

**Frequently Asked Questions**  
**Maximum Millage Levy Calculation**  
**Chapter 2007-321, Laws of Florida (HB0001B)**

These FAQs contain general information offered by the Department to help affected governing bodies calculate and report their 2007 maximum millage and total maximum taxes under the requirements imposed by Chapter 2007-321, Laws of Florida.

Q1. If my jurisdiction is planning to adopt our millage by a supermajority vote of the governing body, must the adoption of the proposed millage rate for purposes of filing the Form DR-420 also be adopted by the supermajority vote?

A1. No. Compliance with the voting requirements of HB 1B will be measured by the vote on final adoption of the levy of the millage. The supermajority is not required for other votes.

Q2. My tax roll has declined from the previous year. As a result, the rolled-back rate is higher than last year's millage. Can I levy the rolled-back rate without a referendum?

A2. The vote required by Section 200.185, F.S., for the levy of the rolled-back rate depends on the local government's reduction tier determined by the applicable compound annual growth rate. For some local governments, the rolled-back rate can be levied by a majority vote. For others, a two-thirds vote is required. The rolled-back rate can be levied by the appropriate vote even if the rolled-back rate is higher than the previous year's millage. Each taxing jurisdiction has the responsibility to determine the applicable percentage of the rolled back rate that can be levied by a majority vote as provided in Section 200.185, F.S. based on the compound annual growth percentage published by the Department of Revenue.

Q3. Are new tax levies included in the calculation of maximum taxes?

A3. Yes. While a rolled-back rate will not be able to be calculated for new tax levies by an existing authority or a newly created dependent special district or MSTUs, the taxes levied by such entities must be included in the calculation of total proposed taxes levied on the bottom of the Form DR-420 C-P or M-P as filled out by the principal taxing authority. However, these taxes are not included in the total maximum taxes levied at the maximum millage. When completing the top portion of the Form DR-420 C-P or M-P for these new levies, a zero should be entered into the lines for the maximum millage rate and taxes levied at the maximum millage rate (lines 12 and 13 on the Form DR-420 M-P and lines 10 and 11 on the Form DR-420 C-P).

Q4. Multi-county independent special districts are required to levy the same millage rate in all counties. However, if the caps are calculated individually for each county, different maximum millage levies are calculated. How should the maximum levy for multi-county taxing authorities be calculated?

A4. Maximum levies for multi-county taxing authorities should be calculated based on the sum of taxable values and taxes levied for all counties in which the same millage is levied. Rolled-back rates should be re-calculated for the entire district for use in completing the Form DR-420 I-P. A single Form DR-420 I-P should be completed with copies provided to the property appraiser in each county along with the Form DR-420.

Q5. Will the aggregate millage calculated on the bottom portion of the Form DR-420 as completed by the principal taxing authority be used to determine the maximum millage?

A5. No. The aggregate millage on the Form DR-420 is used to measure compliance with TRIM (Truth in Millage, see s. 200.065, F.S.). Compliance with the millage levy cap will be based on the comparison of total proposed taxes levied and total maximum taxes at the maximum millage rate in the bottom portion of the Forms DR-420 C-P or DR-420 M-P, and as reported later on Forms DR-420C and DR-420M, together with Form DR-487, as completed by each principal taxing authority (county or municipality). For counties and municipalities with no dependent special districts or MSTUs, the bottom portion of the form will be the same as the top portion. For those principal authorities with dependent districts or MSTUs, the bottom portion as filled out by the principal authority will reflect the sum of all its component districts and MSTUs.

It should also be noted that for counties and municipalities with emergency medical or fire rescue dependent special districts or MSTUs, such entities will not be included when filling out the bottom portion of the Form DR-420 C-P or M-P (they will fill out Form DR-420 I-P). These districts are not excluded for TRIM purposes when filling out the bottom portion of the Form DR-420.

Q6. For counties or municipalities with dependent special districts or MSTUs, is it possible for the millage rate of one of the component parts to exceed its maximum millage?

A6. Yes, as long as the total proposed taxes levied calculated in the bottom portion of the Form DR-420 C-P or M-P of the principal taxing authority is equal to or less than the total maximum taxes at the maximum millage. In order for this to occur, at least one other levy by the principal authority or one of its dependent special districts or MSTUs must be sufficiently below the maximum.

Q7. Should the compound annual growth rate calculated for a county or municipality be used to determine the percentage reduction of that county's or municipality's dependent special districts and MSTUs?

Q7. Yes.

Q8. A unanimous vote of the governing body is required to levy the previous year's millage rate. Does this mean a unanimous vote of the members present or a unanimous vote of the full governing body? What happens if there is an unfilled vacancy on the board?

A8. A unanimous vote of all members of the full governing body is required to levy the previous year's millage rate. If there is an unfilled vacancy, a unanimous vote of all current members of the governing body is required.

Q9. Do counties and municipalities have to calculate their own compound annual growth rate in per capita taxes levied to determine the percentage reduction below the rolled-back rate or should they rely on the growth rate published by the Department of Revenue?

A9. Counties and municipalities must use the compound annual growth rate published by the Department of Revenue. These are available at: <http://dor.myflorida.com/dor/property/cofinal.pdf>. Counties and municipalities are responsible for determining their percentage reduction below the rolled-back rate based on the growth percentage.

Q10. If a municipality levies a millage rate calculated by applying the full percentage reduction indicated by the per capita growth rate by a unanimous vote instead of just the required majority vote, should the first box on line 11 of the Form DR-420 M-P be checked?

A10. If the intent of the governing body is to levy only the millage rate that can be adopted by a majority vote, but the vote is actually greater than a simple majority, the first box under line 11 may be checked.

Q11. The Form DR-420 TIF worksheets require the previous year's payment to the Redevelopment Trust Fund to be entered. Should this be calculated based on the previous year's tax increment entered on line 2 or should the actual payment be entered?

A11. Because the Form DR-420 TIF is filled out at a different time in the property tax process than the time that the tax increment may have been certified for calculation of the TIF payment, the tax increment numbers on which the payment is based may be different. Section 200.185, F.S., requires the actual payment made to be entered on line 3c. This may differ from a calculation made based on the value entered on line 2. The entry of the previous year's tax increment value on line 2 is for use by those jurisdictions that must use line 4 to calculate their dedicated increment value.

Q12. Should TIF payments made to Redevelopment Trust Funds created under s. 163.387, F.S., and based on the millage rate times the tax increment value be characterized on line 3(a) of the DR-420 TIF worksheet as based on 100% or 95%?

A12. Section 163.387(1), F.S., states that the payment made by the taxing authority should equal 95% of the millage levied times the tax increment value. If the actual payment is calculated based on 95% (which is usually the case unless payment is based on some other percentage pursuant to an inter-local agreement), 95% should be entered on line 3(a).