MEMORANDUM

Agenda Item No. 11(A)(3)

TO:	Honorable Chairman Joe A. Martinez and Members, Board of County Commissioners	**DATE:**	October 23, 2012
FROM:	R. A. Cuevas, Jr. County Attorney	**SUBJECT:**	Resolution urging the Florida Legislature to pass legislation implementing proposed by HJR 1003 related to tangible personal property tax, exemptions if approved by voters with sufficient flexibility to provide local governments useful economic development tools to attract new industries to locate in Florida

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Lynda Bell.

R. A. Cuevas, Jr.
County Attorney

RAC/jls

MEMORANDUM
(Revised)

TO: Honorable Chairman Joe A. Martinez and Members, Board of County Commissioners

DATE: October 23, 2012

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SUBJECT: Agenda Item No. 11(A)(3)

Please note any items checked.

_____ **"3-Day Rule" for committees applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

✓ **No committee review**

_____ **Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous_____) to approve**

_____ **Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 11(A)(3)
10-23-12

RESOLUTION NO. _____

RESOLUTION URGING THE FLORIDA LEGISLATURE TO PASS LEGISLATION IMPLEMENTING THE CONSTITUTIONAL AMENDMENT PROPOSED BY HJR 1003 RELATED TO TANGIBLE PERSONAL PROPERTY TAX, EXEMPTIONS IF APPROVED BY VOTERS WITH SUFFICIENT FLEXIBILITY TO PROVIDE LOCAL GOVERNMENTS USEFUL ECONOMIC DEVELOPMENT TOOLS TO ATTRACT NEW INDUSTRIES TO LOCATE IN FLORIDA

WHEREAS, during the 2012 session, the Florida Legislature passed House Joint Resolution 1003 sponsored by Representative Eric Eisnaugle (R – Orlando), which proposes a constitutional amendment related to tangible personal property tax exemptions; and

WHEREAS, the constitutional amendment proposed in HJR 1003 will appear on the November 2012 general election ballot and if approved by 60 percent of voters, would:

- Grant an additional exemption for tangible personal property when property is assessed at more than $25,000, but less than $50,000; and
- Allow the Legislature to provide by general law that counties and municipalities may grant additional exemptions for tangible personal property by adoption of an ordinance; and

WHEREAS, tangible personal property is generally all property that is not real estate, and includes furniture, fixtures, tools, computer equipment, machinery, office equipment, supplies, leased equipment, signage and any other equipment used in a business; and

WHEREAS, the Florida Constitution grants exclusive authority to local governments to levy ad valorem taxes on tangible personal property, as well as real property, and establishes various requirements that local governments must follow when levying and administering such taxes; and

WHEREAS, under current law, tangible personal property taxes generally are only imposed on non-inventory, business-related tangible personal property in excess of $25,000; and

WHEREAS, if approved by voters, HJR 1003 would grant an additional exemption for tangible personal property when property is assessed at more than $25,000, but less than $50,000; and

WHEREAS, HJR 1003 also would allow the Legislature to provide by general law that counties and municipalities may grant additional exemptions for tangible personal property by adoption of ordinances; and

WHEREAS, this provision allowing counties and municipalities to grant additional exemptions for tangible personal property would not be effective until the Florida Legislature passes an implementing bill during the 2013 session or thereafter; and

WHEREAS, if the implementing bill the Legislature passes provides local governments the flexibility to grant additional tangible personal property exemptions targeted for economic development, then it can provide local governments a useful additional tool for attracting businesses and creating jobs; and

WHEREAS, the implementing bill specifically should allow local governments the flexibility to:

- Target particular types of tangible personal property,
- Create particular zones for innovation, and
- Determine the amount of the additional tangible personal property exemption; and

WHEREAS, other states and local communities recently have used similar tax exemption provisions to attract particular industries to locate there; and

WHEREAS, the State of Nevada and Washoe County, Nevada, for example, recently attracted Apple Computer to locate a $1 billion data center and business office near Reno, Nevada based on a mix of state and local tax abatements; and

WHEREAS, the State of Nevada and Washoe County assembled a package of tax incentives that included reductions to both tangible personal property taxes and sales taxes to attract Apple Computer; and

WHEREAS, if it provides local governments sufficient flexibility, the implementation of HJR 1003 could provide important and useful economic development tools for local governments in Florida to attract similar industries,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board:

Section 1. Upon approval by voters in November of the constitutional amendment proposed by HJR 1003 related to tangible personal property tax exemptions, urges the Florida Legislature to pass legislation implementing the amendment with sufficient flexibility to provide local governments useful economic development tools to attract new industries to local communities.

Section 2. Urges the Florida Association of Counties to include this issue in its 2013 state legislative package.

Section 3. Directs the Clerk of this Board to send a certified copy of this resolution to the Governor, Senate President, House Speaker, the Chair and Members of the Miami-Dade State Legislative Delegation, the Executive Director of the Florida Department of Revenue and the Executive Director of the Florida Association of Counties.

Section 4. Directs the County's state lobbyists to advocate for the passage of the legislation and actions set forth in Section 1 above, and authorizes and directs the Office of Intergovernmental Affairs to include this item in the 2013 State Legislative Package when it is presented to the Board.

Section 5. In the event the constitutional amendment proposed in HJR 1003 does not pass by the required 60 percent in the November general election, then the legislation set forth in Section 1 above shall be removed from the 2013 State Legislative Package.

The Prime Sponsor of the foregoing resolution is Commissioner Lynda Bell. It was offered by Commissioner , who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman
Audrey M. Edmonson, Vice Chairwoman

Bruno A. Barreiro	Lynda Bell
Esteban L. Bovo, Jr.	Jose "Pepe" Diaz
Sally A. Heyman	Barbara J. Jordan
Jean Monestime	Dennis C. Moss
Rebeca Sosa	Sen. Javier D. Souto
Xavier L. Suarez	

The Chairperson thereupon declared the resolution duly passed and adopted this 23rd day of October, 2012. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By:_____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency. JMM

Jess M. McCarty