

The Florida Senate
PROFESSIONAL STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Finance and Tax Committee

BILL: CS/SB 1178

INTRODUCER: Community Affairs Committee and Senator Rich

SUBJECT: Local Business Taxes

DATE: March 23, 2007

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Herrin	Yeatman	CA	Fav/CS
2.	Hinely	Cooper	CM	Favorable
3.	Fournier	Johansen	FT	Favorable
4.				
5.				
6.				

I. Summary:

The committee substitute (CS) revises the date for beginning the annual sale of local business tax receipts from August 1 to July 1 of each year.

This CS amends section 205.053 of the Florida Statutes.

II. Present Situation:

Local business taxes were previously known as local occupational license taxes. Beginning January 1, 2007, the “Local Occupational License Tax Act” became the “Local Business Tax Act” and conforming changes were made throughout ch. 205, F.S.¹ Chapter 205, F.S., authorizes a local government to levy a business tax for the privilege of engaging in or managing any business, profession, or occupation within its jurisdiction. A local government issues a business tax receipt for payment of the tax.² Business tax receipts are not valid for more than 1 year, and all receipts expire on September 30 of each year (the end of the fiscal year for local governments).³

Section 205.053(1), F.S., requires that the sale of business tax receipts by the appropriate tax collector begin on August 1 of each year. The receipts are due and payable on or before September 30 of each year, unless the 30th falls on a weekend and the due date is then moved to the next working day. Receipts that are not renewed when due or payable are delinquent and

¹ Chapter 2006-152, L.O.F.

² Sections 205.022(5) and 205.042, F.S.

³ Sections 205.033(1)(c) and 205.043(1)(c), F.S.

subject to penalties. A delinquency penalty of 10 percent applies for the month of October and there is an additional 5 percent penalty for each subsequent month until paid. The total delinquency penalty may not exceed 25 percent of the applicable business tax.

III. Effect of Proposed Changes:

The CS provides an additional month for local governments to collect local business taxes by revising the date for beginning the annual sale of local business tax receipts from August 1 to July 1 of each year.

The CS takes effect July 1, 2007.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Summary of Amendments:

None.

This Senate Professional Staff Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
