BOARD OF COUNTY COMMISSIONERS
LAKE COUNTY, FLORIDA
OFFICE OF THE COUNTY MANAGER
AGENDA ITEM COVER SHEET

DATE: 4/29/2020
MEETING DATE: 5/19/2020
TO: Jeff Cole, County Manager
ITEM TYPE: Public Hearing
THRU:

Melanie Marsh, County Attorney
ITEM ID: 11119

BY: Nova Atkinson, Paralegal
SUBJECT: Ordinance repealing Article IV, Chapter 13, Lake County Code, entitled Business Taxes

---

RECOMMENDATION/REQUIRED ACTION:
Request approval to adopt and execute an Ordinance repealing Article IV, Chapter 13, Lake County Code, entitled Business Taxes. The fiscal impact is an additional reduction in County revenue for fiscal year 2020 of an estimated at $220,000.00.

BACKGROUND SUMMARY: On February 11, 2020, the Board of County Commissioners (Board) adopted Ordinance No. 2020-7, in order to establish a single fee and a plan to phase out the Business Tax Receipt (BTR) by October 1, 2021. Due to the economic impacts associated with COVID-19 and the closure of many businesses within the geographic boundaries of Lake County, the Board requested on April 21, 2020, that staff bring forward an ordinance to repeal the BTR immediately rather than phasing it out over the two-year period.

Lake County receives about $350,000.00 annually from the BTR, and the 14 municipalities receive a total of $166,000.00 annually from the tax. Based on the Board's approval on February 11, 2020, to phase out the BTR, the County's revenue was to be reduced by approximately $130,000.00 in fiscal year (FY) 2020. Repealing the ordinance will result in the County's revenue being reduced by an additional $220,000.00 in FY 2020.

Fiscal Impact: $220,000.00. (reduction in revenue - fiscal year 2020; $350,000 reduction in revenue annually thereafter)
Account No.:
Advertised Date: 5/8/2020
Paper: Daily Commercial
Attachments:

1.	Proposed Ordinance
2.	Economic Impact Statement

STAFF APPROVALS AND DATES:

Nova Atkinson	Created/Initiated - 4/29/2020
Melanie Marsh	Approved - 5/2/2020
Brian Jaruszewski	Approved - 5/4/2020
Todd Thornton	Approved - 5/4/2020
Jennifer Barker	Approved - 5/4/2020
Melanie Marsh	Approved - 5/4/2020
Angela Harrold	Final Approval - 5/4/2020

ACTION TAKEN BY BOARD:

Action: New Continued/Deferred Until:

Other:

Summary of Ordinance

The purpose of this Ordinance is to repeal Article IV, Chapter 13, Lake County Code, entitled *Business Taxes*, to be effective as provided for by law.

Changes are shown as follows: ~~Strikethrough~~ for deletions and Underline for additions to existing Code sections. The notation "* * *" shall mean that all preceding or subsequent text remains unchanged (excluding any renumbering or relettering that might be needed).

ORDINANCE 2020 - __

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF LAKE COUNTY, FLORIDA; REPEALING ARTICLE IV, CHAPTER 13, LAKE COUNTY CODE, ENTITLED *BUSINESS TAXES*; PROVIDING FOR INCLUSION IN THE CODE; PROVIDING FOR SEVERABILITY; PROVIDING FOR FILING WITH THE DEPARTMENT OF STATE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, pursuant to Section 205.032, Florida Statutes, the governing body of a county may levy a business tax for the privilege of engaging in or managing any business, profession, or occupation within its jurisdiction; and

WHEREAS, the Board did enact Article IV, Chapter 13, Lake County Code, in 1995 which established the business tax receipt in Lake County; and

WHEREAS, Article IV, Chapter 13, Lake County Code, was last amended in January 2007; and

WHEREAS, at the request of the Lake County Tax Collector, the Board adopted Ordinance 2020-7 on February 11, 2020, for the purposes of amending Article IV, Chapter 13, Lake County Code, to consolidate the number of classifications and to establish a single fee; and

WHEREAS, Ordinance 2020-7 also implemented a plan to phase out the business tax so that no business tax would be imposed as of October 1, 2022; and

WHEREAS, due to the economic impacts associated with COVID-19 and the closure of many businesses within the geographic boundaries of Lake County, the Board now desires to repeal the business tax receipt immediately rather than phasing it out over a two (2) year period; and

WHEREAS, the Board hereby finds that this ordinance is in the best interests of the health, general welfare and safety of the residents of Lake County.

NOW, THEREFORE, **BE IT ORDAINED** by the Board of County Commissioners of Lake County, Florida, as follows:

Section 1. **Recitals.** The foregoing recitals are incorporated herein by reference.

Section 2. **Repealer.** Lake County Code, Article IV, Chapter 13, is hereby repealed in its entirety, effective as of October 1, 2020. Business tax receipts that have been issued for the current year will remain in full force and effect until they expire on September 30, 2020. No new business tax receipts will be issued for the remainder of Fiscal Year 2020, nor shall any renewals for the time period beginning October 1, 2020, be processed by the Tax Collector's Office.

Section 3. **Inclusion in Code.** It is the intent of the Board of County Commissioners that the provisions of this Ordinance shall become and be made a part of the Lake County Code and that the sections of this Ordinance may be renumbered or relettered and the word "ordinance" may be changed to "section", "article", or such other appropriate word "or phrase in order to accomplish such intentions.

Section 4. **Severability.** If any section, sentence, clause, phrase or word of this Ordinance is for any reason held or declared to be unconstitutional, inoperative or void, such holding or invalidity shall not affect the remaining portions of this Ordinance; and it shall be construed to have been the Commissioners' intent to pass this Ordinance without such unconstitutional, invalid or inoperative part therein; and the remainder of this Ordinance, after the exclusion of such part or parts shall be deemed and held to be valid, as if such parts had not been included herein; or if this Ordinance or any provisions thereof shall be held inapplicable to any person, groups of persons, property, kind of property, circumstances or set of circumstances, such holding shall not affect the applicability thereof to any other person, property or circumstances.

Section 5. **Filing with the Department of State.** The Clerk shall be and is hereby directed forthwith to send an electronic copy of this Ordinance to the Secretary of State for the State of Florida in accordance with Section 125.66, Florida Statutes.

Section 6. **Effective Date.** This ordinance shall become effective as provided for by law.

ENACTED this day of ___ day of _____, 2020.

FILED with the Secretary of State the ____ day of _____, 2020.

ATTEST:

_____
Gary J. Cooney, Clerk
Board of County Commissioners of
Lake County, Florida

BOARD OF COUNTY COMMISSIONERS
OF LAKE COUNTY, FLORIDA

_____
Leslie Campione, Chairman

This ____ day of _____, 2020.

Approved as to form and legality:

_____
Melanie Marsh, County Attorney

ECONOMIC IMPACT STATEMENT

Contact Information

Date:	May 5, 2020	Contact Name:	Jennifer Barker
Dept./Division:	Adminstrative Services	Contact Phone:	343-9823

Ordinance Information

Describe the ordinance:

Request approval to advertise an ordinance repealing Article IV, Chapter 13, Lake County Code, entitled *Business Taxes*, in its entirety effective as of October 1, 2020.

Describe the direct economic impact of the ordinance upon the operation of the County:

The estimated fiscal impact is a reduction of revenue to the General Fund in FY 2020 in the amount of $220,000.

Describe the direct economic impact of the ordinance upon the property owner/taxpayers/citizens who are expected to be affected:

The business community would realize a savings due to the elimination of the tax effective October 1, 2020.

Identify any potential indirect economic impacts, positive or negative which might occur as a result of the ordinance:

The proposed ordinance would result in a reduction of revenue for the General Fund.