



**City of Coral Gables
CITY COMMISSION MEETING
December 11, 2012**

ITEM TITLE:

AN ORDINANCE RELATING TO AD VALOREM TAXATION, PROVIDING FOR AN INCREASED HOMESTEAD EXEMPTION FOR CERTAIN QUALIFYING SENIOR CITIZENS TO BE APPLIED TO MILLAGE RATES LEVIED BY THE CITY OF CORAL GABLES, PROVIDING REQUIREMENT OF ANNUAL APPLICATION AND SUBMISSION OF SUPPORTING DOCUMENTATION, PROVIDING FOR WAIVER OF EXEMPTION, PROVIDING FOR AN ANNUAL INCREASE IN INCOME LIMITATION, PROVIDING AN EFFECTIVE DATE AND INCLUSION IN "CODE OF CITY OF CORAL GABLES", CHAPTER 66, "TAXATION", BY AMENDING ARTICLE VI, SEC. 189-190 AND ADDING SEC. 191 - 195.

DEPARTMENT HEAD RECOMMENDATION

Consider the item.

BRIEF HISTORY:

On September 28, 1999, the City of Coral Gables amended the City's Code to provide for the additional Homestead Exemption for qualifying seniors in the amount of \$25,000.

On November 6, 2012, voters of the State of Florida approved an amendment to the Florida Constitution which authorized the amendment of Florida Statute Section 196.075 allowing local government authorization to provide for a Homestead Tax Exemption in the amount of fifty-thousand (\$50,000) dollars for any person who has the legal or equitable title to real estate, maintains their permanent residence on the property, is 65 or older, and whose household income does not exceed the income limitation.

The Miami-Dade County Office of the Property Appraiser has estimated the impact of the increased Senior Exemption to \$50,000 will affect 374 Seniors with a revenue loss to the City of \$54,635.

This Ordinance increases the Homestead Exemption to \$50,000 for qualifying senior citizens in accordance with the provisions of Section 196.075 of the Florida Statutes and amends Code Chapter 66 in order to provide some additional financial assistance to the qualified seniors residing in the City.

In addition, the amendment to the Florida Constitution also allows local governments authorization to provide for an exemption equal to the assessed value of the property to any person who has the legal or equitable title to real estate with a just value less than \$250,000 and has maintained thereon the permanent residence of the owner for at least 25 years, who has attained age 65, and whose household income does not exceed the income limitation.

Although the amendment to the Florida Constitution allows for either or both of the exemptions described above, the second option effectively eliminates the property tax liability for qualified seniors. With that in mind, there is a line of reasoning that all property owners should pay some property taxes. The Property Appraiser has estimated that the impact of this exemption would affect 42 Seniors with a revenue loss to the City of \$14,623. We are aware of only two cities in Miami-Dade County that are looking to implement this further exemption.

APPROVED BY:

Department Director	City Attorney	City Manager

ATTACHMENT(S): Proposed Ordinance