RESOLUTION NO. 12-09-88

A RESOLUTION OF ISLAMORADA, VILLAGE OF ISLANDS 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; PROVIDING FOR EVALUATION OF IMPACT TO THE VILLAGE; URGING RESIDENTS TO CONSIDER POTENTIAL ADVERSE CONSEQUENCES; PROVIDING FOR TRANSMITTAL; 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 real property from 10 percent to 5 percent; and

WHEREAS, the proposed amendment grants first-time homebuyers 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 2019 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 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; and

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 VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA, AS FOLLOWS:

Section 1. Recitals. The above recitals are incorporated herein by this reference.

Section 2. Evaluation of Impact to the Village. Direct fiscal impact of Amendment 4 on Islamorada, Village of Islands, cannot be accurately calculated at this time due to the complexity of the proposals. Any negative impact resulting in a decrease in ad valorem tax receipts would need to be compensated by increased millage rates, increased service fees and a transfer of property tax burden to other Florida residents and homeowners.

Section 3. Urging Residents to Consider Potential Adverse Consequences. The Village Council of Islamorada, Village of Islands urges its residents to carefully consider the potential adverse consequences of Amendment 4 before voting in the November 2012 general election.

Section 4. Transmittal. The Village Clerk is directed to transmit a copy of this resolution to the Florida League of Cities, Inc. and other interested parties.
Section 5. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 27th day of September, 2012.

Motion to adopt by Councilman Reckwerdt, second by Councilman Purdo.

FINAL VOTE AT ADOPTION
Mayor Ken Philipson YES
Vice Mayor Ted Blackburn YES
Councilman Don Achenberg YES
Councilman Dave Purdo YES
Councilman Michael Reckwerdt YES

KEN PHILIPSON, MAYOR

ATTEST:

VILLAGE CLERK
APPROVED AS TO FORM AND LEGALITY FOR THE
USE AND BENEFIT OF ISLAMORADA, VILLAGE OF ISLANDS:

[Signature]

VILLAGE ATTORNEY