

# TOWN OF DAVIE TOWN COUNCIL AGENDA REPORT

**TO:** Mayor and Councilmembers

**FROM/PHONE:** Christopher Wallace/x1050

**SUBJECT:** Resolution

**TITLE OF AGENDA ITEM:** A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, RELATING TO THE RATE OF TAX IMPOSED UPON THE SALE OF COMMUNICATIONS SERVICES UNDER THE COMMUNICATIONS SERVICES TAX SIMPLIFICATION LAW; PROVIDING FOR INTENT; PROVIDING FOR ADOPTION OF A TAX RATE; PROVIDING FOR REPEAL OF INCONSISTENT RESOLUTIONS; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING AN EFFECTIVE DATE.

**REPORT IN BRIEF:** The Florida Legislature in 2000 changed the manner in which telecommunication and cables services are taxed and as part of that change, municipalities must enact certain legislation to preserve their rights under the act that changed the law. This resolution is one of four local actions Davie should take. This resolution will adopt our first year conversion rate and our subsequent years' rate. Our maximum rate will be our conversion rate. The conversion rate is that rate which is supposed to bring the Town the same level of revenues that it would have gotten prior to the change in the law. The first year rate is different to account for an additional 3 month period that exists solely in the first year.

**PREVIOUS ACTIONS:** The Town Council previously adopted right-of-way usage ordinances and an ordinance that will levy a flat tax of .12% in lieu of permit fee.

**CONCURRENCES:** None.

**FISCAL IMPACT:**

Has request been budgeted? NA

If yes, expected cost: \$

Account Name:

If no, amount needed: \$

What account will funds be appropriated from:

Additional Comments:

**RECOMMENDATION(S):** Recommend Approval.

**Attachment:** Resolution.

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, RELATING TO THE RATE OF TAX IMPOSED UPON THE SALE OF COMMUNICATIONS SERVICES UNDER THE COMMUNICATIONS SERVICES TAX SIMPLIFICATION LAW; PROVIDING FOR INTENT; PROVIDING FOR ADOPTION OF A TAX RATE; PROVIDING FOR REPEAL OF INCONSISTENT RESOLUTIONS; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING AN EFFECTIVE DATE.

**WHEREAS**, during the 2000 Regular Session, the Florida Legislature passed the “Communications Services Tax Simplification Law”, creating Chapter 202, Florida Statutes (2000); and

**WHEREAS**, section 9, 2001-140, General Laws of Florida, amending section 202.19, Florida Statutes, provides municipalities may levy a discretionary communications services tax at a rate of up to 5.1 %, where the municipality has chosen to not levy permit fees, and at a rate of up to 4.98 % where it has chose to levy permit fees. The maximum rates authorized by this section do not include the add-ons of up to 0.12 %, nor do they supersede conversion or emergency rates authorized by section 202.20, Florida Statutes which are in excess of these maximum rates.

**WHEREAS**, section 12, 2001-140, General Laws of Florida amending section 202.20(1)(a), Florida Statutes (2000), to set the local communications services tax conversion rates for the period of October 1, 2001, through September 30, 2002. The conversion rate takes effect without any action required by the local government; and

**WHEREAS**, section 12, 2001-140, General Laws of Florida amending section 202.20(1)(b), Florida Statutes (2000), to set the local communications services tax conversion rates beginning October 1, 2002, through September 30, 2002. The conversion rate takes effect without any action required by the local government; and

**WHEREAS**, section 12, 2001-140, General Laws of Florida, amending section 202.20(2)(a), Florida Statutes, provides municipalities with the option to adopt by Resolution a communications services tax rate; and

**WHEREAS**, the Town of Davie deems this Resolution to be in the best interest of the public health, safety, and welfare of the citizens of the Town of Davie.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN OF DAVIE, FLORIDA:**

**Section 1. Intent.** It is the intent of the Town of Davie to adopt its local communications services tax rate as provided in section 13, 2001-140, General Laws of Florida.

**Section 2.** Adoption of Local Communications Services Tax Rate: The Town of Davie hereby adopts the conversion rate of 5.60% as computed by section 12, 2001-140, General Laws of Florida, amending 202.20(1)(a), Florida Statutes (2000), which is to become effective for the period beginning October 1, 2001 and ending September 30, 2002. This rate does not include the add-on rate of 0.12% as provided under Chapter 337, Florida Statutes (2000), as may be amended, and which was enacted by an Ordinance of the Town of Davie on or about the 3rd day of July, 2001.

The Town of Davie further adopts the conversion rate of 5.20% as provided by section 12, 2001-140, General Laws of Florida, amending 202.20(1)(b), Florida Statutes (2000), which is to become effective October 1, 2002. This rate does not include the add-on rate of 0.12% as provided under Chapter 337, Florida Statutes (2000), as may be amended, and which was enacted by an Ordinance of the Town of Davie on or about the 3rd day of July, 2001.

**Section 3. Repeal of Prior Inconsistent Resolutions.** All prior inconsistent Resolutions adopted by the Town of Davie, Florida, or parts of prior Resolutions in conflict herewith, are hereby repealed to the extent of the conflict.

**Section 4. Severability.** The provisions of this Resolution are declared to be severable and if any section, sentence, clause or phrase of this Resolution shall, for any reason, be held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining sections, sentences, clauses, and phrases of this Resolution but shall remain in effect, it being the legislative intent that this Resolution shall stand notwithstanding the invalidity of any part.

**Section 5. Effective Date.** The provisions of this Resolution shall become effective immediately upon its passage by the Town Council of the Town of Davie, Florida.

PASSED AND ADOPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2001.

\_\_\_\_\_  
MAYOR/COUNCILMEMBER

Attest:

\_\_\_\_\_  
TOWN CLERK

APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2001