees	\$ 225.00	\$ 236.25
	51 or more employees	\$ 281.25	\$ 295.31
Professional License (every Person engaged in the practice of any profession who offers services for consideration, whether or not such endeavor is regulated by law)		\$ 37.50	\$ 39.37
Professional management		\$ 37.50	\$ 39.37
Retailer, retail stores (includes every Person or Business engaged in the Business of selling tangible personal property to consumers or to any Person for any purpose other than for resale)		\$ 37.50	\$ 39.37
Schools, colleges or other educational or training institution for profit		\$ 37.50	\$ 39.37
Service Business (every Person engaged in Business as owner, agent or otherwise who performs some service in return for consideration; principals shall be deemed employees):	1—5 employees	\$ 27.50	\$ 28.87
	6—10 employees	\$ 67.50	\$ 70.87
	11—15 employees	\$ 100.00	\$ 105.00
	16—20 employees	\$ 140.00	\$ 147.00
	21 or more employees	\$ 187.50	\$ 196.87
Title insurance companies		\$ 93.75	\$ 98.43
Theaters	per theater	\$ 37.50	\$ 39.37
Vending machines:			
Merchandise or service vending machines	per machine	\$ 22.50	\$ 23.62
Merchandise vending machines at locations for which a Receipt has been obtained pursuant to this article:	per machine	\$ 7.50	\$ 7.87
Laundry equipment	per machine	\$ 1.85	\$ 1.94
Coin-operated radio, television, vibrating mattresses and similar devices installed in Businesses providing housing accommodations for the travelling public:	per business	\$ 26.25	\$ 27.56
All vending machine operators:	per operator	\$ 187.50	\$ 196.87
	additional per device	\$ 1.85	\$ 1.94

EXHIBIT "A"

CHAPTER 25 – TAXATION

ARTICLE II. – LOCAL BUSINESS TAX RECEIPT

Section 25-31. - Business Tax schedule.

(a) Taxes for the following Businesses, occupations or professions are hereby levied and imposed as follows:

~~Advertising space renters, per space\$ —3.75~~

~~Amusement, game or recreational device (not otherwise licensed by some other law of this State), per device18.75~~

~~Cafes, restaurants and other eating establishments:~~

~~(1) 0 — 30 seats37.50~~

~~(2) 31 — 74 seats75.00~~

~~(3) 75 — 149 seats112.50~~

~~(4) 150 or more seats150.00~~

~~(5) Drive-in restaurants where customers are served while seated in their cars shall pay a Tax of \$75.00. The Tax required by this subsection shall be in addition to the Tax required in subsections (1) through (4).~~

~~Contractors, subcontractors or journeymen (principals shall be deemed employees):~~

~~(1) 1 — 10 employees22.50~~

~~(2) 11 — 20 employees45.00~~

~~(3) 21 — 30 employees67.50~~

~~(4) 31 — 40 employees90.00~~

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~~(5) 41—50 employees112.50~~

~~(6) 51—100 employees281.25~~

~~(7) 101—150 employees421.85~~

~~(8) 151—200 employees562.50~~

~~(9) 201 or more employees585.90~~

~~Dancehalls or places where entertainment is provided for a charge281.25~~

~~One night only187.50~~

~~Financial institutions, which shall include insurance companies, banks, bankers, trust companies, savings companies, building and loan associations, and savings and loan associations and other financial institutions which are regulated by State or federal law150.00~~

~~Hotels, motels and apartment hotels (for the purpose of determining the number of rooms, every room that can be leased or rented shall be included):~~

~~Per room1.85~~

~~Minimum Tax18.75~~

~~Intangible or tangible personal property (every Person engaged in the Business of trading, bartering, serving, buying, lending or selling intangible or tangible personal property, whether as owner, agent, broker or otherwise)93.75~~

~~Liquefied petroleum gas, dealers and installers:~~

~~(1) Installation of equipment to be used with liquefied petroleum gas62.50~~

~~(2) Dealer in liquefied petroleum gas, in appliances and equipment for use of such gas and in the installation of appliances and equipment156.25~~

~~Manufacturing and/or processing (principals shall be deemed employees):~~

~~(1) 1—10 employees37.50~~

~~(2) 11—20 employees75.00~~

~~(3) 21—30 employees112.50~~

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~~(4) 31—40 employees150.00~~

~~(5) 41—50 employees225.00~~

~~(6) 51 or more employees281.25~~

~~Professional License (every Person engaged in the practice of any profession who offers services for consideration, whether or not such endeavor is regulated by law)37.50~~

~~Professional management37.50~~

~~Retailer, retail stores (includes every Person or Business engaged in the Business of selling tangible personal property to consumers or to any Person for any purpose other than for resale)37.50~~

~~Schools, colleges or other educational or training institution for profit37.50~~

~~Service Business (every Person engaged in Business as owner, agent or otherwise who performs some service in return for consideration; principals shall be deemed employees):~~

~~(1) 1—5 employees27.50~~

~~(2) 6—10 employees67.50~~

~~(3) 11—15 employees100.00~~

~~(4) 16—20 employees140.00~~

~~(5) 21 or more employees187.50~~

~~Title insurance companies93.75~~

~~Theaters, per theater37.50~~

~~Vending machines:~~

~~(1) Merchandise or service vending machines, per machine22.50~~

~~(2) Merchandise vending machines at locations for which a Receipt has been obtained pursuant to this article, per machine7.50~~

~~(3) Laundry equipment, per machine1.85~~

~~(4) Coin-operated radio, television, vibrating mattresses and similar devices installed in Businesses providing housing accommodations for the travelling public:~~

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a. Per Business26.25

b. Plus \$0.75 per device.

(5) All vending machine operators shall pay a tax of \$187.50 per operator for the privilege of engaging in such Business, plus an additional \$1.85 per machine.

<u>Business Type</u>	<u>Unit</u>	<u>Rate</u>
<u>Advertising space renters</u>	<u>per space</u>	<u>\$3.93</u>
<u>Amusement, game or recreational device, (not otherwise licensed by some other law of this State)</u>	<u>per device</u>	<u>\$19.68</u>
<u>Cafes, restaurants and other eating establishments:</u>	<u>0—30 seats</u>	<u>\$39.37</u>
	<u>31—74 seats</u>	<u>\$78.75</u>
	<u>75—149 seats</u>	<u>\$118.12</u>
<u>Drive-in restaurants where customers are served while seated in their cars.</u>	<u>150+ seats</u>	<u>\$157.50</u>
	<u>in addition to seats</u>	<u>\$78.75</u>
<u>Contractors, subcontractors or journeymen (principals shall be deemed employees)</u>	<u>1—10 employees</u>	<u>\$23.62</u>
	<u>11—20 employees</u>	<u>\$47.25</u>
	<u>21-30 employees</u>	<u>\$70.87</u>
	<u>31-40 employees</u>	<u>\$94.50</u>
	<u>41—50 employees</u>	<u>\$118.12</u>
	<u>51—100 employees</u>	<u>\$295.31</u>
	<u>101—150 employees</u>	<u>\$442.94</u>
	<u>151—200 employees</u>	<u>\$590.62</u>
	<u>201 or more employees</u>	<u>\$615.19</u>
<u>Dancehalls or places where entertainment is provided for a charge</u>		<u>\$295.31</u>
<u>One night only</u>		<u>\$196.87</u>
<u>Financial institutions, which shall include insurance companies, banks, bankers, trust companies, savings companies, building and loan associations, and savings and loan associations and other financial institutions which are regulated by State or federal law.</u>		<u>\$157.50</u>
	<u>per room</u>	<u>\$1.94</u>

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<u>Hotels, motels and apartment hotels (for the purpose of determining the number of rooms, every room that can be leased or rented shall be included):</u>	<u>Minimum Tax</u>	<u>\$19.68</u>
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<u>Intangible or tangible personal property (every Person engaged in the Business of trading, bartering, serving, buying, lending or selling intangible or tangible personal property, whether as owner, agent, broker or otherwise)</u>		<u>\$98.43</u>
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<u>Liquefied petroleum gas, dealers and installers:</u>		
<u>Installation of equipment to be used with liquefied petroleum gas.</u>		<u>\$65.62</u>
<u>Dealer in liquefied petroleum gas, in appliances and equipment for use of such gas and in the installation of appliances and equipment.</u>		<u>\$164.06</u>

<u>Manufacturing and/or processing (principals shall be deemed employees):</u>	<u>1—10 employees</u>	<u>\$39.37</u>
	<u>11-20 employees</u>	<u>\$78.75</u>
	<u>21-30 employees</u>	<u>\$118.12</u>
	<u>31-40 employees</u>	<u>\$157.50</u>
	<u>41-50 employees</u>	<u>\$236.25</u>
	<u>51 or more employees</u>	<u>\$295.31</u>

<u>Professional License (every Person engaged in the practice of any profession who offers services for consideration, whether or not such endeavor is regulated by law)</u>	<u>\$39.37</u>
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<u>Professional management</u>	<u>\$39.37</u>
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<u>Retailer, retail stores (includes every Person or Business engaged in the Business of selling tangible personal property to consumers or to any Person for any purpose other than for resale).</u>	<u>\$39.37</u>
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<u>Schools, colleges or other educational or training institution for profit</u>	<u>\$39.37</u>
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<u>Service Business (every Person engaged in Business as owner, agent or otherwise who performs some service in return for consideration; principals shall be deemed employees):</u>	<u>1—5 employees</u>	<u>\$28.87</u>
	<u>6—10 employees</u>	<u>\$70.87</u>
	<u>11-15 employees</u>	<u>\$105.00</u>
	<u>16-20 employees</u>	<u>\$147.00</u>
	<u>21 or more employees</u>	<u>196.87</u>

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<u>Title insurance companies</u>		<u>\$98.43</u>
<u>Theaters</u>	<u>per theater</u>	<u>\$39.37</u>
<u>Vending machines:</u>		
<u>Merchandise or service vending machines</u>	<u>per machine</u>	<u>\$23.62</u>
<u>Merchandise vending machines at locations for which a Receipt has been obtained pursuant to this article:</u>	<u>per machine</u>	<u>\$7.87</u>
<u>Laundry equipment</u>	<u>per machine</u>	<u>\$1.94</u>
<u>Coin-operated radio, television, vibrating mattresses and similar devices installed in Businesses providing housing accommodations for the travelling public:</u>	<u>per business</u>	<u>\$27.56</u>
	<u>per operator</u>	<u>\$196.87</u>
<u>All vending machine operators:</u>	<u>additional per device</u>	<u>\$1.94</u>

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