

How Will Annexing into the City of Clearwater Affect My Taxes and Fees?

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This guide is intended to aid property owners in understanding changes in taxes and fees once they are annexed into the corporate limits of the City of Clearwater. In order to illustrate this, a detailed example of one property is provided, as well as some generalized statements that apply to most properties. You may utilize the Pinellas Planning Council’s “Truth In Annexation” tool online to estimate the difference in annual taxes and fees that you would pay before and after annexation at: <http://www.pinellasplanningcouncil.org/tia/tiamain.htm>

Most properties will experience estimated increases for the taxes and fees outlined within, ranging from \$20.00 to \$35.00 per month, in future years. This will depend on several factors, including the expectation that property values will continue to decrease in the next few years and millage rates will continue to be stabilized or increase in future years. Other variables, such as long term property values, exemptions, and personal consumption habits also play a role in increased or decreased taxes and fees.

Table 1 shows the difference between the 2012 City and County taxes and fees for a subset of services listed.

**TABLE 1: TAX & FEE RATE DIFFERENCES
CITY OF CLEARWATER vs. PINELLAS COUNTY (CLEARWATER FIRE DISTRICT)**

	CLEARWATER RESIDENTS	PINELLAS COUNTY RESIDENTS
1. Public Service Tax (PST)		
• Electricity	10.00%	0.00%
• Water	10.00%	0.00%
• Natural Gas	10.00%	0.00%
• Propane (LP)	10.00%	0.00%
• Fuel Oil	\$0.04/gallon	0.00%
2. Franchise Fee		
• Electricity	6.00%	0.00%
• Natural Gas	6.00%	0.00%
3. Communications Services Tax		
• Cable, phone, cellular, etc.	5.12%	5.22%
4. Utilities		
• Water	\$17.03 minimum (up to 3,000 gal); additional usage charges of \$6.90/1,000 gal (3,001-9,000 gal) & \$8.70/1,000 gal (9,001+ gal)	25% surcharge for City water customer in unincorporated County
• Sewer	\$23.46 minimum (up to 3,000 gal); \$7.82/ each additional 1,000 gal	25% surcharge for City sewer customer in unincorporated County
• Lawn & Reclaimed Water	10% Public Service Tax	25% surcharge for City lawn water customer in unincorporated County
• Solid Waste	\$24.86	Varies-ranges from \$20.00 to \$40.00/month depending on vendor utilized
• Recycling	\$2.35	Not offered in all unincorporated areas, 10% surcharge for City recycling customers in unincorporated County
• Stormwater	\$13.40	\$0.00 (new fee currently being considered by Pinellas County)

NOTES

- All utilities rates are as of October 1, 2012, and are subject to change annually.
- Amount of taxes/fees paid for above, except solid waste, recycling, and stormwater, will depend on the amounts of those services consumed by the individual household and are normally subject to annual rate increases (mainly water, sewer, and electric which impact the public service tax and franchise fee).
- The largest financial impacts upon annexation into Clearwater are the 10% public service (utility) tax levied by the City on water, electric, and gas; the 6% franchise fee on electricity and gas; and the monthly stormwater fee, all levied by the City, but not Pinellas County.
- Unincorporated residents pay a 25% surcharge for City of Clearwater Water, Sewer, and Solid Waste services and a 10% surcharge for City of Clearwater Recycling services. These fees go away once a property is annexed into the City of Clearwater. Properties currently receiving County water will continue receiving water from Pinellas County.

Tables 2 and 3 below contain a more detailed example of the tax differences between properties within the City of Clearwater and Pinellas County, using a model property as an example. In this example, taxes and fees would increase an estimated \$22.17 per month, based on a home with a homestead exemption and a 2012 assessed value of \$95,312, per the Pinellas County Property Appraiser, should this property annex into the City of Clearwater.

TABLE 2: MILLAGE & TAX DIFFERENCES: CITY OF CLEARWATER VS. UNINCORPORATED PINELLAS COUNTY (CLEARWATER FIRE DISTRICT)

Property Tax 2011	City of Clearwater		Pinellas County		Difference	
	Adopted Millage	Taxes*	Adopted Millage	Taxes*	Millage	Taxes
1. County EMS	0.9158	\$41.50	0.9158	\$41.50	0.0000	\$0.00
County General Fund	5.0105	\$227.04	5.0105	\$227.04	0.0000	\$0.00
County Health Dept	0.0622	\$2.82	0.0622	\$2.82	0.0000	\$0.00
CTF Fire		\$0.00	3.2092	\$145.42	3.2092	\$145.42
COUNTY TOTAL	5.9885	\$271.35	9.1977	\$416.78	3.2092	\$145.42
2. School - State Law	5.5540	\$390.51	5.5540	\$390.51	0.0000	\$0.00
3. School - Local Board	2.7480	\$193.22	2.7480	\$193.22	0.0000	\$0.00
SCHOOL TOTAL	8.3020	\$583.73	8.3020	\$583.73	0.0000	\$0.00
4. CLEARWATER	5.1550	\$233.58		\$0.00	(5.1550)	(\$233.58)
MSTU		\$0.00	2.0857	\$94.51	2.0857	\$94.51
Library Service		\$0.00	0.4437	\$20.10	0.4437	\$20.10
5. SW Florida Water Mgt	0.3928	\$17.80	0.3928	\$17.80	0.0000	\$0.00
6. Pinellas Anclote River Basin	0.0000	\$0.00	0.0000	\$0.00	0.0000	\$0.00
7. Pin County Plan Council	0.0125	\$0.57	0.0125	\$0.57	0.0000	\$0.00
8. Juvenile Welfare Board	0.8981	\$40.69	0.8981	\$40.69	0.0000	\$0.00
9. Suncoast Transit Authority	0.7305	\$33.10	0.7305	\$33.10	0.0000	\$0.00
TOTALS:	21.4794	\$1,180.82	22.0630	\$1,207.27	0.5836	\$26.45

*Taxes per Pinellas County Property Appraiser, based on a 2012 assessed value of \$95,312, with homestead exemption

NOTES

- Above property owner would pay an estimated \$26.45 less (\$25.39 with 4% discount for paying prior to November 30, 2012) in property taxes to Clearwater in 2012, based on taxable value (with homestead exemption) of \$45,312, for all taxing authorities except schools.
- City of Clearwater 2012 Millage rate: 5.1550. County 2012 Millage rate (in lieu of City): 5.7386. Fire, MSTU, Library Service: 3.2092+2.0857+0.4437 = 5.7386, approximately 11%, 0.5836 higher than the City of Clearwater.
- Property owners qualifying for the additional \$25,000 Senior Homestead Exemption would pay less total property taxes in Clearwater than in unincorporated Pinellas County because the exemption applies to a larger portion of the Clearwater total millage rate, 5.1550, (24%) versus the unincorporated millage rate-MSTU, 2.0857 (10%).
- Pinellas Anclote River Basin no longer a separate taxing authority, now part of the Southwest Florida Water Management taxing authority.

TABLE 3: EXAMPLE PROPERTY SUMMARY

TAX	INCREASE OR DECREASE	DOLLAR AMOUNT	EXPLANATION
1. PROPERTY TAXES	Decrease	(\$26.45)	City has lower 2012 millage rate than the County
2. PUBLIC SERVICE TAX	Increase	\$106.91	City levies a Public Service Tax & Franchise Fee; the County does not
3. COMMUNICATION SERVICES TAX	Decrease	(\$1.80)	City has a lower tax rate than the County, 5.12% versus 5.22%
4. OTHER UTILITIES	Increase	\$187.32	City levies a stormwater fee (\$160.80 annual); County does not
Over-all Estimated Annual Increase		\$265.98	
Estimated Monthly Increase		\$22.17	

NEED MORE HELP? For additional questions, clarifications, or a review of your specific property, please contact Robin Gomez, City Auditor, at 727-562-4550 or robin.gomez@myclearwater.com.