

MIAMI BEACH

OFFICE OF THE CITY MANAGER

NO. LTC # **308-2020**

LETTER TO COMMISSION

TO: Mayor Dan Gelber and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: September 11, 2020

SUBJECT: **Changes to FY 2021 Business Tax Receipt Renewal Process**

The purpose of this LTC is to advise the City Commission regarding proposed changes to the City's annual renewal process for Business Tax Receipts (BTR). These changes are recommended to help our local businesses manage the financial challenges from COVID-19.

BTR's are issued annually in accordance with Florida Statutes Chapter 205, as well as, locally governed by Article V, Section 102 of the Code of the City of Miami Beach. BTR's typically generate approximately \$5 million a year of revenue to the General Fund.

Chapter 205 states that Business Tax Receipts are due and payable on or before September 30th of each year and expire on September 30th of the succeeding year. Typically, the City mails and emails its 7,000 businesses their annual renewal notices in the Summer preceding the September 30th deadline.

The following changes are recommended for the FY 2021 annual BTR renewal process:

- Extending the current FY 2020 BTR expiration dates from September 30, 2020 to December 31, 2020 (providing businesses an additional three months of economic recovery).
- Providing an option for businesses to split the FY 2021 BTR renewal from one payment to two payments and extending the due dates.
 - Payment 1 due: December 31, 2020 (half of the renewal fee)
 - Payment 2 due: March 31, 2021 (half of the renewal fee)

Should you have any inquiries regarding the proposed changes to the annual BTR renewal process for FY 2021, please contact John Woodruff, Chief Financial Officer.

JLM/JW