



CITY OF FORT LAUDERDALE BUSINESS IMPACT ESTIMATE

Rev: 3 | Date: 4/08/2025

Ordinance Amending Chapter 15 - Business Tax Receipts and Miscellaneous Business Regulations, Article II - Local Business Tax, to Implement a Five Percent Fee Increase on Local Business Taxes and Restore Omitted Business Tax Categories

Proposed Ordinance's Title Summary: _____

CAM#: 26-0049 Meeting Date: 1.20.2026

Porshia L. Garcia

Porshia L. Garcia

Digitally signed by Porshia L. Garcia
Date: 2025.12.16 16:39:20 -05'00'

Department Director/Designee Name

Signature

Gabrielle Bush

Gabrielle Bush

Digitally signed by Gabrielle Bush
Date: 2025.12.16 16:54:48 -05'00'

City Attorney/Designee Name

Signature

This Business Impact Estimate is provided in accordance with Section 166.041(4), Florida Statutes. If one or more statements in the section below apply, a Business Impact Estimate is not required by state law for the proposed ordinance.

- ☐ The proposed ordinance is required for compliance with Federal or State law or regulation;
- ☐ The proposed ordinance relates to the issuance or refinancing of debt;
- ☐ The proposed ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
- ☐ The proposed ordinance is required to implement a contract or an agreement, including, but not limited to, any Federal, State, local, or private grant or other financial assistance accepted by the city;
- ☐ The proposed ordinance is an emergency ordinance;
- ☐ The ordinance relates to procurement; or
- ☐ The proposed ordinance is enacted to implement the following:
 - a. Development orders and development permits, as those terms are defined in s. 163.3164, and development agreements, as authorized by the Florida Local Government Development Agreement Act under ss. 163.3220-163.3243.
 - b. Comprehensive plan amendments and land development regulation amendments initiated by an application by a private party other than the municipality;
 - c. Sections 190.005 and 190.046, Florida Statutes, regarding community development districts;
 - d. Section 553.73, Florida Statutes, relating to the Florida Building Code; or
 - e. Section 633.202, Florida Statutes, relating to the Florida Fire Prevention Code

The provisions as indicated above constitute exemptions as provided in Section 166.041(4)(c), Florida Statutes. Should any such exemption be applicable, then the provisions found in Section A below are not applicable.



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BUSINESS IMPACT ESTIMATE

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Section A

1. **Summary of the proposed ordinance, to include the public purpose to be served by the proposed ordinance, such as serving the public health, safety, morals, and welfare of the City.**

The public purpose of the ordinance is to ensure the City's Business Tax program remains accurate, equitable, and compliant with Florida law while providing a predictable revenue source to support efficient program administration and essential public services.

2. **Estimate of direct economic impact of the proposed ordinance on private, for-profit businesses in the City.**

- a. **Estimate of direct compliance costs that businesses may reasonably incur if the ordinance is enacted.**

Businesses subject to the City's Local Business Tax will experience a 5 percent rate increase beginning in the renewal period of FY 2026. No new application, reporting, or operational requirements are created; therefore, direct compliance costs are limited to the incremental fee adjustment.

- b. **Identification of any new charge or fee on businesses subject to the proposed ordinance or for which businesses will be financially responsible.**

The ordinance does not introduce a new tax or fee category. It applies a 5 percent adjustment to existing Business Tax Receipt rates.

- c. **An estimate of the City's regulatory costs, including an estimate of revenues from any new charges or fees that will be imposed on businesses to cover such costs.**

The phased rate adjustment is projected to generate approximately \$152,000 in additional revenue for FY 2026. However, administrative costs will be absorbed within the current operating budget of the Business Tax Division. No separate regulatory or processing fees are proposed.

3. **Good faith estimates of the number of businesses likely to be impacted by the proposed ordinance.**

Approximately 19,000 active Business Tax Receipt holders will be subject to the 5 percent rate adjustment.

4. **Any additional information the City may deem to be useful.**

The 5 percent rate adjustment is consistent with the limitation set forth in Florida Statutes and represents the first business tax rate change since 2004. Staff will conduct a comprehensive outreach campaign to inform all affected businesses prior to the FY 2026 renewal season beginning July 1, 2026.