



Melbourne City Council
November 14, 2023
City Manager's Item Report

Department:	Financial Services
Presenter:	Ross McGinn
Council District:	N/A
Reading Number:	1
Public Hearing:	No
Quasi-judicial Item (Disclosure Required):	No
Item Number:	C.20.

Subject:

An ordinance establishing Article IX - Homestead Exemption for the purposes of creating sections of Code to offer a limited-income senior homestead exemption.

Background/Consideration:

As requested by Councilmember Thomas at the October 24, 2023 City Council Meeting, this ordinance establishes an additional homestead exemption for property owned by limited-income seniors. If approved by Council, and provided to the Brevard County Property Appraiser prior to December 1, 2023, the exemption would go into effect for tax year 2024, with residents that fulfill the requirements establishing eligibility seeing the adjustment in their taxes due by March 31, 2025.

In 2000, Article VII of the State of Florida Constitution was amended to incorporate an additional homestead exemption for those individuals 65 or older that does not exceed the household income limitation published by the Florida Department of Revenue. As of 2023, this income limitation is \$35,167. The amendment allowed counties and municipalities to adopt ordinances offering up to an additional \$50,000 in homestead exemptions for those eligible under Section 196.075 of the Florida Statutes. As of the date of this item, Brevard County currently offers a \$50,000 exemption, and 9 other municipalities offer a \$25,000 exemption. The City of Melbourne, along with the City of Cocoa Beach, City of Palm Bay, City of Rockledge, and Town of Indialantic, currently do not offer an exemption under this section.

Fiscal/Budget Impact:

The financial and budgetary impact of this ordinance will not be felt until FY 2025. Combining data from the Brevard County Property Appraiser and Tax Collector, approximately 1,073 properties within the City of Melbourne will receive the Brevard County Limited-Income Senior Exemption in FY 2023. Based on the assessed and taxable values of these 1,073 properties, providing an additional City of Melbourne Limited-Income Senior Exemption of \$25,000 will reduce tax revenues by roughly \$157,634. A \$10,000 exemption lowers revenues by \$67,384, and a \$50,000 exemption equates to a \$252,922 reduction in tax revenue.

Requested Action:

No staff requested action on this item.

ORDINANCE NO. 2023-37

AN ORDINANCE OF THE CITY OF MELBOURNE, BREVARD COUNTY, FLORIDA, PROVIDING FOR AN AD VALOREM TAX EXEMPTION FOR LIMITED-INCOME SENIORS; MAKING FINDINGS; AMENDING CHAPTER 54 OF THE CITY CODE, ENTITLED "TAXATION," BY CREATING A NEW ARTICLE RELATING TO AN ADDITIONAL HOMESTEAD EXEMPTION; PROVIDING FOR SEVERABILITY AND INTERPRETATION; PROVIDING THAT A COPY OF THIS ORDINANCE SHALL BE TRANSMITTED TO THE PROPERTY APPRAISER BY DECEMBER 1, 2023; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN ADOPTION SCHEDULE.

WHEREAS, the citizens of Florida have amended Section 6, Article VII of the Florida Constitution to authorize counties and municipalities to allow certain tax exemptions for properties owned by limited-income seniors; and

WHEREAS, the Florida Legislature has enacted Section 196.075, Florida Statutes, to govern the allowance of such an exemption by municipalities; and

WHEREAS, the City Council of the City of Melbourne desires to adopt an ordinance to grant an additional homestead exemption as permitted by Section 196.075, Florida Statutes.

BE IT ENACTED BY THE CITY OF MELBOURNE, FLORIDA:

SECTION 1. That the City Code of Melbourne, Florida is hereby amended by adding sections 54-300 through 54-306, which read as follows:

CHAPTER 54. TAXATION

* * * *

ARTICLE IX. ADDITIONAL HOMESTEAD EXEMPTION

Sec. 54-300. Authority.

This article is adopted pursuant to the authority granted to the city in accordance with section 6(f), article VII of the Florida Constitution and F.S. § 196.075.

Sec. 54-301. Application.

The additional homestead exemption provided by this article shall apply only to taxes levied by the city exclusive of voter-approved ad valorem taxes. This additional homestead exemption shall apply for each year commencing for the tax year 2024 and each year thereafter unless terminated by the city council prior to December 1 in any year for the succeeding year.

Sec. 54-302. Eligibility.

Any person who has attained the age of 65 and meets the eligibility requirements set forth in F.S. §§ 196.075(1) and 196.075(2)(a) may apply for and receive an additional homestead exemption as provided in this article. Receipt of the additional homestead exemption provided for in these sections shall be subject to the provisions of this article and F.S. § 196.075.

Sec. 54-303. Amount of exemption.

The additional homestead exemption provided by this article shall be \$25,000.00.

Sec. 54-304. Sworn statement of income.

Any taxpayer claiming an additional homestead exemption under this article is annually required to submit to the county property appraiser, not later than March 1, a sworn statement of household income on a form prescribed by the department of revenue. The form shall be supported by copies of any documents required by the department of revenue and the property appraiser. If the sworn statement is filed timely, the taxpayer shall have three additional months, until June 1, to provide the required supporting income documentation to the property appraiser if more time is needed.

Sec. 54-305. Express reservation of repeal.

The city council hereby reserves the right to appeal, in part or in its entirety, the additional homestead exemption provided in this article. Nothing herein shall be construed as creating a vested or other legal or equitable right to the additional homestead exemption provided in this article.

Sec. 54-306. Additional provisions/conflicts.

Except for F.S. § 196.075(2)(b), the provisions of F.S. § 196.075 and other statutory references contained therein, are hereby fully incorporated in this article by this reference. In the event of any conflict between the provisions of this article and the state statutes incorporated herein, then the provisions in the state statutes shall prevail.

SECTION 2. Severability/Interpretation Clause.

(a) That it is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional, illegal,

or otherwise void by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality, illegality, or other declaration shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this ordinance.

(b) That in interpreting this ordinance, underlined words indicate additions to existing text. Asterisks (* * * *) indicate an omission from the ordinance of text, which exists in the Code of Ordinances. It is intended that the text in the Code of Ordinances denoted by the asterisks and not set forth in this ordinance shall remain unchanged from the language existing prior to adoption of this ordinance.

SECTION 3. That pursuant to Section 196.075(6), Florida Statutes, a copy of the adopted ordinance shall be provided to the Brevard County Property Appraiser no later than December 1, 2023.

SECTION 4. That this ordinance shall become effective immediately upon its adoption in accordance with the Charter of the City of Melbourne.

SECTION 5. That this ordinance was passed on first reading at a regular meeting of the City Council on the day of , 2023, and adopted on the second and final reading at a regular meeting of the City Council on the day of , 2023.

BY: _____
Paul Alfrey, Mayor

ATTEST: _____
Kevin McKeown, City Clerk

[CITY SEAL]

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