

ORDINANCE NO. 07-04

AN ORDINANCE OF THE CITY OF KEY WEST, FLORIDA,
AMENDING CHAPTER 66 OF THE CODE OF ORDINANCES
ENTITLED "LICENSES" BY AMENDING SECTION 66-109
TO ADJUST OCCUPATIONAL LICENSE TAXES;
PROVIDING FOR SEVERABILITY; PROVIDING FOR
REPEAL OF INCONSISTENT PROVISIONS; PROVIDING
FOR AN EFFECTIVE DATE

WHEREAS, occupational license tax increases are permitted every two years in accordance with Section 205.0535(3)(b)(4) of the Florida Statutes; and

WHEREAS, the tax increase must be approved by a supermajority vote of the Commission; and

WHEREAS, the City Commission finds that an adjustment to such licensing taxes would serve the best interests of the citizens of Key West;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF KEY WEST, FLORIDA:

Section 1: That Section 66-109 of the Code of Ordinances is hereby amended as follows*:

Sec. 66-109 Schedule of taxes.

* * * *

*(Coding: Added language is underlined; deleted language is ~~struck through~~.)

(1) *Amusement/entertainment.*

a.	Bars or restaurants with entertainment for patrons	\$180.00	<u>\$185.00</u>
b.	Entertainment establishment or facility (theater, museum, golf course, special equipment, or similar activity)	245.00	<u>255.00</u>
c.	Sightseeing vehicles (unit may be trolley, train or other vehicle), per vehicle	285.00	<u>295.00</u>
d.	Charter boat for fishing, diving, or similar activity conducted under "six-pack license"	—72.50	<u>76.00</u>
e.	Charter boat for fishing, diving, sightseeing, parasailing, water taxi, or similar activity other than those licensed under subsection (1)d of this section	150.00	<u>155.00</u>

(2) *Coin-operated machines.*

a.	Nonlaundry, per unit	9.50	<u>9.75</u>
b.	Laundry, per unit	6.00	<u>6.25</u>

(3)	<i>Financial institutions.</i>		
a.	All financial institutions, including banks, savings and loan associations, finance companies, and credit unions	1000.00	<u>1,050.00</u>
b.	Automated teller machines, except those located on the site of, and used in conjunction with, a financial institution	170.00	<u>175.00</u>
(4)	<i>Food service activities.</i>		
a.	No seats (take out, deli, catering)	125.00	<u>130.00</u>
b.	Seating 1-15	125.00	<u>130.00</u>
c.	Seating 16-40	180.00	<u>185.00</u>
d.	Seating 41-60	245.00	<u>255.00</u>
e.	Seating 61-120	285.00	<u>295.00</u>
f.	Seating 121 and over	345.00	<u>360.00</u>
(5)	<i>Gas station.</i> All gas stations, including those offering repairs and other accessory uses; does not include convenience stores	245.00	<u>255.00</u>
(6)	<i>Hospital.</i> All hospitals	575.00	<u>600.00</u>

(7)	<i>Insurance.</i> Companies writing any class of insurance upon any person or property residing or located within the city limits or risks occurring within the city limits	270.00	<u>280.00</u>
(8)	<i>Manufacturing/processing.</i> All manufacturing or processing businesses	180.00	<u>185.00</u>
(9)	<i>Newspaper or magazine publishers.</i>		
	a. Daily publication	285.00	<u>295.00</u>
	b. Periodical publication	150.00	<u>155.00</u>
(10)	<i>Rentals.</i>		
	a. Commercial property rental (mall, shopping center, or any other property owner renting or leasing space to five or more commercial tenants, including booth tenants, on a single parcel), per rental unit	25.00	<u>26.00</u>
	b. Non-transient residential rental, per unit	18.50	<u>19.00</u>
	c. Transient residential rental, per unit	25.00	<u>26.00</u>

d.	Motel/hotel/timeshare, per unit	14.50	<u>15.00</u>
e.	Guesthouse/bed and breakfast, per unit	14.50	<u>15.00</u>
f.	Campground or mobile home park or trailer camp, per space	9.50	<u>9.75</u>
	Each rental unit within the park shall be charged in accordance with subsection (10)b or (10)c as applicable.		
g.	Commercial parking lot	72.50	<u>76.00</u>
h.	Marina, wet slips, per slip	14.50	<u>15.00</u>
i.	Marina, dry slips; each dry or stacked storage slip	3.00	<u>3.10</u>
j.	Motor driven rental items, including mopeds, jet skis, tools	180.00	<u>185.00</u>
k.	Non-motor driven rental items, including bicycles and videotapes	125.00	<u>130.00</u>

(11) *Retail, mail order, or wholesale sales.* Gross square footage of entire structure area and/or outside display area, including storage, associated offices, restrooms, etc.

a.	0 - 500 square feet	125.00	<u>130.00</u>
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b.	501 - 2,000 square feet	180.00	<u>185.00</u>
c.	2,001 - 5,000 square feet	245.00	<u>255.00</u>
d.	5,001 - 10,000 square feet	400.00	<u>420.00</u>
e.	10,001 - 25,000 square feet	575.00	<u>600.00</u>
f.	Over 25,000 square feet	875.00	<u>900.00</u>

(12) *Services.*

a.	Professional real estate salesperson, massage therapist, or cosmetologist, per person	90.00	<u>94.00</u>
b.	Professional attorney or any other state-licensed professional not listed in subsection (12)a of this section, per person	285.00	<u>295.00</u>
c.	General service provider not listed in subsection (12)a or (12)b of this section, per business	90.00	<u>94.00</u>

Per-business tax for businesses employing insurance agents shall be 50% of total state license tax for such agents, but not to exceed \$75.00 per business.

(13) *Transportation, excluding taxicabs and pedicabs.*

a. Airlines	125.00	<u>130.00</u>
b. Vehicle, including bus service and ambulance service	180.00	<u>185.00</u>

(14) *Utility/communications.*

a. Telephone, gas, cable television, solid waste pickup, telegraph and similar utilities	1,150.00	<u>1,200.00</u>
b. Radio stations maintaining business office within city	180.00	<u>185.00</u>

* * * *

Section 2. If any section, provision, clause, phrase, or application of this Ordinance is held invalid or unconstitutional for any reason by any court of competent jurisdiction, the remaining provisions of this Ordinance shall be deemed severable therefrom and shall be construed as reasonable and necessary to achieve the lawful purposes of this Ordinance.

Section 3. All Ordinances or parts of Ordinances of said City in conflict with the provisions of this Ordinance are hereby superseded to the extent of such conflict.

Section 4. This Ordinance shall go into effect immediately upon its adoption and authentication by the signature of the presiding officer and the Clerk of the Commission.

Read and passed on first reading at a regular meeting held this 3 day of April, 2007.

Read and passed on final reading at a regular meeting held this 1 day of May, 2007.

Authenticated by the presiding officer and Clerk of the Commission on 2 day of May, 2007.

Filed with the Clerk May 2, 2007.


MORGAN McPHERSON, MAYOR

ATTEST:


CHERYL SMITH, CITY CLERK

Building Department / Licensing Division

Office Memorandum

Date: March 20, 2007

To: John Jones, Assistant City Manager

From: John Woodson, Building Director
Carolyn Walker, Licensing Official

Re: Business License Tax Increases

Issue:

Increasing business license taxes.

Background:

Florida Statute 205.0535(3)(b)(4) permits municipalities to increase license taxes by up to 5% every other year. We increased certain license fees (those under \$250) by 5% in 1997, all license fees by 5% in 1999, and in 2001, 2003, and 2005, we increased fees from 0 to 5% to even-out the amounts, resulting in a bottom line increase of 2.25%, 3.75%, and 3.5% respectively. We are eligible to increase license fees again this year.

Options:

1. No change. License revenue base stays constant at \$1,396,581.
2. Across the board increase of 5%. License revenue base increases to \$1,466,410, but most license fees are an unusual amount, such as licensed professional (\$299.25) or rental unit (\$19.43).
3. Adjusted increases. We have been successful in 2001, 2003, and 2005 with adjusted increases. By increasing each license category by the recommended amount, the overall increase would be 3.7%, increasing the license revenue base from \$1,396,581 to \$1,447,210.

Recommendation:

Option #3. Upon adoption, new businesses will pay the new tax amount, but existing businesses will see no change until the next renewal period which will be effective October 1, 2007. Please note that actual annual revenues depend on businesses opening (initial fees are prorated) and closing (businesses which are billed but close and do not pay).

attachment

Building Department / Licensing Division

Office Memorandum

Date: March 6, 2007
To: John Woodson, Building Director
From: Carolyn Walker, Licensing Office
Re: License fee increase

John Woodson
3-14-07

0/11
John Walker
3-19-07

Florida Statute 205.0535 (3) (b) (4) permits municipalities to increase license taxes by up to 5% every other year. We increased certain license fees by 5% in 1997, and all license fees by 5% in 1999. In 2001, 2003, and 2005 we increased fees from 0 to 5% to even-out the amounts, resulting in a bottom line increase of 2.25%, 3.75%, and 3.5% respectively. We are eligible to increase license fees again this year. If you wish to bring this to the commission, I would like to suggest the following increases:

	Current	Proposed	Increase (rounded-off)
01A Bar with entertainment	180.00	185.00	2.7%
01B Entertainment Establishment	245.00	255.00	4%
01C Sightseeing vehicle, each	285.00	295.00	3.5%
01D 6 pack charter	72.50	76.00	4.8%
01E vessel over 6 passengers	150.00	155.00	3.3%
02A coin operated machine	9.50	9.75	2.6%
02B laundry machine	6.00	6.25	4%
03A Financial institution	1,000.00	1,050.00	5%
03B ATM	170.00	175.00	2.9%
04A Take out food	125.00	130.00	4%
04B Restaurant seating 1-15	125.00	130.00	4%
04C seating 16-40	180.00	185.00	2.7%
04D seating 41-60	245.00	255.00	4%
04E seating 61-120	285.00	295.00	3.5%
04F seating 121+	345.00	360.00	4.3%
05 Gas station	245.00	255.00	4%
06 Hospitals	575.00	600.00	4.3%
07 Insurance companies	270.00	280.00	3.7%

08 Manufacturing	180.00	185.00	2.7%
09A Daily Newspaper	285.00	295.00	3.5%
09B Periodical	150.00	155.00	3.3%
10A Rental, commercial unit	25.00	26.00	4 %
10B Rental, nontransient unit	18.50	19.00	2.7%
10C Rental, transient	25.00	26.00	4 %
10D Motel/timeshare unit	14.50	15.00	3.4 %
10E Guesthouse unit	14.50	15.00	3.4 %
10F Campground space	9.50	9.75	2.6%
10G Commercial parking lot	72.50	76.00	4.8%
10H Marina, slip	14.50	15.00	3.4%
10I Marina, drydock slip	3.00	3.10	3.3%
10J Motor driven rental	180.00	185.00	2.7%
10K Nonmotor driven rental	125.00	130.00	4 %
11A Retail, 0 – 500 s.f.	125.00	130.00	4 %
11B 501 – 2,000	180.00	185.00	2.7 %
11C 2,001 – 5,000	245.00	255.00	4 %
11D 5,001 – 10,000	400.00	420.00	5 %
11E 10,001 – 25,000	575.00	600.00	4.3 %
11F 25,000+	875.00	900.00	2.8 %
12A1 Real Estate Sales	90.00	94.00	4.4 %
12A2 Cosmetologist	90.00	94.00	4.4 %
12A3 Massage Therapist	90.00	94.00	4.4 %
12B Licensed Professional	285.00	295.00	3.5 %
12C General Service	90.00	94.00	4.4 %
13A Airline	125.00	130.00	4 %
13B Vehicle transportation	180.00	185.00	2.7 %
14A Utility	1,150.00	1,200.00	4.3 %
14B Radio Station	180.00	185.00	2.7%

The overall estimated fee increase will be from \$1,396,581 to \$1,447,210 (3.7 % increase). If you approve, and the City Manager approves, I will prepare an executive summary and ask the City Attorney to have an ordinance prepared for an April reading.

Thank you.