

The Tax Debate Rages On

Fact or fiction: Are our taxes going up? There's been much talk about the impact of regional growth in Fleming Island. Impact on the pocketbook, that is. While the Clay County Commissioners are working overtime to find alternative means for supporting the area's suddenly demanding infrastructure requirements, there's really no definitive answer to the question. Dave Bruns, a spokesman for the Florida Department of Revenue, explained the possibilities and procedures for tax increases.

One of the concerns recently raised by Fleming Island citizens is sales tax.

"Nobody's going to be raising sales taxes without anyone knowing about it in advance and having the opportunity to discuss it and express their concerns," said Bruns. "In order for sales tax to go up, there must be a referendum held and public notice given. The citizens of Clay County would have to approve it."

Although there are some instances of local options sales taxes, there still has to be a vote by an extraordinary majority of the Clay County Commission before it can go through. This means a majority plus one would have to approve the measure. Currently, there are five districts represented by commissioners. However, all of the commission's meetings are open to the public and provide an opportunity for residents to be heard.

Clay County Commission meetings are held the second and fourth Tuesdays of each month at the Administration Building in Green Cove Springs at 477 Houston Street. This is on the corner of Houston Street and Highway 17 on the fourth floor in the commissioner's meeting room. The meetings commence at 2 p.m.

While there aren't any specific plans or propositions on the table as of this publication, there likely will be by the end of the meeting that was held Tuesday, July 9. That's because at that meeting the Transportation Advisory Committee, which has been trying to find innovative ways to raise revenue, presented its recommendations.

But it's not too late to get involved. Budget hearings will be held July 23 at 5 p.m. in the usual Administration Building meeting room. That's where the commission will discuss the actual budget and any tax changes will be determined.

"We'll set the tentative millage, for example the ad valorem tax," said Commissioner Christy Fitzgerald, whose district includes Fleming Island. "Then that information will go out to the residents via TRIM notices from the tax collector's office in August. The notices go out regardless, even if there are no changes.

"It's a process we have to go through, even though we're looking for other revenue sources to help meet our infrastructure needs," she continued. "So it's not necessarily going to be an ad valorem adjustment."

In September, there will be two formal hearings — mandated by state statute — and that's when the board will set the final millage rate. The dates and times for these meetings will be noted on the TRIM notices, and also published in local newspapers.

On the Matter of Your Very Fine House

Property taxes are another concern for local residents, especially those that have lived on Fleming Island for many years. However, as in the case of sales tax, there's not going to be a property tax increase unless there's a public hearing and notice given first. That's because property taxes, unless it's an incorporated community, are controlled by the Clay County School Board, the Clay County Commission, or the local taxing districts, e.g., the water management district.

"As far as taxes that are controlled by state and local government are concerned, the citizens are going to have a say with their elected officials before anything happens," said Bruns.

“Local option gas taxes are possible and, though gas taxes are federal, they’d still need to be considered by the Clay County Commission.”

But property values are rising ... fast. How can you be sure you won’t get blindsided come tax season? Simple.

The Florida Constitution contains a provision called the Save Our Homes Amendment that was enacted in 1994. Under this amendment, the value for tax purposes of a homestead property (the property you own and live in) can only rise by a maximum of 3%, or by the consumer price index, whichever is less, in any given year. So while real property value is going up, it can’t go up taxwise more than 3% per year.

In other words, it’s unlikely that the taxable value of your home will rise at an extremely rapid pace. It’s also unlikely that a massive tax increase will be enacted, at least not without you being aware of it. While the latter is possible, it would be up to the local representatives to take responsibility.

The biggest tax-related concerns on Fleming Island right now pertain to business owners. That’s because Save Our Homes applies to homestead property *only*. As far as commercial property is concerned, taxes could rise very dramatically in one calendar year. There’s no limit. While the constitution does require that the value for tax assessment has to be based on the just value of the property — and this is fortunately not market value. Rather, it’s an adjusted market value that deducts certain factors, though it could still add up to a lot. And again there are no limits.

The Final Word

Under state law it’s unlikely that any surprise property tax or sales tax increases will happen. Certainly a tax rate increase is allowed, but the state ensures that its citizens have the opportunity to be heard before anything is actually instituted. However, special assessment and user fees are sometimes enacted that are not governed by state law, so stay in touch with your representatives and know what’s happening in your community. Because even in these special instances, there would still have to be a public hearing held on the matter.

To learn more about what the Clay County Commissioners are doing, especially how their activities impact your Fleming Island address, make plans to attend meetings. Getting involved is the best way to stay in the know about what’s coming down the pike. All commission meetings are televised on the public access channel — which for AT&T is channel 29 — and agendas are posted on the body’s Web site at www.claycountygov.com.