

1 A bill to be entitled
2 An act relating to local occupational license
3 taxes; amending s. 205.0535, F.S.; updating
4 provisions authorizing reclassification and new
5 rate-structure revisions to local occupational
6 license taxes by ordinance; deleting counties
7 from such authorization provisions; providing
8 construction relating to decreasing or
9 repealing such taxes; providing an effective
10 date.

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

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14 Section 1. Section 205.0535, Florida Statutes, is
15 amended to read:

16 205.0535 Reclassification and rate structure
17 revisions.--

18 (1) By October 1, 2006 ~~1995~~, any municipality that has
19 adopted by ordinance an occupational license tax after October
20 1, 1995, or county may, by ordinance, reclassify businesses,
21 professions, and occupations and may establish new rate
22 structures, if the conditions specified in subsections (2) and
23 (3) are met. A person who is engaged in the business of
24 providing local exchange telephone service or a pay telephone
25 service in a municipality or in the unincorporated area of a
26 county and who pays the occupational license tax under the
27 category designated for telephone companies or a pay telephone
28 service provider certified pursuant to s. 364.3375 is deemed
29 to have but one place of business or business location in each
30 municipality or unincorporated area of a county. Pay telephone
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1 service providers may not be assessed an occupational license
2 tax on a per-instrument basis.

3 (2) Before adopting a reclassification and revision
4 ordinance, the municipality or county must establish an equity
5 study commission and appoint its members. Each member of the
6 study commission must be a representative of the business
7 community within the local government's jurisdiction. Each
8 equity study commission shall recommend to the appropriate
9 local government a classification system and rate structure
10 for local occupational license taxes.

11 (3)(a) After the reclassification and rate structure
12 revisions have been transmitted to and considered by the
13 appropriate local governing body, it may adopt by majority
14 vote a new occupational license tax ordinance. Except that a
15 minimum license tax of up to \$25 is permitted, the
16 reclassification shall not increase the occupational license
17 tax by more than the following: for licenses costing \$150 or
18 less, 200 percent; for licenses costing more than \$150 but not
19 more than \$500, 100 percent; for licenses costing more than
20 \$500 but not more than \$2,500, 75 percent; for licenses
21 costing more than \$2,500 but not more than \$10,000, 50
22 percent; and for licenses costing more than \$10,000, 10
23 percent; however, in no case may any license be increased more
24 than \$5,000.

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

28 1. For municipalities, the sum of the revenue base and
29 10 percent of that revenue base. The revenue base is the sum
30 of the occupational license tax revenue generated by licenses
31 issued for the most recently completed local fiscal year or

1 the amount of revenue that would have been generated from the
2 authorized increases under s. 205.043(1)(b), whichever is
3 greater, plus any revenue received from the county under s.
4 205.033(4).

5 2. For counties, the sum of the revenue base, 10
6 percent of that revenue base, and the amount of revenue
7 distributed by the county to the municipalities under s.
8 205.033(4) during the most recently completed local fiscal
9 year. The revenue base is the occupational license tax revenue
10 generated by licenses issued for the most recently completed
11 local fiscal year or the amount of revenue that would have
12 been generated from the authorized increases under s.
13 205.033(1)(b), whichever is greater, but may not include any
14 revenues distributed to municipalities under s. 205.033(4).

15 (c) In addition to the revenue increases authorized by
16 paragraph (b), revenue increases attributed to the increases
17 in the number of licenses issued are authorized.

18 (4) After the conditions specified in subsections (2)
19 and (3) are met, municipalities and counties may, every other
20 year thereafter, increase or decrease by ordinance the rates
21 of local occupational license taxes by up to 5 percent. The
22 increase, however, may not be enacted by less than a majority
23 plus one vote of the governing body. This chapter does not
24 prohibit a municipality or county from decreasing or repealing
25 any license tax authorized under this chapter.

26 (5) No license shall be issued unless the federal
27 employer identification number or social security number is
28 obtained from the person to be licensed.

29 Section 2. This act shall take effect upon becoming a
30 law.

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