

PROPOSED

ORDINANCE NO. 2017-

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF BROWARD COUNTY, FLORIDA, PERTAINING TO TAXATION; AMENDING SECTION 31½-16 OF THE BROWARD COUNTY CODE OF ORDINANCES ("CODE") BY LEVYING AN ADDITIONAL ONE PERCENT (1%) TOURIST DEVELOPMENT TAX AS A HIGH TOURISM IMPACT COUNTY; PROVIDING FOR A CERTIFIED COPY TO BE SENT TO THE FLORIDA DEPARTMENT OF REVENUE; AND PROVIDING FOR SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE.

(Sponsored by the Board of County Commissioners)

WHEREAS, Section 125.0104, Florida Statutes, commonly referred to as the "Local Option Tourist Development Act," authorizes county governments to levy various tourist development taxes on statutorily defined transient rentals; and

WHEREAS, in 1980, the Board of County Commissioners ("Board") levied a two percent (2%) tourist development tax; and

WHEREAS, in 1987, the Board levied an additional one percent (1%) tourist development tax; and

WHEREAS, in 1996, the Board levied additional tourist development taxes in the combined amount of an additional two percent (2%); and

WHEREAS, Section 125.0104(3)(m), Florida Statutes, authorizes a county that receives certification from the Florida Department of Revenue ("DOR") that its sales subject to tourist development tax exceeded \$600 million during the previous calendar year ("High Tourism Impact County") to levy an additional one percent (1%) tax following an extraordinary vote of the governing board of the county; and

1 WHEREAS, in a letter dated July 7, 2017, a copy of which is attached hereto as
2 Exhibit "A" and incorporated herein, DOR has certified that Broward County meets the
3 requirements to be deemed a High Tourism Impact County; and

4 WHEREAS, the Board has determined that it is desirable to levy an additional
5 tourist development tax in order to provide additional revenue to fund the uses
6 authorized in Section 125.0104(5), Florida Statutes,
7

8 BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF
9 BROWARD COUNTY, FLORIDA:
10

11 Section 1. Chapter 31½-16 of the Broward County Code of Ordinances is
12 hereby amended to read as follows:

13 **Sec. 31½-16. Levied.**

14 (1) There is hereby levied and imposed a tourist development tax throughout
15 Broward County, Florida, at a rate of two percent (2%) of each whole and major fraction
16 of each dollar of the total rental charged every person who rents, leases, or lets for
17 consideration any living quarters or accommodations in any hotel, apartment hotel,
18 motel, resort motel, apartment, apartment motel, rooming house, mobile home park,
19 recreation vehicle park, ~~tourist or trailer camp, or condominium, or time share resort~~ for
20 a term of six (6) months or less ~~is exercising a privilege which is subject to taxation~~
21 ~~under this section~~, unless such living quarters or accommodations are exempt
22 according to the provisions of Chapter 212, ~~F.S~~ Florida Statutes. When receipt of
23 consideration is by way of property other than money, the tax shall be levied and
24 imposed on a fair market value of such nonmonetary considerations.

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1 ...

2 (5) In addition to the two percent (2%) tax imposed under paragraph (1), the
3 one percent (1%) tax imposed under paragraph (2), the one percent (1%) tax imposed
4 under paragraph (3), and the one percent (1%) tax imposed under paragraph (4), the
5 County hereby levies, imposes, and sets an additional one percent (1%) tax pursuant to
6 Section 125.0104(3)(m), Florida Statutes, on the exercise of the privilege described
7 therein. This additional one percent (1%) tax shall be used for any of the authorized
8 uses permitted by Section 125.0104(5), Florida Statutes, and shall not be subject to,
9 and is exempt from, the requirements of Section 31½-17 of the Broward County Code.

10 Section 2. Existing paragraphs (5) through (20) of Section 31½-16 shall be
11 renumbered to reflect the addition of the new paragraph (5).

12 Section 3. CERTIFIED COPY OF THE ORDINANCE.

13 A certified copy of this Ordinance shall be furnished to the Florida Department of
14 Revenue within ten (10) days after approval of this Ordinance.

15 Section 4. SEVERABILITY.

16 If any portion of this Ordinance is determined by any Court to be invalid, the
17 invalid portion shall be stricken, and such striking shall not affect the validity of the
18 remainder of this Ordinance. If any Court determines that this Ordinance, or any portion
19 hereof, cannot be legally applied to any individual(s), group(s), entity(ies), property(ies),
20 or circumstance(s), such determination shall not affect the applicability hereof to any
21 other individual, group, entity, property, or circumstance.

22 Section 5. INCLUSION IN CODE.

23 It is the intention of the Board of County Commissioners that the provisions of
24 this Ordinance shall become and be made a part of the Broward County Code; and that

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1 the sections of this Ordinance may be renumbered or relettered and the word
2 "ordinance" may be changed to "section," "article," or such other appropriate word or
3 phrase in order to accomplish such intentions.

4 Section 6. EFFECTIVE DATE.

5 This Ordinance shall become effective as provided by law. The effective date of
6 the levy shall be January 1, 2018.

7
8 ENACTED

9 FILED WITH THE DEPARTMENT OF STATE

10 EFFECTIVE

PROPOSED

14 Approved as to form and legal sufficiency:
15 Andrew J. Meyers, County Attorney

16
17 By /s/ Sharon V. Thorsen 10/11/17
18 Sharon V. Thorsen (date)
19 Senior Assistant County Attorney

20
21
22 SVT/dmv
23 10/11/17
24 HighTourismCountyOrd.doc
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Executive
Director
Leon M. Biegalski

Child Support
Ann Coffin
Director

General Tax
Administration
Mara Johnson
Director

Property Tax
Oversight
Dr. Maurice Gogarty
Director

Information
Services
Damu Kuttikrishnan
Director

July 7, 2017

The Honorable Barbara Sharief, Mayor
Broward County Board of County Commissioners
Broward County Governmental Center
115 S. Andrews Ave., Room 437C
Ft. Lauderdale, FL 33301

Dear Mayor Sharief:

The Department of Revenue is in receipt of a request for certification of Broward County as a High Impact Tourist County pursuant to the requirements of section 125.0104 (3)(m), Florida Statutes. This provision reads:

(m)1. In addition to any other tax which is imposed pursuant to this section, a high tourism impact county may impose an additional 1-percent tax on the exercise of the privilege described in paragraph (a) by extraordinary vote of the governing board of the county. The tax revenues received pursuant to this paragraph shall be used for one or more of the authorized uses pursuant to subsection (5).

2. A county is considered to be a high tourism impact county after the Department of Revenue has certified to such county that the sales subject to the tax levied pursuant to this section exceeded \$600 million during the previous calendar year, or were at least 18 percent of the county's total taxable sales under chapter 212 where the sales subject to the tax levied pursuant to this section were a minimum of \$200 million, except that no county authorized to levy a convention development tax pursuant to s. 212.0305 shall be considered a high tourism impact county. Once a county qualifies as a high tourism impact county, it shall retain this designation for the period the tax is levied pursuant to this paragraph.

3. The provisions of paragraphs (4)(a)-(d) shall not apply to the adoption of the additional tax authorized in this paragraph. The effective date of the levy and imposition of the tax authorized under this paragraph shall be the first day of the second month following approval of the ordinance by the governing board or the first day of any subsequent month as may be specified in the ordinance. A certified copy of such ordinance shall be furnished by the county to the Department of Revenue within 10 days after approval of such ordinance.

The taxable rental receipts reported to the Department of Revenue by Tourist Development Tax Section of the Finance and Administrative Services Department of Broward County are as follows:

Month	Year	Taxable Transient Rental Receipts as reported by Broward County
January	2016	\$134,051,281.10
February	2016	\$149,100,518.56
March	2016	\$189,849,196.30
April	2016	\$112,891,108.13
May	2016	\$86,830,927.50
June	2016	\$74,969,156.34
July	2016	\$86,832,178.65
August	2016	\$71,504,634.42
September	2016	\$63,525,442.40
October	2016	\$74,036,074.56
November	2016	\$94,717,662.95
December	2016	\$105,225,299.30
Total - Calendar Year 2016		\$1,213,543,481.01

Based on these reported taxable rental receipts, Broward County meets the requirement of section 125.0104(3)(m)2., Florida Statutes, that the sales subject to the tax levied under section 125.0104, Florida Statutes, during calendar year 2016 exceeded \$600 million. By this letter, the Department of Revenue certifies that the sales subject to tax levied pursuant to section 125.0104, Florida Statutes exceeded \$600 Million in the previous calendar year.

Please note that section 125.0104(3)(m)2., Florida Statutes, further provides that no county authorized to levy a convention development tax pursuant to section 212.0305, Florida Statutes, shall be considered a High Tourism Impact County. In certifying the required level of taxable activity, the Department of Revenue makes no determination of whether Broward County is authorized to levy a convention development tax pursuant to section 212.0305, Florida Statutes.

Please let me know if you have any questions or need additional assistance on this matter.

Sincerely,



Bob McKee
Chief Economist
Office of Tax Research
Florida Department of Revenue

CC: Bertha Henry
County Administrator
115 S. Andrews Avenue, Room 409
Fort Lauderdale, FL 33301
Email: bhenry@broward.org

Alan Cohen
Assistant County Administrator
115 S. Andrews Avenue, Room 409
Fort Lauderdale, FL 33301
Email: alcohen@broward.org

Joni Armstrong Coffey
County Attorney
115 S. Andrews Avenue, Room 423
Fort Lauderdale, FL 33301
Email: jacoffey@broward.org

Stacy Ritter
President and CEO
Greater Fort Lauderdale Convention and Visitors Bureau
101 NE 3rd Avenue, Suite 100
Fort Lauderdale, FL 33301
Email: sritter@broward.org

Norman S.J. Foster, Director
Office of Management and Budget
115 S. Andrews Avenue, Room 404
Fort Lauderdale, FL 33301
Email: nfoster@broward.org

Marci Gelman, Assistant Director
Office of Management and Budget
115 S. Andrews Avenue, Room 404
Fort Lauderdale, FL 33301
Email: mgelman@broward.org

Jennifer Steelman, Budget Manager
Office of Management and Budget
115 S. Andrews Avenue, Room 404
Fort Lauderdale, FL 33301
Email: jsteelman@broward.org

George Tablack, CPA
Chief Financial Officer
Finance and Administrative Services Department
115 S. Andrews Avenue, Room 513
Fort Lauderdale, FL 33301
Email: gtablack@broward.org

Thomas W. Kennedy, Director
Records, Taxes, and Treasury Division
115 S. Andrews Avenue, Room 120
Fort Lauderdale, FL 33301
Email: tkennedy@broward.org