

TAB 12



City of Palmetto Agenda Item

Meeting Date

9/24/12

Presenter: Jim Freeman

Department: City Clerk

Title: Resolution 2012-29 Amendment 4

The attached resolution explains the potential impacts to the City and taxpayers associated with Amendment 4.

Budgeted Amount:	\$0	Budget Page No(s):		Available Amount:		Expenditure Amount:	\$0
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Additional Budgetary Information: Amendment 4 will impact the ad valorem taxes within the City of Palmetto

Funding Source(s):	Fund Balances	Sufficient Funds Available: <input type="checkbox"/> Yes <input type="checkbox"/> No	Budget Amendment Required: <input type="checkbox"/> Yes <input type="checkbox"/> No	Source:	
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City Attorney Reviewed:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Advisory Board Recommendation:	<input type="checkbox"/> For <input type="checkbox"/> Against <input type="checkbox"/> N/A	Consistent With:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
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Potential Motion/Direction Requested: Motion to approve Resolution 2012-29

Staff Contact: Jim Freeman

Attachments: Amendment 4 Fact Sheet.

**CITY OF PALMETTO
RESOLUTION NO. 2012-29**

A RESOLUTION OF THE CITY OF PALMETTO OF MANATEE COUNTY, FLORIDA; CONCERNING AMENDMENT 4 TO THE FLORIDA CONSTITUTION WHICH, IF ADOPTED, WOULD CREATE ADDITIONAL INEQUITIES IN FLORIDA'S TAX SYSTEM BY GRANTING CERTAIN TAX BREAKS TO SOME TAXPAYERS AT THE EXPENSE OF OTHER TAXPAYERS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, a proposed constitutional amendment sponsored by the Florida Legislature will be placed on the 2012 general election ballot as "Amendment 4"; and

WHEREAS, this proposed constitutional change reduces the current assessment limitation on non-homestead property from 10 percent to 5 percent; and

WHEREAS, the proposed amendment grants first-time homesteaders an additional homestead exemption equal to 50 percent of the just value of the property up to the county median home value; and

WHEREAS, the proposed amendment creates a provision that allows the Legislature by general law to prohibit increases in the assessed value of homestead property if the just value of the property decreases; and

WHEREAS, Amendment 4 creates inequities for non-homestead properties by allowing identical properties to be taxed differently, and Amendment 4 extends the sunset provision already in the Florida Constitution from 2010 to 2023, which allows these inequities to be in place longer; and

WHEREAS, Amendment 4 shifts the tax burden to new or growing businesses, creating an unfair disadvantage for new businesses that would have to pay higher property taxes than their more established counterparts; and

WHEREAS, the non-homestead assessment cap reduction and the first-time homesteader provision apply to the city and county taxes and not to school property taxes; and

WHEREAS, over the last few years, several property tax initiatives, including additional homestead exemptions, Save Our Homes portability and statutory millage caps, have also contributed to the unequal treatment of Florida's taxpayers.

WHEREAS, there are estimates of the total tax impact of Amendment 4 of \$1.6 billion cumulatively over a four-year period beginning in 2013-2014, with approximately \$447 million borne by cities;

NOW, THEREFORE, BE IT RESOLVED by the City of Palmetto of Manatee County, Florida, that:

- Section 1: The City of Palmetto of Manatee County, Florida will evaluate the impact Amendment 4 may have on its property taxes.
- Section 2: That the City of Palmetto of Manatee County, Florida urges its residents to carefully consider the potential adverse consequences of Amendment 4 before voting in the November 2012 general election.
- Section 3: That a copy of this resolution be provided to the Florida League of Cities, Inc. and other interested parties.

PASSED AND DULY ADOPTED, at a public hearing with a quorum present and voting, this 24th day of September, 2012.

CITY OF PALMETTO, FLORIDA, BY THE
CITY COMMISSION OF THE CITY OF
PALMETTO, FLORIDA

BY: _____
SHIRLEY GROOVER BRYANT, MAYOR

ATTEST: JAMES R. FREEMAN
City Clerk

BY: _____
City Clerk

Know the Facts About **AMENDMENT 4**

Amendment 4 is one of many state constitutional amendments that will appear on the November 2012 General Election ballot.

What the Amendment Does.

The official ballot summary is lengthy and has several significant components that:

- ✓ Reduce the current assessment limitation on commercial property, vacant property and second homes.
- ✓ Give first-time home buyers an additional homestead exemption.
- ✓ Allow the Legislature to prohibit increases in the assessed value of homestead property if the just value of the property decreases.
- ✓ Apply the assessment cap reduction and the first-time home buyer provisions **to city and county taxes**, not to school property taxes.

AMENDMENT 4

Unfair. Unbalanced. Unworkable.

To learn more, visit

<http://www.floridaleagueofcities.com/News.aspx?CNID=9072>

The Facts About **AMENDMENT 4**

Amendment 4 takes a complicated property tax system and makes it worse! It shifts Florida's property tax burden onto new and growing businesses and Florida residents while providing special benefits to out-of-state and non-homestead property owners.

Hurts new jobs and growing businesses.

Amendment 4 puts new and growing businesses at a disadvantage by making them pay higher taxes than paid by established businesses. This measure will stymie business expansion of Florida-based businesses and discourage new businesses from locating to Florida.

Makes our complicated property tax system even worse.

Florida's property tax system is already complex. Numerous changes have been made over the years, which makes it difficult to understand. **Amendment 4** just adds to the confusion.

Is unfair to Florida (homestead) residents.

Amendment 4 favors out-of-state, second home property owners and owners of large tracts of vacant land and shifts the cost of paying for public services to long-time Florida residents. This measure creates an unfair "us-versus-them" tax system that hurts those who live and work here.

Is unbalanced because identical properties will pay different taxes.

Amendment 4 takes an already unfair and unbalanced tax system and makes it even worse by providing special benefits for out-of-state and second home property owners. Amendment 4 will allow identical properties to be taxed differently. It allows this inequity to be in place until 2023.

It will impact cities' major revenue source.

By providing special tax benefits to out-of-state and second property owners, local governments will see its major source of revenue negatively impacted again. Property taxes are used to fund basic services such as police protection, fire protection, parks and recreation, and other public services citizens depend on.

AMENDMENT 4

Unfair. Unbalanced. Unworkable.