



By State Statute, the City Council must adopt a property tax rate for the upcoming year. Florida law permits municipalities to levy a property tax, without referendum approval, to a maximum of ten mills (1 mill = \$1 of tax per \$1,000 of taxable value). Property assessments and tax collections are administered by the Pinellas County Property Appraiser and County Tax Collector. Homeowners may claim on their principal place of residence a \$25,000 homestead exemption.

The taxable values of property with the City of Clearwater increased by \$1.2 billion for this new fiscal year, to a total of \$8.6 billion in 2005/06. Taxable value of new construction totals \$150 million, an increase of \$17.6 million from 2004/05, while taxable value of existing property increased by \$1.1 billion. The total recommended ad valorem rate of 5.753 mills will generate a total of \$47,742,920 of property taxes. This equates to \$44,878,180 to support General Fund operations and \$2,864,740 for road maintenance and improvement projects.

The results of economic redevelopment that the City has been experiencing in the last few years continue to provide an increase in taxable values. City property values reflected a 15.5% increase for budget purposes in the 2005/06 fiscal year, and represent 40% of the total General Fund revenues.