

## MEMORANDUM

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July 15, 2014

**TO:** Honorable Mayor & City Commissioners

**VIA:** Kenneth Fields, City Manager

**FROM:** Dorothy Ecklund, Finance Director

**SUBJECT:** Certification of 2014 Taxable Value, Interim Millage & FY14'15 Budget Hearing Dates

**SYNOPSIS:** The City Commission will consider approval of the Polk County property appraiser's certification of taxable value for 2014, set the interim millage rate, and set the dates for the public hearings to adopt the final millage rate and the FY14'15 budget.

### RECOMMENDATION

It is recommended that the City Commission take the following actions:

1. Approve the Property Appraiser's Certification of Taxable Value for 2014.
2. Set the interim millage rate at 8.5866 mills.
3. Set the dates for the required public hearings for the final millage rate and adoption of the FY14'15 Budget as Wednesday, September 3 and Tuesday, September 16.

### BACKGROUND

#### Certification of Taxable Values

Attached for your review and approval is the Polk County property appraiser's Certification of Taxable Value for 2014. As indicated, the City's gross taxable value for operating purposes is \$582,220,897. Lake Wales has experienced an increase in taxable value of \$19,437,618 since the 2013 certification. The certification for 2014 is 3.45% above 2013's final gross taxable value of \$562,783,279. It is recommended that the City Commission approve the Certification of Taxable Value for 2014.

#### Interim Millage Rate

In order for the property appraiser to proceed with the mailing of the required TRIM notices, it will be necessary for the Commission to set an interim millage rate and establish the required public hearing dates for adoption of the final 2014 millage rate and the FY14'15 budget.

We are recommending that the interim millage rate be set at 8.5866 mills to allow the City Commission flexibility as they work through the budget process. The current year rolled-back rate is 8.3638. A millage rate of 8.5866 mills represents an increase of \$160,898 or 3.43% change in taxes paid (\$135,400 - General Fund, \$13,418 - Library Fund and \$12,080 - CRA Fund). The rolled-back rate represents a \$35,071 change in taxes paid, which is due to new growth added to taxable value. **The final adopted millage rate may not exceed the interim millage rate, but it may be lower than the interim millage rate.**

#### Date and Time for Public Hearings:

The City Commission must set a date and time for the first public hearings on the final millage rate and FY14'15 budget. This information will be included on the preliminary tax notice, which is forwarded to each taxpayer and will serve as official public notice of the hearings. Florida Statutes stipulate that the first public hearings can be held no sooner than 65 days after the Certification of Taxable Value by the Property Appraiser or July 1, whichever is later. Certification occurred on July 1, therefore the first public hearings can be held no sooner than Wednesday, September 3 (65 days after July 1).

This year, the Board of County Commissioners has scheduled its public hearings on Monday, September 8 and Monday, September 15. The School Board's final public hearing is scheduled for Tuesday, September 9. We are recommending the first public hearings for the millage and budget be set for Wednesday September 3, 2014. We are also recommending that the second public hearings be set for Tuesday September 16, 2014.

**OTHER OPTIONS & FISCAL IMPACT**

If we were designing the ideal budget process, it would look like this:

1. City staff would gather information and prepare the budget
2. The Commission would review the budget document
3. The Commission would adopt the millage rate required to fund the budget

However, state law requires that the county property appraiser notify each property owner of the interim millage rate and the dates of the meetings for adoption of the millage and budget. To give time for the mailing of this notice to the property owner, the taxing agency (city, county, school board, water management district, etc) must, by law, adopt an interim millage rate no later than August 4.

This date creates difficulties in the budget schedule because some critical information that staff must use in budget preparation – including state revenue estimates and insurance cost increases – is not usually available early enough to work into the proposed budget much before the deadline for adopting the interim millage rate.

The law provides that the final rate adopted can be lower than the interim millage, but not higher (you cannot have a final rate that is higher than the interim millage rate, but it can be lowered). Therefore, it is not uncommon for a city commission to adopt an interim millage rate that is likely to be higher than the final millage rate in order to allow flexibility during the budget review process.

Taxes levied by the various options are as follows:

	2014 millage rate	2014 ad valorem taxes levied	2014 taxes over (under) 2013 taxes	Minimum adoption requirement
			4,785,607	
current	8.5866	4,999,298	166,903	3-2 vote
rolled-back	8.3638	4,869,579	37,184	3-2 vote
maximum (cap@10 mills)	10.0000	5,822,209	989,814	3-2 vote

**Note:** The City does not receive 100% of ad valorem tax levy due to 1) discounts offered for early payment and 2) unpaid delinquent taxes. A 3% reduction is included within budget calculations for ad valorem tax revenues. The 3% reduction has not been applied to the data table listed above.

**Estimated revenue received by the City** at the various options are as follows:

	2013 millage rate	2013 ad valorem proceeds	2013 proceeds over (under) 2011 proceeds	Minimum adoption requirement
			4,657,801	
current	8.5866	4,849,319	160,898	3-2 vote
rolled-back	8.3638	4,723,492	35,071	3-2 vote
maximum (cap@10 mills)	10.0000	5,647,543	959,122	3-2 vote

The City Commission is not required to make a decision on the final millage rate at this meeting. The final decision should be made after we thoroughly review and discuss the budget and all of its implications; however, we do have to make a decision on the interim millage rate at this meeting.

**ATTACHMENTS**

Proposed TRIM Calendar

Property Appraiser's Certification of Taxable Value (Form DR-420)

## Proposed TRIM Calendar FY 14'15

- **August 4, 2014**

**Deadline to notify Property Appraiser's Office:**

- a. Interim millage rate**
- b. Current year rolled-back rate**
- c. Date, time & place of 1<sup>st</sup> budget hearings**

- **September 3, 2014 (Commission Meeting)**

- 1<sup>st</sup> reading of ordinance adopting millage rate**
- 1<sup>st</sup> Public Hearing, Millage Rate**
- 1<sup>st</sup> reading of ordinance adopting FY 14'15 budget**
- 1<sup>st</sup> Public Hearing, FY 14'15 Budget**

- **September 13, 2014**

**Advertisement of FY 14'15 Budget Summary (TRIM Ad)**  
**Advertisement of 2<sup>nd</sup> Public Hearing**

- **September 16, 2014 (Commission Meeting)**

- 2<sup>nd</sup> reading of ordinance adopting millage rate**
- 2<sup>nd</sup> Public Hearing, Millage Rate**
- 2<sup>nd</sup> reading of ordinance adopting FY 14'15 budget**
- 2<sup>nd</sup> Public Hearing, FY 14'15 Budget**

- **September 19, 2014**

**Deadline to forward ordinance adopting millage rate to Property Appraiser and Tax Collector**

- **Within 3 days of receiving notice of final adjusted tax roll,  
Deadline to certify form DR-422 to Property Appraiser**

- **October 15, 2014**

**Deadline to forward Certificate of Compliance (DR-487) to Department of Revenue  
Within 30 days after final hearing**



# CERTIFICATION OF TAXABLE VALUE

DR-420  
R. 5/12  
Rule 12D-16.002  
Florida Administrative Code  
Effective 11/12

Year: <b>2014</b>	County: <b>POLK</b>
Principal Authority: <b>CITY OF LAKE WALES</b>	Taxing Authority: <b>CITY OF LAKE WALES</b>

## SECTION I : COMPLETED BY PROPERTY APPRAISER


1.	Current year taxable value of real property for operating purposes	\$	514,451,316	(1)
2.	Current year taxable value of personal property for operating purposes	\$	67,304,820	(2)
3.	Current year taxable value of centrally assessed property for operating purposes	\$	464,761	(3)
4.	Current year gross taxable value for operating purposes <i>(Line 1 plus Line 2 plus Line 3)</i>	\$	582,220,897	(4)
5.	Current year net new taxable value (Add new construction, additions, rehabilitative improvements increasing assessed value by at least 100%, annexations, and tangible personal property value over 115% of the previous year's value. Subtract deletions.)	\$	4,692,086	(5)
6.	Current year adjusted taxable value <i>(Line 4 minus Line 5)</i>	\$	577,528,811	(6)
7.	Prior year FINAL gross taxable value from prior year applicable Form DR-403 series	\$	562,783,279	(7)
8.	Does the taxing authority include tax increment financing areas? If yes, enter number of worksheets (DR-420TIF) attached. If none, enter 0	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Number 3	(8)
9.	Does the taxing authority levy a voted debt service millage or a millage voted for 2 years or less under s. 9(b), Article VII, State Constitution? If yes, enter the number of DR-420DEBT, <i>Certification of Voted Debt Millage</i> forms attached. If none, enter 0	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Number 0	(9)

<b>Property Appraiser Certification</b>	I certify the taxable values above are correct to the best of my knowledge.		
<b>SIGN HERE</b>	Signature of Property Appraiser: 	Date:	July 1, 2014

## SECTION II : COMPLETED BY TAXING AUTHORITY

If this portion of the form is not completed in FULL your taxing authority will be denied TRIM certification and possibly lose its millage levy privilege for the tax year. If any line is not applicable, enter -0-.

10.	Prior year operating millage levy <i>(If prior year millage was adjusted then use adjusted millage from Form DR-422)</i>		per \$1,000	(10)
11.	Prior year ad valorem proceeds <i>(Line 7 multiplied by Line 10, divided by 1,000)</i>	\$		(11)
12.	Amount, if any, paid or applied in prior year as a consequence of an obligation measured by a dedicated increment value <i>(Sum of either Lines 6c or Line 7a for all DR-420TIF forms)</i>	\$		(12)
13.	Adjusted prior year ad valorem proceeds <i>(Line 11 minus Line 12)</i>	\$		(13)
14.	Dedicated increment value, if any <i>(Sum of either Line 6b or Line 7e for all DR-420TIF forms)</i>	\$		(14)
15.	Adjusted current year taxable value <i>(Line 6 minus Line 14)</i>	\$		(15)
16.	Current year rolled-back rate <i>(Line 13 divided by Line 15, multiplied by 1,000)</i>		per \$1000	(16)
17.	Current year proposed operating millage rate		per \$1000	(17)
18.	Total taxes to be levied at proposed millage rate <i>(Line 17 multiplied by Line 4, divided by 1,000)</i>	\$		(18)

19.	TYPE of principal authority (check one)	<input type="checkbox"/> County	<input type="checkbox"/> Independent Special District	(19)
		<input type="checkbox"/> Municipality	<input type="checkbox"/> Water Management District	
20.	Applicable taxing authority (check one)	<input type="checkbox"/> Principal Authority	<input type="checkbox"/> Dependent Special District	(20)
		<input type="checkbox"/> MSTU	<input type="checkbox"/> Water Management District Basin	
21.	Is millage levied in more than one county? (check one)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	(21)
<b>DEPENDENT SPECIAL DISTRICTS AND MSTUs</b>			<b>STOP HERE - SIGN AND SUBMIT</b>	
22.	Enter the total adjusted prior year ad valorem proceeds of the principal authority, all dependent special districts, and MSTUs levying a millage. <i>(The sum of Line 13 from all DR-420 forms)</i>	\$		(22)
23.	Current year aggregate rolled-back rate <i>(Line 22 divided by Line 15, multiplied by 1,000)</i>		per \$1,000	(23)
24.	Current year aggregate rolled-back taxes <i>(Line 4 multiplied by Line 23, divided by 1,000)</i>	\$		(24)
25.	Enter total of all operating ad valorem taxes proposed to be levied by the principal taxing authority, all dependent districts, and MSTUs, if any. <i>(The sum of Line 18 from all DR-420 forms)</i>	\$		(25)
26.	Current year proposed aggregate millage rate <i>(Line 25 divided by Line 4, multiplied by 1,000)</i>		per \$1,000	(26)
27.	Current year proposed rate as a percent change of rolled-back rate <i>(Line 26 divided by Line 23, <b>minus 1</b>, multiplied by 100)</i>		%	(27)
<b>First public budget hearing</b>		Date :	Time :	Place :
<b>S I G N  H E R E</b>	<b>Taxing Authority Certification</b>	I certify the millages and rates are correct to the best of my knowledge. The millages comply with the provisions of s. 200.065 and the provisions of either s. 200.071 or s. 200.081, F.S.		
	Signature of Chief Administrative Officer :		Date :	
	Title :		Contact Name and Contact Title :	
	Mailing Address :		Physical Address :	
	City, State, Zip :		Phone Number :	Fax Number :

Instructions on page 3

**CERTIFICATION OF TAXABLE VALUE  
INSTRUCTIONS**

"Principal Authority" is a county, municipality, or independent special district (including water management districts).

"Taxing Authority" is the entity levying the millage. This includes the principal authority, any special district dependent to the principal authority, any county municipal service taxing unit (MSTU), and water management district basins.

Each taxing authority must submit to their property appraiser a DR-420 and the following forms, as applicable:

- DR-420TIF, Tax Increment Adjustment Worksheet
- DR-420DEBT, Certification of Voted Debt Millage
- DR-420MM-P, Maximum Millage Levy Calculation - Preliminary Disclosure

**Section I: Property Appraiser**

Use this DR-420 form for all taxing authorities except school districts. Complete Section I, Lines 1 through 9, for each county, municipality, independent special district, dependent special district, MSTU, and multicounty taxing authority. Enter only taxable values that apply to the taxing authority indicated. Use a separate form for the principal authority and each dependent district, MSTU and water management district basin.

**Line 8**

Complete a DR-420TIF for each taxing authority making payments to a redevelopment trust fund under Section 163.387 (2)(a), Florida Statutes or by an ordinance, resolution or agreement to fund a project or to finance essential infrastructure.

Check "Yes" if the taxing authority makes payments to a redevelopment trust fund. Enter the number of DR-420TIF forms attached for the taxing authority on Line 8. Enter 0 if none.

**Line 9**

Complete a DR-420DEBT for each taxing authority levying either a voted debt service millage (s.12, Article VII, State Constitution) or a levy voted for two years or less (s. 9(b), Article VII, State Constitution).

Check "Yes" if the taxing authority levies either a voted debt service millage or a levy voted for 2 years or less (s. 9(b), Article VII, State Constitution). These levies do not include levies approved by a voter referendum not required by the State Constitution. Complete and attach DR-420DEBT. Do not complete a separate DR-420 for these levies.

Send a copy to each taxing authority and keep a copy. When the taxing authority returns the DR-420 and the accompanying forms, immediately send the original to:

Florida Department of Revenue  
Property Tax Oversight - TRIM Section  
P. O. Box 3000  
Tallahassee, Florida 32315-3000

**Section II: Taxing Authority**

Complete Section II. Keep one copy, return the original and one copy to your property appraiser with the applicable DR-420TIF, DR-420DEBT, and DR-420MM-P within 35 days of certification. Send one copy to the tax collector. "Dependent special district" (ss. 200.001(8)(d) and 189.403(2), F.S.) means a special district that meets at least one of the following criteria:

- The membership of its governing body is identical to that of the governing body of a single county or a single municipality.
- All members of its governing body are appointed by the governing body of a single county or a single municipality.
- During their unexpired terms, members of the special district's governing body are subject to removal at will by the governing body of a single county or a single municipality.
- The district has a budget that requires approval through an affirmative vote or can be vetoed by the governing body of a single county or a single municipality.

"Independent special district" (ss. 200.001(8)(e) and 189.403 (3), F.S.) means a special district that is not a dependent special district as defined above. A district that includes more than one county is an independent special district unless the district lies wholly within the boundaries of a single municipality.

"Non-voted millage" is any millage not defined as a "voted millage" in s. 200.001(8)(f), F.S.

**Lines 12 and 14**

Adjust the calculation of the rolled-back rate for tax increment values and payment amounts. See the instructions for DR-420TIF. On Lines 12 and 14, carry forward values from the DR-420TIF forms.

**Line 24**

Include only those levies derived from millage rates.



## TAX INCREMENT ADJUSTMENT WORKSHEET

6/25/2014 10:02:34AM  
 DR-420TIF  
 R. 6/10  
 Rule 12D-16.002  
 Florida Administrative Code  
 Effective 11/12

Year : 2014	County : POLK
Principal Authority : CITY OF LAKE WALES	Taxing Authority : CITY OF LAKE WALES
Community Redevelopment Area : Lake Wales CRA I (40)	Base Year : 1985

**SECTION I : COMPLETED BY PROPERTY APPRAISER**

1.	Current year taxable value in the tax increment area	\$	17,378,311	(1)
2.	Base year taxable value in the tax increment area	\$	8,891,265	(2)
3.	Current year tax increment value <i>(Line 1 minus Line 2)</i>	\$	8,487,046	(3)
4.	Prior year Final taxable value in the tax increment area	\$	18,335,206	(4)
5.	Prior year tax increment value <i>(Line 4 minus Line 2)</i>	\$	9,443,941	(5)

<b>SIGN HERE</b>	<b>Property Appraiser Certification</b>		I certify the taxable values above are correct to the best of my knowledge.	
	Signature of Property Appraiser :	<i>Mandi Faup</i>	Date :	July 1, 2014

**SECTION II: COMPLETED BY TAXING AUTHORITY Complete EITHER line 6 or line 7 as applicable. Do NOT complete both.**

6. If the amount to be paid to the redevelopment trust fund IS BASED on a specific proportion of the tax increment value:				
6a.	Enter the proportion on which the payment is based.		%	(6a)
6b.	Dedicated increment value <i>(Line 3 multiplied by the percentage on Line 6a)</i> <i>If value is zero or less than zero, then enter zero on Line 6b</i>	\$		(6b)
6c.	Amount of payment to redevelopment trust fund in prior year	\$		(6c)
7. If the amount to be paid to the redevelopment trust fund IS NOT BASED on a specific proportion of the tax increment value:				
7a.	Amount of payment to redevelopment trust fund in prior year	\$		(7a)
7b.	Prior year operating millage levy from Form DR-420, Line 10		per \$1,000	(7b)
7c.	Taxes levied on prior year tax increment value <i>(Line 5 multiplied by Line 7b, divided by 1,000)</i>	\$		(7c)
7d.	Prior year payment as proportion of taxes levied on increment value <i>(Line 7a divided by Line 7c, multiplied by 100)</i>		%	(7d)
7e.	Dedicated increment value <i>(Line 3 multiplied by the percentage on Line 7d)</i> <i>If value is zero or less than zero, then enter zero on Line 7e</i>	\$		(7e)

<b>S I G N  H E R E</b>	<b>Taxing Authority Certification</b>		I certify the calculations, millages and rates are correct to the best of my knowledge.	
	Signature of Chief Administrative Officer :		Date :	
	Title :		Contact Name and Contact Title :	
	Mailing Address :		Physical Address :	
	City, State, Zip :		Phone Number :	Fax Number :



## TAX INCREMENT ADJUSTMENT WORKSHEET INSTRUCTIONS

Property appraisers must complete and sign Section I of this worksheet and provide it with form DR-420, *Certification of Taxable Value*, to all taxing authorities who make payments to a redevelopment trust fund under:

- s. 163.387(2)(a), Florida Statutes, or
- An ordinance, resolution, or agreement to fund a project or to finance essential infrastructure.

“Tax increment value” is the cumulative increase in taxable value from the base year to the current year within the defined geographic area. It is used to determine the payment to a redevelopment trust fund under:

- s. 163.387(1), F.S. or
- An ordinance, resolution, or agreement to fund a project or finance essential infrastructure. In this case, the taxing authority must certify the boundaries and beginning date to the property appraiser.

“Dedicated increment value” is the portion of the tax increment value used to determine the payment to the redevelopment trust fund. (See s. 200.001(8)(h), F.S.) Calculate the dedicated increment value on this form and enter on either Line 6b or Line 7e.

“Specific proportion,” used to determine whether to complete Line 6 or Line 7, refers to the calculation of the tax increment payment. Examples:

- Example 1.  
Section 163.387(1), F.S., states the payment made by the taxing authority should equal 95% of the millage levied times the tax increment value. The specific proportion in this case is 95%. The ordinance providing for the payment may set a percentage lower than 95%. In these cases, the lower percentage would be the specific proportion.
- Example 2.  
Some required tax increment payments are not directly related to the tax increment value. A constant dollar payment is a payment not based on a specific proportion of the tax increment value. Line 7 converts these payments into a proportion based on the prior year’s payment and tax increment value to reach the current year’s dedicated increment value.

### Section I: Property Appraiser

A. Complete Section I of this form for each county, municipality, independent special district, dependent special district, and MSTU that:

- Has a tax increment value and
- Is not exempted from making payments to a community redevelopment trust fund based on tax increments (s. 163.387(2)(c), F.S.).

If a taxing authority has more than one tax increment value, they must complete a separate form for each tax increment value. Send a copy to each taxing authority with the DR-420 and keep a copy. When the taxing authority returns the completed forms, immediately send the original to:

Florida Department of Revenue  
Property Tax Oversight Program - TRIM Section  
P. O. Box 3000  
Tallahassee, Florida 32315-3000

B. Enter only tax increment values that apply to the value located within the taxing authority indicated.

### Section II: Taxing Authority

Complete Section II of the form, keep one copy, and return the original and one copy to your property appraiser with DR-420 within 35 days of certification. Send one copy to your tax collector.

### Additional Instructions for Lines 6 and 7

Complete Line 6 if the payment into the redevelopment trust fund is a specific proportion of the tax increment value.

Complete Line 7 if the payment is based on a calculation other than a specific proportion. Do not complete both Lines 6 and 7.

All TRIM forms for taxing authorities are available on our website at  
<http://dor.myflorida.com/dor/property/trim/trimmax.html>



## TAX INCREMENT ADJUSTMENT WORKSHEET

6/25/2014 10:02:34AM

DR-420TIF

R. 6/10

Rule 12D-16.002

Florida Administrative Code

Effective 11/12

Year : <b>2014</b>	County : <b>POLK</b>
Principal Authority : <b>CITY OF LAKE WALES</b>	Taxing Authority : <b>CITY OF LAKE WALES</b>
Community Redevelopment Area : <b>Lake Wales CRA II (41)</b>	Base Year : <b>1987</b>

**SECTION I : COMPLETED BY PROPERTY APPRAISER**

1.	Current year taxable value in the tax increment area	\$	167,380,616	(1)
2.	Base year taxable value in the tax increment area	\$	109,080,851	(2)
3.	Current year tax increment value <i>(Line 1 minus Line 2)</i>	\$	58,299,765	(3)
4.	Prior year Final taxable value in the tax increment area	\$	164,266,380	(4)
5.	Prior year tax increment value <i>(Line 4 minus Line 2)</i>	\$	55,185,529	(5)

<b>SIGN HERE</b>	<b>Property Appraiser Certification</b>		I certify the taxable values above are correct to the best of my knowledge.	
	Signature of Property Appraiser :	<i>Mandi Fausp</i>	Date :	July 1, 2014

**SECTION II: COMPLETED BY TAXING AUTHORITY Complete EITHER line 6 or line 7 as applicable. Do NOT complete both.**

6. If the amount to be paid to the redevelopment trust fund IS BASED on a specific proportion of the tax increment value:				
6a.	Enter the proportion on which the payment is based.		%	(6a)
6b.	Dedicated increment value <i>(Line 3 multiplied by the percentage on Line 6a)</i> <i>If value is zero or less than zero, then enter zero on Line 6b</i>	\$		(6b)
6c.	Amount of payment to redevelopment trust fund in prior year	\$		(6c)
7. If the amount to be paid to the redevelopment trust fund IS NOT BASED on a specific proportion of the tax increment value:				
7a.	Amount of payment to redevelopment trust fund in prior year	\$		(7a)
7b.	Prior year operating millage levy from Form DR-420, Line 10		per \$1,000	(7b)
7c.	Taxes levied on prior year tax increment value <i>(Line 5 multiplied by Line 7b, divided by 1,000)</i>	\$		(7c)
7d.	Prior year payment as proportion of taxes levied on increment value <i>(Line 7a divided by Line 7c, multiplied by 100)</i>		%	(7d)
7e.	Dedicated increment value <i>(Line 3 multiplied by the percentage on Line 7d)</i> <i>If value is zero or less than zero, then enter zero on Line 7e</i>	\$		(7e)

<b>S I G N  H E R E</b>	<b>Taxing Authority Certification</b>		I certify the calculations, millages and rates are correct to the best of my knowledge.	
	Signature of Chief Administrative Officer :		Date :	
	Title :		Contact Name and Contact Title :	
	Mailing Address :		Physical Address :	
	City, State, Zip :		Phone Number :	Fax Number :

## TAX INCREMENT ADJUSTMENT WORKSHEET INSTRUCTIONS

Property appraisers must complete and sign Section I of this worksheet and provide it with form DR-420, *Certification of Taxable Value*, to all taxing authorities who make payments to a redevelopment trust fund under:

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- An ordinance, resolution, or agreement to fund a project or to finance essential infrastructure.

"Tax increment value" is the cumulative increase in taxable value from the base year to the current year within the defined geographic area. It is used to determine the payment to a redevelopment trust fund under:

- s. 163.387(1), F.S. or
- An ordinance, resolution, or agreement to fund a project or finance essential infrastructure. In this case, the taxing authority must certify the boundaries and beginning date to the property appraiser.

"Dedicated increment value" is the portion of the tax increment value used to determine the payment to the redevelopment trust fund. (See s. 200.001(8)(h), F.S.) Calculate the dedicated increment value on this form and enter on either Line 6b or Line 7e.

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Section 163.387(1), F.S., states the payment made by the taxing authority should equal 95% of the millage levied times the tax increment value. The specific proportion in this case is 95%. The ordinance providing for the payment may set a percentage lower than 95%. In these cases, the lower percentage would be the specific proportion.
- Example 2.  
Some required tax increment payments are not directly related to the tax increment value. A constant dollar payment is a payment not based on a specific proportion of the tax increment value. Line 7 converts these payments into a proportion based on the prior year's payment and tax increment value to reach the current year's dedicated increment value.

### Section I: Property Appraiser

A. Complete Section I of this form for each county, municipality, independent special district, dependent special district, and MSTU that:

- Has a tax increment value and
- Is not exempted from making payments to a community redevelopment trust fund based on tax increments (s. 163.387(2)(c), F.S.).

If a taxing authority has more than one tax increment value, they must complete a separate form for each tax increment value. Send a copy to each taxing authority with the DR-420 and keep a copy. When the taxing authority returns the completed forms, immediately send the original to:

Florida Department of Revenue  
Property Tax Oversight Program - TRIM Section  
P. O. Box 3000  
Tallahassee, Florida 32315-3000

B. Enter only tax increment values that apply to the value located within the taxing authority indicated.

### Section II: Taxing Authority

Complete Section II of the form, keep one copy, and return the original and one copy to your property appraiser with DR-420 within 35 days of certification. Send one copy to your tax collector.

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Complete Line 6 if the payment into the redevelopment trust fund is a specific proportion of the tax increment value.

Complete Line 7 if the payment is based on a calculation other than a specific proportion. Do not complete both Lines 6 and 7.

All TRIM forms for taxing authorities are available on our website at  
<http://dor.myflorida.com/dor/property/trim/trimmax.html>



## TAX INCREMENT ADJUSTMENT WORKSHEET

6/25/2014 10:02:34AM

DR-420TIF

R. 6/10

Rule 12D-16.002

Florida Administrative Code

Effective 11/12

Year : <b>2014</b>	County : <b>POLK</b>
Principal Authority : <b>CITY OF LAKE WALES</b>	Taxing Authority : <b>CITY OF LAKE WALES</b>
Community Redevelopment Area : <b>Lake Wales CRA III (42)</b>	Base Year : <b>1989</b>

**SECTION I : COMPLETED BY PROPERTY APPRAISER**

1.	Current year taxable value in the tax increment area	\$	10,985,485	(1)
2.	Base year taxable value in the tax increment area	\$	8,894,367	(2)
3.	Current year tax increment value <i>(Line 1 minus Line 2)</i>	\$	2,091,118	(3)
4.	Prior year Final taxable value in the tax increment area	\$	11,611,264	(4)
5.	Prior year tax increment value <i>(Line 4 minus Line 2)</i>	\$	2,716,897	(5)

<b>SIGN HERE</b>	<b>Property Appraiser Certification</b>		I certify the taxable values above are correct to the best of my knowledge.	
	Signature of Property Appraiser :	<i>Mandi Faup</i>	Date :	July 1, 2014

**SECTION II: COMPLETED BY TAXING AUTHORITY Complete EITHER line 6 or line 7 as applicable. Do NOT complete both.**

6. If the amount to be paid to the redevelopment trust fund IS BASED on a specific proportion of the tax increment value:				
6a.	Enter the proportion on which the payment is based.		%	(6a)
6b.	Dedicated increment value <i>(Line 3 multiplied by the percentage on Line 6a)</i> <i>If value is zero or less than zero, then enter zero on Line 6b</i>	\$		(6b)
6c.	Amount of payment to redevelopment trust fund in prior year	\$		(6c)
7. If the amount to be paid to the redevelopment trust fund IS NOT BASED on a specific proportion of the tax increment value:				
7a.	Amount of payment to redevelopment trust fund in prior year	\$		(7a)
7b.	Prior year operating millage levy from Form DR-420, Line 10		per \$1,000	(7b)
7c.	Taxes levied on prior year tax increment value <i>(Line 5 multiplied by Line 7b, divided by 1,000)</i>	\$		(7c)
7d.	Prior year payment as proportion of taxes levied on increment value <i>(Line 7a divided by Line 7c, multiplied by 100)</i>		%	(7d)
7e.	Dedicated increment value <i>(Line 3 multiplied by the percentage on Line 7d)</i> <i>If value is zero or less than zero, then enter zero on Line 7e</i>	\$		(7e)

<b>S I G N  H E R E</b>	<b>Taxing Authority Certification</b>		I certify the calculations, millages and rates are correct to the best of my knowledge.	
	Signature of Chief Administrative Officer :		Date :	
	Title :		Contact Name and Contact Title :	
	Mailing Address :		Physical Address :	
	City, State, Zip :		Phone Number :	Fax Number :

## TAX INCREMENT ADJUSTMENT WORKSHEET INSTRUCTIONS

Property appraisers must complete and sign Section I of this worksheet and provide it with form DR-420, *Certification of Taxable Value*, to all taxing authorities who make payments to a redevelopment trust fund under:

- s. 163.387(2)(a), Florida Statutes, or
- An ordinance, resolution, or agreement to fund a project or to finance essential infrastructure.

“Tax increment value” is the cumulative increase in taxable value from the base year to the current year within the defined geographic area. It is used to determine the payment to a redevelopment trust fund under:

- s. 163.387(1), F.S. or
- An ordinance, resolution, or agreement to fund a project or finance essential infrastructure. In this case, the taxing authority must certify the boundaries and beginning date to the property appraiser.

“Dedicated increment value” is the portion of the tax increment value used to determine the payment to the redevelopment trust fund. (See s. 200.001(8)(h), F.S.) Calculate the dedicated increment value on this form and enter on either Line 6b or Line 7e.

“Specific proportion,” used to determine whether to complete Line 6 or Line 7, refers to the calculation of the tax increment payment. Examples:

- Example 1.  
Section 163.387(1), F.S., states the payment made by the taxing authority should equal 95% of the millage levied times the tax increment value. The specific proportion in this case is 95%. The ordinance providing for the payment may set a percentage lower than 95%. In these cases, the lower percentage would be the specific proportion.
- Example 2.  
Some required tax increment payments are not directly related to the tax increment value. A constant dollar payment is a payment not based on a specific proportion of the tax increment value. Line 7 converts these payments into a proportion based on the prior year’s payment and tax increment value to reach the current year’s dedicated increment value.

### Section I: Property Appraiser

A. Complete Section I of this form for each county, municipality, independent special district, dependent special district, and MSTU that:

- Has a tax increment value and
- Is not exempted from making payments to a community redevelopment trust fund based on tax increments (s. 163.387(2)(c), F.S.).

If a taxing authority has more than one tax increment value, they must complete a separate form for each tax increment value. Send a copy to each taxing authority with the DR-420 and keep a copy. When the taxing authority returns the completed forms, immediately send the original to:

Florida Department of Revenue  
Property Tax Oversight Program - TRIM Section  
P. O. Box 3000  
Tallahassee, Florida 32315-3000

B. Enter only tax increment values that apply to the value located within the taxing authority indicated.

### Section II: Taxing Authority

Complete Section II of the form, keep one copy, and return the original and one copy to your property appraiser with DR-420 within 35 days of certification. Send one copy to your tax collector.

### Additional Instructions for Lines 6 and 7

Complete Line 6 if the payment into the redevelopment trust fund is a specific proportion of the tax increment value.

Complete Line 7 if the payment is based on a calculation other than a specific proportion. Do not complete both Lines 6 and 7.

All TRIM forms for taxing authorities are available on our website at  
<http://dor.myflorida.com/dor/property/trim/trimmax.html>