



## Cover Memorandum/Staff Report

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**File #:** 23-1240

**Agenda Date:** 9/18/2023

**Item #:** 8.G.

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**TO:** Mayor and Commissioners  
**FROM:** Hugh B. Dunkley, Chief Financial Officer  
**THROUGH:** Terrence R. Moore, ICMA-CM  
**DATE:** September 18, 2023

ORDINANCE NO. 34-23: AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF DELRAY BEACH, FLORIDA, CREATING AN ENTIRELY NEW TITLE 12, "TAXATION", OF THE CODE OF ORDINANCES BY ENACTING A NEW CHAPTER 122, "ADDITIONAL HOMESTEAD EXEMPTION FOR PERSONS 65 YEARS OR OLDER," AUTHORIZING AN ADDITIONAL \$25,000 HOMESTEAD EXEMPTION FOR ELIGIBLE PERSONS, PROVIDING A CONFLICTS CLAUSE, A SEVERABILITY CLAUSE AND AUTHORITY TO CODIFY; PROVIDING AN EFFECTIVE DATE AND FOR OTHER PURPOSES. (SECOND READING)

**Recommended Action:**

Staff recommends approval of Ordinance No. 34-23 on second reading.

**Background:**

Attached for the City Commission's consideration on first reading is Ordinance No. 34-23, which as proposed, will authorize an additional \$25,000 homestead exemption to certain income-qualified senior citizens living in the City of Delray Beach.

Staff was directed to look into the possibility of granting the limited income senior citizen exemption for persons age 65 and older. Staff was able to obtain from the Property Appraiser's Office the total number of Delray Beach residents who are currently receiving the senior homestead exemption from the County. There are currently 774 taxpayers receiving this benefit, which would equate to a potential property tax reduction of approximately \$120,000, assuming that the City grants an additional homestead exemption of \$25,000.

In accordance with State law, the board of county commissioners of any county or the governing body of any municipality may adopt an ordinance granting an additional homestead exemption to certain persons 65 years of age or older whose household income does not exceed a certain specified amount. The current income level for qualifying for the additional senior homestead exemption is \$35,167 for the 2023 exemption year. This qualifying income amount is adjusted annually by the Florida Department of Revenue.

An ordinance granting an additional homestead exemption must meet the following requirements:

- (1) It must be adopted under the procedures for adoption of a non-emergency ordinance, pursuant to Chapter 166, F.S.
- (2) It must specify that the exemption applies only to taxes levied by the unit of government

granting the exemption.

- (3) It must specify the amount of the exemption.
- (4) It must require that a taxpayer claiming the exemption for the first time submit to the Property Appraiser, not later than March 1, a sworn statement of household income on a form prescribed by the Florida Department of Revenue.
- (5) The board of county commissioners or municipal governing authority must deliver a copy of the ordinance granting the additional homestead exemption to the Property Appraiser no later than December 1 of the year prior to the year the exemption will take effect.

Within Palm Beach County, the municipalities that offer this exemption and the amount granted for each municipality (or County) is reflected below:

**\$50,000**

Haverhill  
Juno Beach  
Jupiter  
Jupiter Inlet Colony  
Loxahatchee Groves  
Wellington

**\$25,000**

Palm Beach County  
Boynton Beach  
Lake Worth Beach  
Lantana  
North Palm Beach  
Palm Beach Gardens  
Palm Springs  
South Palm Beach  
Tequesta  
West Palm Beach

**\$10,000**

Lake Park

**\$5,000**

Greenacres  
Royal Palm Beach

Once the program is adopted by the City, the additional senior citizen homestead exemption will be managed by the Palm Beach County Property Appraiser's Office.

**City Attorney Review:**

Legal Review is attached.

**Funding Source/Financial Impact:**

N/A

**Time Sensitive:**

N/A