



# City of Margate

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## Legislation Text

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**File #:** ID 2016-521, **Version:** 1

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**TO:** Mayor and City Commission

**FROM:** Douglas E. Smith, City Manager

**DATE:** September 7, 2016

AMENDING CHAPTER 37 TAXATION; ARTICLE II ELECTRICITY, GAS, WATER AND TELEPHONE; SECTION 37-23 EXEMPTIONS; PROVIDING FOR EDUCATIONAL AND RELIGIOUS INSTITUTIONS; PROVIDING FOR REPEAL; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR AN EFFECTIVE DATE.

**BACKGROUND:** The City is currently exempting churches and schools from the payment of utility taxes. A resolution from January 1959 stated that all churches and schools within the Town of Margate will be exempt from the payment of utility tax assessed upon the current bills for electricity, gas, water and sewer, and telephone services within the Town. The current City Code of Ordinances, Section 37-23, created on December 19, 1962, states that the only exemptions to the payment of utility taxes are the United States of America, State of Florida, County of Broward, City of Margate, and agencies, boards, commissions and authorities thereof. It appears that when the current ordinance section was written in 1962, that churches and schools were not included; however, for the records that the City has today - charges for utility taxes for these entities were not done. A survey of neighboring cities revealed that most cities contain language in their ordinances specifically exempting religious organizations. Phone calls to several of these cities also indicated that; in practice, while schools may not be specifically named in their ordinance, they have been exempt either under the government exemption provision or other exemption. The purpose of this revision in the ordinance is a housekeeping issue to amend the current ordinance to reflect the current practice.

**RECOMMENDATION:** For approval

**FISCAL IMPACT:** No change in fiscal impact.

**CONTACT PERSON:** Mary Beazley, Finance Director