

Select Year:  

## The 2025 Florida Statutes

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[Title XIV](#)[TAXATION AND FINANCE](#)[Chapter 205](#)[LOCAL BUSINESS TAXES](#)[View Entire Chapter](#)**205.0535 Reclassification and rate structure revisions.—**

(1) By October 1, 2008, any municipality that has adopted by ordinance a local business tax after October 1, 1995, may by ordinance reclassify businesses, professions, and occupations and may establish new rate structures, if the conditions specified in subsections (2) and (3) are met. A person who is engaged in the business of providing local exchange telephone service or a pay telephone service in a municipality or in the unincorporated area of a county and who pays the business tax under the category designated for telephone companies or a pay telephone service provider certified pursuant to s. [364.3375](#) is deemed to have but one place of business or business location in each municipality or unincorporated area of a county. Pay telephone service providers may not be assessed a business tax on a per-instrument basis.

(2) Before adopting a reclassification and revision ordinance, the municipality or county must establish an equity study commission and appoint its members. Each member of the study commission must be a representative of the business community within the local government's jurisdiction. Each equity study commission shall recommend to the appropriate local government a classification system and rate structure for business taxes.

(3)(a) After the reclassification and rate structure revisions have been transmitted to and considered by the appropriate local governing body, it may adopt by majority vote a new business tax ordinance. Except that a minimum tax of up to \$25 is permitted, the reclassification may not increase the tax by more than the following: for receipts costing \$150 or less, 200 percent; for receipts costing more than \$150 but not more than \$500, 100 percent; for receipts costing more than \$500 but not more than \$2,500, 75 percent; for receipts costing more than \$2,500 but not more than \$10,000, 50 percent; and for receipts costing more than \$10,000, 10 percent; however, in no case may the tax on any receipt be increased more than \$5,000.

(b) The total annual revenue generated by the new rate structure for the fiscal year following the fiscal year during which the rate structure is adopted may not exceed:

1. For municipalities, the sum of the revenue base and 10 percent of that revenue base. The revenue base is the sum of the business tax revenue generated by receipts issued for the most recently completed local fiscal year or the amount of revenue that would have been generated from the authorized increases under s. [205.043\(1\)\(b\)](#), whichever is greater, plus any revenue received from the county under s. [205.033\(4\)](#).

2. For counties, the sum of the revenue base, 10 percent of that revenue base, and the amount of revenue distributed by the county to the municipalities under s. [205.033\(4\)](#) during the most recently completed local fiscal year. The revenue base is the business tax revenue generated by receipts issued for the most recently completed local fiscal year or the amount of revenue that would have been generated from the authorized increases under s. [205.033\(1\)\(b\)](#), whichever is greater, but may not include any revenues distributed to municipalities under s. [205.033\(4\)](#).

(c) In addition to the revenue increases authorized by paragraph (b), revenue increases attributed to the increases in the number of receipts issued are authorized.

(4) After the conditions specified in subsections (2) and (3) are met, municipalities and counties may, every other year thereafter, increase or decrease by ordinance the rates of business taxes by up to 5 percent. However, an increase must be enacted by at least a majority plus one vote of the governing body.

(5) This chapter does not prohibit a municipality or county from decreasing or repealing any business tax authorized under this chapter. By majority vote, the governing body of a county or municipality may adopt an ordinance repealing a local business tax or establishing new rates that decrease local business taxes and do not result in an increase in local business taxes for a taxpayer. Such ordinances are not subject to subsections (2) and (3).

(6) A receipt may not be issued unless the federal employer identification number or social security number is obtained from the person to be taxed.

**History.**—s. 8, ch. 93-180; s. 60, ch. 98-419; s. 12, ch. 2006-152; s. 2, ch. 2007-97; s. 7, ch. 2014-38.

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