

TOWN OF PALM BEACH

Information for Town Council Meeting on: April 9, 2019

To: Mayor and Town Council

Via: Kirk Blouin, Town Manager

Via: Josh Martin, Director of Planning, Zoning & Building

From: Wayne Bergman, Asst. Director of Planning, Zoning & Building

Re: Proposed Change in the Business Tax Receipt Rate Structure
Ordinance 8-2019

Date: March 8, 2019

STAFF RECOMMENDATION

Staff recommends approval of the first reading of Ordinance 08-2019 amending the Business Tax Receipt Rate Structure. It should be noted that approval of this ordinance will require a majority plus one vote of the Town Council in order to become effective.

GENERAL INFORMATION

In Fiscal Year (FY) 2018/2019, the Town issued 1,476 Business Tax Receipts (formerly known as occupational licenses) to local businesses. All businesses, professions, and occupations conducted within the Town are required to pay the annual Business Tax Receipt. The Town Code of Ordinances, Chapter 114, Taxation, Sections 114-31 through 114-45 detail the Business Tax Receipt program.

Per Florida Statute 205.0535, the Town may increase Business Tax Receipt Rate Structure every two years by an amount not to exceed 5%. The Town's Business Tax Receipt Rate Structure were last modified on May 9, 2017 with the current rates commencing on October 1, 2017. The rate structure was also increased in 2015, 2013 and 2011.

Staff is recommending an increase in rate structure for FY 2019/2020 by the allowed 5%. If approved, this modification would represent a potential increase in revenue of approximately \$35,000 per year.

If the Town Council approves first reading of Ordinance No. 08-2019, the ordinance will be placed on the May, 2019 Town Council agenda for second and final reading. If adopted, the revised rate structure will be incorporated into the renewal notices scheduled for issuance on or about July 1, 2019, for the new tax year commencing October 1, 2019.

FUNDING/FISCAL IMPACT

The proposed fees will represent an increase in Business Tax Receipts of approximately \$35,000 annually, commencing in FY 2019/2020. This increase is planned, and is reflected in the Town's Long Term Financial Plan.

SPECIAL CONSIDERATIONS

This ordinance has been reviewed by the Town Attorney for legal form and sufficiency. Ordinance No. 08-2019 (Chapter 114-43) is ready to be approved on First Reading.

Attachments

WRB