

1% TDT INCREASE

From: Walton Co. Tourist Development Council

Re: Tourist Development Tax (TDT) Rate Increase

Attached: Walton Co. Ordinance 19-15

The Walton County Clerk of Courts will begin collecting a 1% High Tourism Impact Tax on January 1, 2020. As a county determined by the state to have a low population of residents and a relatively high number of visitors, Walton County is eligible to collect this High Impact Tourism Tax.

With the addition of the High Tourism Impact Tax, the total Tourist Development Tax rate will increase from 4% to 5%, bringing the collection rate in line with the 4 Gulf Coast counties to the east and west that also collect a 5% TDT (Santa Rosa, Okaloosa, Bay and Gulf). This rate is still below other Florida counties popular with visitors, including Miami-Dade, Palm Beach, Osceola, Orange, Volusia and Duval (each collect a 6% TDT). For this reason, the new rate should not place Walton County at a competitive disadvantage.

Walton County's Board of County Commissioners have indicated that the additional funds will be used to support and improve infrastructure, as well as expand public beach access. These improvements should offer a good ROI, and safeguard the future of Walton County's quality of life and quality of guest experience.

For questions regarding the increase & how the monies will be used, please contact the TDC at 850-267-1216 or 800-822-6877. For questions regarding how to collect or report the tax, please contact the TDT Department of the Clerk of Court's office at 850-267-2040 or touristdevelopmenttax@waltonclerk.com.

ORDINANCE NO. 19-15

AN ORDINANCE OF WALTON COUNTY, FLORIDA, IMPOSING AND LEVYING AN ADDITIONAL ONE PERCENT (1.0%) TOURIST DEVELOPMENT TAX (1 Cent Tax) IN THE EXISTING SOUTH WALTON SUB-COUNTY SPECIAL TAXDISTRICTIN WALTON COUNTY FLORIDA, PROVIDING FOR THE COLLECTION AND DESIGNATION OF THE ADDITIONAL TAX; SPECIFYING THE USE OF THE PROCEEDS OF THE ADDITIONAL TAX; REPEALING ALL ORDINANCES IN CONFLICT; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CODE OF WALTON COUNTY; PROVIDING THAT THIS ORDINANCE SHALL TAKE EFFECTIMMEDIATELY UPON ADOPTION AND THAT THE EFFECTIVE DATE OF THE LEVY AND IMPOSITION MADE HEREBY, AND THE COMMENCEMENT OF COLLECTION OF THE ADDITIONAL TAX HEREUNDER, SHALL BE JANUARY 1, 2020.

WHEREAS, Section 125.0104, Florida Statutes (2018), provides for the levy of up to a six percent (6%) Tourist Development Tax by counties meeting the statutory requirements for such levies; and

WHEREAS, a two percent (2%) Tourist Development Tax was imposed within the south Walton County sub-county special tax district by Walton County Ordinance 86-18 approved in a special referendum held September 30, 1986, for the purpose of promoting and advertising tourism and maintaining the Beaches of Walton County; and

WHEREAS, upon the recommendation of the Walton County Tourist Development Council (the "TDC"), an additional one percent (1 %) Tourist Development Tax was imposed within the South Walton sub-county special tax district by Ordinance 98-23, with collection commencing February 1, 1999, for the exclusive purpose of

renourishment, restoration and maintenance of the Beaches in Walton County; and

WHEREAS, upon the recommendation of the TDC, an additional one percent (1%) Tourist Development Tax was imposed within the South Walton sub-county special tax district by Walton County Ordinance 2004-05, with collection commencing May 1, 2004, for the purpose of promoting and advertising tourism for the Beaches of Walton County, and for the addition of new products enhancing visitors' experiences at the Beach; and

WHEREAS, the Walton County Board of County Commissioners has amended said Ordinances in Ordinances 91-5, 91-9, 91-12, 94-14, 97-38, 00-19, and 02-01 to address collection issues and to adopt prior tourist development plans; and

WHEREAS, Section 125.0104(3)(m), Florida Statutes (2018), authorizes the imposition of an additional One Percent (1.0%) Tourist Development Tax above the current four percent (4%) by majority vote plus one of the Board of County Commissioners if Walton County is certified as a High Tourism Impact County; and

WHEREAS, on the State of Florida has provided Walton County with certification that it qualifies as a High Tourism Impact County; and

WHEREAS, the TDC recommends the imposition and levy of this addition One Cent Tax to support the mission of promoting tourism in the manners authorized by Florida law; and

WHEREAS, the Board of County Commissioners agrees with the TDC, and finds and determines that such the levy of the additional One Cent Tax is necessary, appropriate, and in the best interests of the County;

NOW THEREFORE, BE IT ORDAINED by the Board of County Commissioners of Walton County, Florida:

Section 1. Levy And Imposition of Additional One Percent (1.0%) Tourist Development Tax (The 1 Cent Tax High Tourism Impact Tax).

- (a) Pursuant to Section 125.0104(3)(m), Florida Statutes (2018), there is

hereby levied, imposed and set, commencing January 1, 2020, an additional Tourist Development Tax of One Percent (1.0%) (The 1 Cent High Tourism Impact Tax) of each dollar and major fraction of each dollar of the total consideration charged every person for the lease or rental of living quarters or accommodations as authorized by Section 125.0104 Florida Statutes (2018), which includes lease or rental in any hotel, apartment hotel, motel, resort motel, apartment, apartment motel, rooming house, tourist or trailer camp, or condominium for a term of six (6) months or less. When receipt of consideration is by way of property other than money, the tax is to be levied and imposed on the fair market value of such non-monetary consideration. Accordingly, the Tourist Development Tax rate established by Ordinance 86-18, Ordinance 98- 23 2004-05, is hereby increased from four percent (4%) to five percent (5%).

(b) The One Cent Tax shall be charged by the person receiving the consideration for the lease or rental, and it shall be collected from the lessee, tenant, or customer at the time of payment of the consideration for such lease or rental in accordance with the procedures established by Sections 19-26 and 19-29 of the Code of Walton County, Florida.

(c) This additional tourist development tax shall be in addition to any other tax imposed pursuant to Chapters 125 and 212, Florida Statutes, and in addition to all other taxes, fees, and the considerations for the rental or lease.

Section 2. Collection of The One Cent Tax.

(a) Procedure. The One Cent Tax shall be collected by the Clerk of the Circuit Court in accordance with the procedures and authority established in Sections 19-26 and 19-29 of the Code of Walton County, Florida, without priority or distinction but on a pari passu basis with the other four percent (4%) Tourist Development Tax collected.

(b) Applicability. The One Cent Tax shall be collected within the sub-county special district defined as all of Walton County lying south of the intercoastal waterway.

(c) Effective Date of Collection. The Clerk of the Circuit Court shall commence collecting The One Cent Tax enacted by this Ordinance on January 1, 2020.

Section 3. Use of Proceeds of The One Cent Tax.

(a) The proceeds of The 1 Cent High Tourism Impact Tax imposed by this Ordinance shall be used in accordance with those purposes provided for within §125.0104 Fla. Stat.

Section 4. Severability.

If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, it is the intent of the Board of County Commissioners that the invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared severable.

Section 5. Repeal.

All ordinances or parts of ordinances in conflict herewith are repealed to the extent of such conflict.

Section 6. Force and Effect.

To the extent that any ordinance affecting the Walton County Tourist Development Tax is not in conflict herewith, then all such ordinances or parts of those ordinances remain in full force and effect, and the provisions of this Ordinance are considered supplemental to them.

Section 7. Failure to collect.

Any person who is taxable hereunder who fails or refuses to charge and collect from the person paying any rental or lease the taxes herein provided, either by himself or through his agents or employees, shall be, in addition to being personally liable for the payment of the tax, guilty of a misdemeanor of the second degree, punishable as provided in F.S. §§ 775.082--775.084. (Ord. No. 98-23, § 4, 12-15-98; Ord. No. 2004-05, § 4, 2-24-04).

Section 8. Prohibited Acts.

No person shall advertise or hold out to the public in any manner, directly or indirectly, that he will absorb all or any part of the tax, or that he will relieve the

person paying the rental of the payment of all or any part of the tax, or that the tax will not be added to the rental or lease consideration, or when added, that it or any part thereof will be refunded or refused, either directly or indirectly, by any method whatsoever. Any person who willfully violates any provision of this subsection shall be guilty of a misdemeanor of the second degree, punishable as provided in F.S. §§ 775.082--775.084. (Ord. No. 98-23, § 5, 12-15-98; Ord. No. 2004-05, § 5, 2-24-04).

Section 9. Enforcement; Lien.

The tax hereby levied shall constitute a lien on the property of the lessee, customer, or tenant in the same manner as, and shall be collectible as are, liens authorized and imposed in F.S. §§ 713.67--713.69. (Ord. No. 98-23, § 6, 12-15-98; Ord. No. 2004-05, § 6, 2-24-04).

Section 10. Inclusion in Code.

It is the intention of the Board of County Commissioners of Walton County, Florida, and it is hereby provided that the provisions of this Ordinance shall become and be made a part of the Code of Walton County, Florida; that the word "ordinance" may be changed to "section," "article" or other appropriate designation; and shall be organized in such a manner so that is consistent with Divisions I and II of Article II in Chapter 19 of the Code of Walton County, Florida.

Section 11. Effective Date.

This Ordinance shall take effect as provided by law; provided, however, that the effective date of the levy and imposition made hereby, and the commencement of collection of The One Cent Tax hereunder, shall be January 1, 2020.

PASSED AND ADOPTED this 9th day of July, 2019.

BOARD OF COUNTY
COMMISSIONERS OF WALTON
COUNTY, FLORIDA

ATTEST:

Doni Cordle

[Signature]



Reviewed and Approved as to Form and
Content:

[Signature]
Office of County Attorney