

Proposed text change

Sec. 12-33. - Due dates; penalties.

(a)

All local business taxes imposed by this article shall be imposed beginning July 1 of each year and shall be due and payable on September 30 of that same year. Those local business taxes receipts and fees including business license taxes, fire inspection fees, minimum housing inspection fees, business development fee and lien fee and any other charges exclusive of the initial processing fee not renewed and paid by September 30 shall be delinquent and shall be subject to a penalty of ten (10) percent on October 1. Those local business tax receipts not renewed and paid by October 31 shall be subject to a cumulative penalty of fifteen (15) percent on November 1. Those local business tax receipts not renewed and paid by November 30 shall be subject to a cumulative penalty of twenty (20) percent on December 1. Those local business tax receipts not renewed and paid by December 31 shall be subject to a cumulative penalty of twenty-five (25) percent on January 1 of the following year. All certificates of use and local business tax receipts shall expire on September 30 of the following year regardless of when issued.

(c)

Any person who engages in a business, occupation or profession who does not pay the required local business tax within one hundred fifty (150) days of the initial notice of tax due, and who does not obtain the required local business tax receipt, shall be subject to civil action in county court and shall be required to pay an penalty administrative fee of two hundred fifty dollars (\$250.00 \$200.00) if the City files a lien with Broward County for the past due amount plus court costs, attorney fees, and any additional administrative costs incurred as a result of the city's collection efforts, in addition to any other citations and/or penalty provided in this law or ordinance.

The fee for imposing a lien is currently \$126.00 and has only been increased once, from \$120 to \$126 since being initiated over 10 years ago. The City is allowed to charge a fee based on actual costs, not a penalty as those are already covered with late fees and code enforcement fines for late or non-payment of Certificates of Use. The proposed \$200 is a conservative estimate of actual costs as shown below and would result in \$75,000 - \$100,000 in additional annual revenue to cover the significant costs of filing liens primarily on residential rental properties.

The revised language still allows the City to collect any additional actual costs involved in using collection agencies, foreclosure or other means to collect past due Certificates of Use.

The cost of lien fee (\$200.00) is based on an average hourly rate, including benefits, of \$80 per hour for 2.5 hours and includes the time required to

- 1) *isolate the past due account*
- 2) *verify current ownership and mailing address*
- 3) *verify past due status*

- 4) *prepare and mail final past due notice*
- 5) *second verification of non-payment and ownership 4 weeks after mailing final notice*
- 6) *prepare lien document and file with Broward County*
- 7) *verify that lien is recorded*
- 8) *prepare billing adjustment to record lien fee*
- 9) *release lien when and if paid*