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A bill to be entitled  
 An act relating to local occupational license taxes;  
 amending ss. 205.0315, 205.043, and 205.0535, F.S.;  
 revising, updating, and conforming criteria and provisions  
 for ordinances imposing local occupational license taxes;  
 removing limitations on the authority of municipalities  
 and counties to reclassify businesses, professions, and  
 occupations and establish new rate structures for  
 occupational license taxes; requiring the establishment of  
 a review board rather than an equity study commission for  
 certain purposes; deleting a schedule of limitations on  
 increases in license taxes; authorizing increasing,  
 decreasing, or eliminating local occupational license tax  
 rates; specifying a limit on increases in such tax rates;  
 providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 205.0315, Florida Statutes, is amended  
 to read:

205.0315 Ordinance adoption after October 1,  
 1995.--Beginning October 1, 1995, a county or municipality that  
 has not adopted an occupational license tax ordinance or  
 resolution may adopt an occupational license tax ordinance. The  
 occupational license tax rate structure and classifications in  
 the adopted ordinance must be reasonable and based upon the rate  
 structure and classifications prescribed in ordinances adopted  
 by adjacent local governments or ~~that have implemented s.~~

29 ~~205.0535. If no adjacent local government has implemented s.~~  
 30 ~~205.0535, or if the governing body of the county or municipality~~  
 31 ~~finds that the rate structures or classifications of adjacent~~  
 32 ~~local governments are unreasonable, the rate structure or~~  
 33 ~~classifications prescribed in its ordinance may be based upon~~  
 34 ~~those prescribed in ordinances adopted by local governments that~~  
 35 ~~have implemented s. 205.0535 in counties or municipalities that~~  
 36 ~~have a comparable population.~~

37 Section 2. Section 205.043, Florida Statutes, is amended  
 38 to read:

39 205.043 Conditions for levy; municipalities.--

40 (1) The following conditions are imposed on the authority  
 41 of a municipal governing body to levy an occupational license  
 42 tax:

43 (a) The tax must be based upon reasonable classifications  
 44 and must be uniform throughout any class.

45 ~~(b) Unless the municipality implements s. 205.0535 or~~  
 46 ~~adopts a new occupational license tax ordinance under s.~~  
 47 ~~205.0315, an occupational license tax levied under this~~  
 48 ~~subsection may not exceed the rate in effect in the municipality~~  
 49 ~~for the year beginning October 1, 1971; however, beginning~~  
 50 ~~October 1, 1980, the municipal governing body may increase~~  
 51 ~~occupational license taxes authorized by this chapter. The~~  
 52 ~~amount of the increase above the license tax rate levied on~~  
 53 ~~October 1, 1971, for license taxes levied at a flat rate may be~~  
 54 ~~up to 100 percent for occupational license taxes that are \$100~~  
 55 ~~or less; 50 percent for occupational license taxes that are~~  
 56 ~~between \$101 and \$300; and 25 percent for occupational license~~

57 ~~taxes that are more than \$300. Beginning October 1, 1982, an~~  
 58 ~~increase may not exceed 25 percent for license taxes levied at~~  
 59 ~~graduated or per unit rates. Authority to increase occupational~~  
 60 ~~license taxes does not apply to licenses granted to any utility~~  
 61 ~~franchised by the municipality for which a franchise fee is~~  
 62 ~~paid.~~

63 (b)(e) A license is not valid for more than 1 year and all  
 64 licenses expire on September 30 of each year, except as  
 65 otherwise provided by law.

66 (2) Any business license may be transferred to a new  
 67 owner, when there is a bona fide sale of the business, upon  
 68 payment of a transfer fee of up to 10 percent of the annual  
 69 license tax, but not less than \$3 nor more than \$25, and  
 70 presentation of the original license and evidence of the sale.

71 (3) Upon written request and presentation of the original  
 72 license, any license may be transferred from one location to  
 73 another location in the same municipality upon payment of a  
 74 transfer fee of up to 10 percent of the annual license tax, but  
 75 not less than \$3 nor more than \$25.

76 (4) If the governing body of the county in which the  
 77 municipality is located has levied an occupational license tax  
 78 or subsequently levies such a tax, the collector of the county  
 79 tax may issue the license and collect the tax thereon.

80 (5) Any person who is engaged in the business of providing  
 81 local exchange telephone service or pay telephone service in a  
 82 municipality or in the unincorporated area of a county and who  
 83 pays the occupational license tax under the category designated  
 84 for telephone companies or a pay telephone service provider

85 certified pursuant to s. 364.3375 is deemed to have only one  
 86 place of business or business location in each municipality or  
 87 unincorporated area of a county. Pay telephone service providers  
 88 may not be assessed an occupational license tax on a per-  
 89 instrument basis.

90 Section 3. Subsections (1) and (2), paragraphs (a) and (b)  
 91 of subsection (3), and subsection (4) of section 205.0535,  
 92 Florida Statutes, are amended to read:

93 205.0535 Reclassification and rate structure revisions.--

94 (1) Municipalities and counties ~~By October 1, 1995, any~~  
 95 ~~municipality or county~~ may, by ordinance, reclassify businesses,  
 96 professions, and occupations and may establish new rate  
 97 structures, ~~if the conditions specified in subsections (2) and~~  
 98 ~~(3) are met. A person who is engaged in the business of~~  
 99 ~~providing local exchange telephone service or a pay telephone~~  
 100 ~~service in a municipality or in the unincorporated area of a~~  
 101 ~~county and who pays the occupational license tax under the~~  
 102 ~~category designated for telephone companies or a pay telephone~~  
 103 ~~service provider certified pursuant to s. 364.3375 is deemed to~~  
 104 ~~have but one place of business or business location in each~~  
 105 ~~municipality or unincorporated area of a county. Pay telephone~~  
 106 ~~service providers may not be assessed an occupational license~~  
 107 ~~tax on a per-instrument basis.~~

108 (2) Before adopting a reclassification and revision  
 109 ordinance, the municipality or county shall appoint a board to  
 110 review the current classifications and rate structure and to  
 111 ~~must establish an equity study commission and appoint its~~  
 112 ~~members. Each member of the study commission must be a~~

113 ~~representative of the business community within the local~~  
 114 ~~government's jurisdiction. Each equity study commission shall~~  
 115 recommend to the appropriate local government a classification  
 116 system and rate structure for local occupational license taxes.

117 (3)(a) After the reclassification and rate structure  
 118 revisions have been transmitted to and considered by the  
 119 appropriate local governing body, it may adopt by majority vote  
 120 a new occupational license tax ordinance. ~~Except that a minimum~~  
 121 ~~license tax of up to \$25 is permitted, the reclassification~~  
 122 ~~shall not increase the occupational license tax by more than the~~  
 123 ~~following: for licenses costing \$150 or less, 200 percent; for~~  
 124 ~~licenses costing more than \$150 but not more than \$500, 100~~  
 125 ~~percent; for licenses costing more than \$500 but not more than~~  
 126 ~~\$2,500, 75 percent; for licenses costing more than \$2,500 but~~  
 127 ~~not more than \$10,000, 50 percent; and for licenses costing more~~  
 128 ~~than \$10,000, 10 percent; however, in no case may any license be~~  
 129 ~~increased more than \$5,000.~~

130 (b) The total annual revenue generated by the new rate  
 131 structure for the fiscal year following the fiscal year during  
 132 which the rate structure is adopted may not exceed:

133 1. For municipalities, the sum of the revenue base and 10  
 134 percent of that revenue base. The revenue base is the sum of the  
 135 occupational license tax revenue generated by licenses issued  
 136 for the most recently completed local fiscal year ~~or the amount~~  
 137 ~~of revenue that would have been generated from the authorized~~  
 138 ~~increases under s. 205.043(1)(b), whichever is greater, plus any~~  
 139 revenue received from the county under s. 205.033(4).

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140           2. For counties, the sum of the revenue base, 10 percent  
141 of that revenue base, and the amount of revenue distributed by  
142 the county to the municipalities under s. 205.033(4) during the  
143 most recently completed local fiscal year. The revenue base is  
144 the occupational license tax revenue generated by licenses  
145 issued for the most recently completed local fiscal year or the  
146 amount of revenue that would have been generated from the  
147 authorized increases under s. 205.033(1)(b), whichever is  
148 greater, but may not include any revenues distributed to  
149 municipalities under s. 205.033(4).

150           (4) ~~After the conditions specified in subsections (2) and~~  
151 ~~(3) are met,~~ Municipalities and counties may, at any time after  
152 adoption of the ordinance establishing the occupational license  
153 tax every other year thereafter, increase, decrease, or  
154 eliminate by ordinance the rates of local occupational license  
155 taxes. Any increase shall not exceed by up to 5 percent. Any ~~The~~  
156 increase, however, may not be enacted by less than a majority  
157 plus one vote of the governing body.

158           Section 4. This act shall take effect upon becoming a law.