

TOWN OF PALM BEACH

Information for Town Council Meeting on: June 13, 2023

To: Mayor and Town Council

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



Via: Kirk Blouin, Town Manager

Re: Amendment of Business Tax Fees

Ordinance No. 015-2023

Date: May 17, 2023

STAFF RECOMMENDATION

Staff recommends approval of the first reading of Ordinance 015-2023 amending Business Tax Fees and the Business Tax Program. It should be noted that approval of an increase in business taxes will require a majority plus one vote of the Town Council to become effective.

GENERAL INFORMATION

In **FY23**, the Town to date has issued **1,684** business tax receipts (formerly known as occupational licenses) to local businesses.

Per State Statute (F.S. Chapter 205), the Town may increase business tax fees every two years by an amount not to exceed 5%. The Town's business tax fees were last modified on May 12, 2021, and set the business taxes for the next two fiscal years, commencing on October 1, 2021. Fees were also increased in 2019, 2017, 2015, 2013 and 2011. In 2009, the Town Council elected not to increase fees.

Staff is recommending an increase in fees for FY24 by the allowed 5%. Attached is Ordinance No. 015-2023, which includes the proposed business taxes per occupation and use.

If the Town Council approves first reading of Ordinance No. 015-2023, the ordinance will be placed on the July 11, 2023, Town Council agenda for second and final reading. If adopted, the revised fees will be incorporated into the renewal notices scheduled for issuance on or about July 12, 2023, for the new tax year commencing October 1, 2023.

FUNDING/FISCAL IMPACT¹

Business taxes collected as of **May 8, 2023, are \$918,920**, compared to budgeted revenue for this account of **\$860,000**. Total revenue collected last year was **\$832,756**. The proposed fees will represent an increase in Business Tax Receipts of approximately **\$41,690** annually, commencing in Fiscal Year 2024. This increase is reflected in the Town's Long Term Financial Plan.

TOWN ATTORNEY REVIEW

This ordinance has been reviewed by the Town Attorney for legal form and sufficiency.

Attachments

cc: John C. Randolph, Town Attorney
Kelly Churney, Acting Town Clerk
Bob Miracle, Deputy Town Manager - Finance & Administration

¹ All Business Tax Receipt amounts include penalty fees.