

CURRENT 3.00% CAP

WHAT IS IT AND WHAT DOES IT DO FOR THE CITY OF PALM BAY?

Voted in on 11/08/2016, the CAP has been in effect since Fiscal Year 2018

➤ **What does the 3.00% CAP do?**

- Limits the total revenue generated from citywide property taxes to no more than a 3.00% increase from the previous year

➤ **What if the City didn't have this CAP?**

- The City would consider operational citywide needs such as police, fire and roads and tax property owners within the law, set by the State of Florida, to meet the needs of city government operations

➤ **If the CAP was removed, doesn't this mean the City can increase taxes to whatever amount they choose?**

- ***No – the State of Florida has restrictions in place to keep this from happening and exemptions, which most property owners carry on their property tax bill, also help in reducing or capping taxable values that limit property tax increases***
- ***No – the legislature enacted a special law for Brevard County that prevents cities from increasing tax revenues more than 10.00% from the previous year without a voter referendum***
- Check out [slide 2](#) for more details about a “No CAP Environment”

NO CAP ENVIRONMENT

WHAT IF THERE WAS NO CAP?

Are there other limits keeping the City from increasing taxes to a certain amount?

➤ Yes

- The City of Palm Bay, along with all other cities within the State of Florida, are regulated by the State of Florida under Statute 200.065 – Method of fixing millage
- All cities within the State of Florida are required to follow this law when setting future property tax rates

I hear a lot about *exemptions* impacting my tax bill with or without a CAP in place. What does this mean?

- Through the State of Florida and the Brevard County Property Appraiser's Office, homeowners are entitled to exemptions on their tax bill that keep him/her/them from paying taxes on the full value of the home
- Depending on the type and number of exemptions a homeowner has, their annual tax bill may increase or decrease accordingly
- Check out [slide 3](#) for a list of commonly seen exemptions on annual tax bills

COMMON EXEMPTIONS

FOR EXEMPTION DETAILS, SELECT THE LINKS BELOW

For a list of more exemptions, visit the Brevard County Property Appraiser's Office at [BCPAO - Exemptions](#)



[Homestead Assessments](#)

- First homestead exemption is \$25,000 with an additional homestead exemption of \$25,000
 - This means that the taxable value of your home for non-school taxing authorities, including the City of Palm Bay, is reduced by a total of \$50,000



["Save Our Homes" Assessment Limitation](#)

- Beginning in 1995, or the year following the year a property receives homestead exemptions, the annual property value increase is limited to 3.00% or the percentage change in the Consumer Price Index (CPI)



This means that annually a homeowners property value can only increase by either 3.00% or the CPI percentage regardless of a 3.00% CAP limit imposed by the City of Palm Bay

- This exemption indirectly limits annual property tax increases since property values are capped to the amounts stated above

Example

PROPERTY APPRAISER VALUE INFORMATION			
	MARKET VALUE	ASSESSED VALUE APPLIES TO SCHOOL MILLAGE	ASSESSED VALUE APPLIES TO NON-SCHOOL MILLAGE
THIS YEAR	226790	80320	80320
LAST YEAR	170010	77990	77990

ASSESSED VALUE REDUCTION	APPLIES TO	AMOUNT
"Save Our Homes" Assessment Cap	All Tax Levies	146470
Non-Homestead 10% Cap	Non-School Tax Levies	0
Agricultural Classification	All Tax Levies	0
Other	All Tax Levies	0

EXEMPTIONS	APPLIES TO	AMOUNT
First Homestead	All Tax Levies	25000
Additional Homestead	Non-School Tax Levies	25000
Limited Income Senior (County)	County General Fund Tax Levy	0
Limited Income Senior (City)	City Tax Levy	0
Widow/Widower	All Tax Levies	0
Other	All Tax Levies	0

SEE REVERSE SIDE FOR DATES, TIMES, AND LOCATIONS OF BUDGET HEARINGS.

If you feel the market value of the property is inaccurate or does not reflect fair market value as of **January 1, 2022**, or if you are entitled to an exemption or classification that is not reflected, please contact the Brevard County Property Appraiser's office:

Real Property: Titusville: 321-264-6700; Melbourne: 321-255-4440; Palm Bay: 321-952-4574; Viera: 321-690-6880

Tangible Personal Property: Titusville: 321-264-6703, option 2; All other locations: 321-633-2199 X-6703

If the Property Appraiser's Office is unable to resolve the matter as to the market value, classification, or an exemption, you may file a petition for adjustment with the Value Adjustment Board. Petition forms are available from the Brevard County Clerk of Courts or brevardclerk.us.

Petitions must be filed on or before September 12, 2022

This City of Palm Bay home has a market value this year of \$226,790. The "Save Our Homes" exemption, totaling \$146,470, reduces that taxable value to \$80,320. Thereafter, the additional homestead exemptions of \$50,000 reduce the total taxable value non-school amount to \$30,320. This amount (taxable value non-school amount) is the value used to calculate the property taxes; not the full market value.

TAX BILL CALCULATIONS

**Interested in learning more
about how property tax rates
impact your bill?**

Review the next slides to learn more about how to calculate your property taxes and G.O. Road Bond taxes on your bill, along with how property tax rates impact the revenue generated by the City of Palm Bay to pay for service needs.



learn
more

IMPACT ON FY 2023 AD VALOREM TAX REVENUES

BASED ON FINAL VALUES AS OF JUNE 28, 2022

Description	Millage Rates	FY 2023 Increase in Revenue From FY 2022	Reduction in Available FY 2023 Revenue if Millage Rate is Under 7.5995 mils (FY 2022 Rate)	Additional Revenue Available in FY 2023 if Millage Rate is Above 6.7770 mils (3% CAP)
FY 2023 - Adopted Rate	7.5995	8,468,263	0	5,019,926
FY 2023 - 3.00% CAP Rate	6.7770	3,448,337	(5,019,926)	0
FY 2023 - Roll Back Rate	6.5887	2,299,321	(6,168,942)	(6,168,942)

- The FY 2022 adopted millage rate was set to 7.5995, which generated \$37,913,418 in revenue for the fiscal year
- In comparison to FY 2022, the above listed millage rates generate the following revenue in FY 2023:
 - Adopted Rate @ 7.5995 - \$46,381,681 an increase of \$8,468,263 from FY 2022
 - 3.00% CAP Rate @ 6.7770 - \$41,361,755 an increase of \$3,448,337 from FY 2022
 - Roll Back Rate @ 6.5887 - \$40,212,739 an increase of \$2,299,321 from FY 2022

TAX BILL MILLAGE RATE IMPACT

HOW DOES THE MILLAGE RATE IMPACT YOUR ANNUAL PROPERTY TAX BILL

FY 2022 - Adopted

Property Valuation Taxable Value Non-School	Adopted @ 7.5995 Property Taxes	Adopted @ 1.3424 G.O. Bond Debt	Total Annual Cost
	Annual Cost	Annual Cost	
10,000	76.00	13.42	89.42
25,000	189.99	33.56	223.55
50,000	379.98	67.12	447.10
75,000	569.96	100.68	670.64
100,000	759.95	134.24	894.19
125,000	949.94	167.80	1,117.74
150,000	1,139.93	201.36	1,341.29
200,000	1,519.90	268.48	1,788.38

FY 2023 – 3.00% CAP Hypothetical

Property Valuation Taxable Value Non-School	3.00% CAP @ 6.7770 Property Taxes	Adopted @ 1.0931 G.O. Bond Debt	Total Annual Cost	Variance to FY 2022*
	Annual Cost	Annual Cost		
10,000	67.77	10.93	78.70	(10.72)
25,000	169.43	27.33	196.75	(26.80)
50,000	338.85	54.66	393.51	(53.59)
75,000	508.28	81.98	590.26	(80.39)
100,000	677.70	109.31	787.01	(107.18)
125,000	847.13	136.64	983.76	(133.98)
150,000	1,016.55	163.97	1,180.52	(160.77)
200,000	1,355.40	218.62	1,574.02	(214.36)

FY 2023 - Adopted

Property Valuation Taxable Value Non-School	Adopted @ 7.5995 Property Taxes	Adopted @ 1.0931 G.O. Bond Debt	Total Annual Cost	Variance to FY 2022*
	Annual Cost	Annual Cost		
10,000	76.00	10.93	86.93	(2.49)
25,000	189.99	27.33	217.32	(6.23)
50,000	379.98	54.66	434.63	(12.47)
75,000	569.96	81.98	651.95	(18.70)
100,000	759.95	109.31	869.26	(24.93)
125,000	949.94	136.64	1,086.58	(31.16)
150,000	1,139.93	163.97	1,303.89	(37.40)
200,000	1,519.90	218.62	1,738.52	(49.86)

*Assuming the Property Valuation Taxable Value Non-School Amount Remains Un-Changed from FY 2022 to FY 2023

TAX BILL MILLAGE RATE IMPACT CALCULATION

HOW DO I CALCULATE MY PROPERTY TAX AND G.O. BOND DEBT MILLAGE RATES?

Property's Assessed Value* x Millage Rate

1,000

* Your home's Taxable Value Non-School amount is the assessed value of the property less exemptions

Your home's "Taxable Value Non-School" amount is the assessed value of the property less exemptions.

Property owners can determine the value by going to the [Brevard County Property Appraiser's website](#) or reviewing their latest tax bill.

Account: 1234567

- Owners: Resident, John A; Resident, Jane B
- Mail Address: 1234 Neighborhood St Palm Bay FL 32907
- Site Address: 1234 Neighborhood St Palm Bay FL 32907
- Parcel ID: 10-34-56-PB-789-10
- Taxing District: 10PB - Palm Bay
- Exemptions: HEX1 - Homestead First
HEX2 - Homestead Additional
- Property Use: 0110 - Single Family Residence
- Total Acres: 0.25
- Site Code: 0001 - No Other Code Appl.
- Plat Book/Page: 0014/0126
- Subdivision Name: Port Malabar Unit 1
- Land Description: Port Malabar Unit 1 Lot 10 Blk 123

[MapView](#)
[EagleView](#)
[StreetView](#)



Values

Category	2018	2017	2016
Market Value:	\$192,380	\$176,050	\$162,690
Agricultural Land Value:	\$0	\$0	\$0
Assessed Value Non-School:	\$110,080	\$107,820	\$105,610
Assessed Value School:	\$110,080	\$107,820	\$105,610
Homestead Exemption:	\$25,000	\$25,000	\$25,000
Additional Homestead:	\$25,000	\$25,000	\$25,000
Other Exemptions:	\$0	\$0	\$0
Taxable Value Non-School:	\$60,080	\$57,820	\$55,610
Taxable Value School:	\$85,080	\$82,820	\$80,610