

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Community Affairs Committee

BILL: SB 1580

INTRODUCER: Senators Ring and Bennett

SUBJECT: Property Tax Payments

DATE: March 12, 2009 REVISED: 3/17/09

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Murphy	Yeatman	CA	Fav/ 1 Amendment
2.			FT	
3.			GA	
4.			WPSC	
5.				
6.				

Please see Section VIII. for Additional Information:

- | | | |
|------------------------------|-------------------------------------|---|
| A. COMMITTEE SUBSTITUTE..... | <input type="checkbox"/> | Statement of Substantial Changes |
| B. AMENDMENTS..... | <input type="checkbox"/> | Technical amendments were recommended |
| | <input checked="" type="checkbox"/> | Amendments were recommended |
| | <input type="checkbox"/> | Significant amendments were recommended |

I. Summary:

SB 1580 provides for changes in the interest rate charged for delinquent real property taxes upon approval by the governing body of a charter county. The bill also provides that tax collectors of charter counties would be required to accept partial property tax payments upon approval by the governing body.

This bill substantially amends sections 197.172 and 197.373 of the Florida Statutes.

II. Present Situation:

Property taxes become due November 1 of each year, and are considered delinquent by April 1 of the following year. Section 197.172, F.S., provides that real property taxes shall bear interest at a rate of 18 percent from the date of a delinquent payment until a certificate is sold, with the exception of the 3 percent mandatory charge for delinquent taxes paid prior to the sale of a tax certificate. This section also provides for an 18 percent personal property tax rate of interest as well as instruction on the monthly calculation of interest accrued.

Section 197.373, F.S., provides that a tax collector of a county may allow partial payment of a tax notice if the part to be paid can be ascertained by legal description, such part is under contract for sale or has been transferred to a new owner, and the request is made by the person purchasing the property or the new owner or someone speaking on behalf of the purchaser or owner. This request must be made within 15 days prior to the sale of a tax certificate and once requested the property appraiser must request the tax collector to apportion the property into the parts sought to be paid.

Article VIII, s. 1(g) of the State Constitution, provides “counties operating under county charters shall have such power of self government as is provided by general or special law.” Those counties operating under a county charter have all powers of self-government not inconsistent with general law, or special law approved by the vote of the electors. Currently, 20 of Florida’s counties are charter counties.

III. Effect of Proposed Changes:

Section 1 amends s. 197.172, F.S., to authorize the governing body of a charter county to limit the amount of interest charged for unpaid property taxes and eliminate a minimum charge for late property tax payments. Interest on the unpaid portion of property taxes is to accrue daily. Subsection (2) is created to restate the current law provisions relating to delinquent property tax payments for non-charter counties.

Section 2 creates section 197.373(2), F.S., to authorize the governing body of charter county to require tax collectors to accept partial payments of property taxes.

Section 3 provides an effective date of July 1, 2009.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

This bill authorizes the governing bodies of charter counties to limit the amount of interest charged for unpaid property taxes and eliminate a minimum charge for late

property tax payments. The bill also allows the governing bodies of charter counties to require tax collectors to accept partial payments and for the interest on the unpaid portion of property taxes to accrue daily.

B. Private Sector Impact:

Property owners with delinquent property taxes may see a reduction in interest charges in charter counties that elect to limit the interest charged for unpaid property taxes.

C. Government Sector Impact:

Charter counties that elect to implement the provisions of this act may limit the amount of interest charged for unpaid property taxes and eliminate a minimum charge for late property tax payments.

VI. Technical Deficiencies:

The Department of Revenue has concerns with the added language of the bill to s. 197.172 and s. 197.373, F.S., referring to “the deadline specified in the tax notice” instead of “from the date of delinquency.” While both these terms reference the same date, the additional term may infer that those dates are different.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

Barcode 444978 by Community Affairs on March 17, 2009:

The amendment specifies that the tax collector must accept partial payments either in 3 or 6 equal payments.