

TRAINING USER GUIDE

Course: Truth in Millage (TRIM) Online Training



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1 WELCOME

Welcome to the Department of Revenue's Truth in Millage online training.

This training manual includes all the text from our online course, as well as images and examples from the training.

1.1 We Will Discuss

In this TRIM training we will discuss the TRIM timetable, Certification of Value TRIM forms, Maximum Millage and Vote Record TRIM forms, TRIM hearing information, advertising requirements, resolutions and ordinances, certifying compliance to the Department of Revenue, and TRIM contacts.

1.2 Truth in Millage Introduction

Truth in Millage, or TRIM, is the process that invites the public to participate in the local process of levying ad valorem (property) taxes.

Chapter 200 of the Florida Statutes states the specific requirements for TRIM compliance. The statutes provide guidelines for public participation and an avenue for the governing body of the taxing authority to explain the reasons for the proposed changes in the millage and budget.

This computer-based training gives taxing authorities an overview of the TRIM process and their responsibilities and requirements. The information in this training is strictly a guide. You should consult the Florida Statutes before taking any specific action.



2 TRIM TIMETABLE

2.1 June

By June 1 of each year, the property appraiser provides the presiding officer of each taxing authority with estimates of the current year's total assessed value of nonexempt property for budget planning purposes.

If the Department of Revenue has not completed the county's railroad assessment by June 1, the property appraiser may use the prior year's values for millage certification purposes.

2.2 July

By July 1, the property appraiser completes form DR-420 to certify the taxable value in the taxing authority's jurisdiction and sends the form to the taxing authority. Day 1 of TRIM is the date of certification of taxable value or July 1, whichever is later.

For this training, we will use July 1 as Day 1. The time frames in this training are directory and can shorten if the property appraiser coordinates the change and notifies all affected taxing authorities in writing. However, the taxing authority cannot be denied its right to the full time periods allowed.

The board of county commissioners' (BCC) budget officer submits a tentative budget to the board.

2.3 August

Within 35 days of certification of taxable value, each taxing authority completes section II of form DR-420 and returns it to the property appraiser. Form DR-420 informs the property appraiser of:

- Prior-year millage rate
- Current-year proposed millage rate
- Current-year rolled-back rate
- Date, time, and meeting place of the tentative hearing

If a taxing authority fails to provide the property appraiser with the required information within 35 days, it will be prohibited from levying a millage rate greater than the rolled-back rate for the upcoming year. The property appraiser will calculate the rolled-back rate and use it in preparing the Notice of Proposed Property Taxes, which is commonly known as the TRIM notice.

The property appraiser must mail the TRIM notice to each property owner within 55 days after certification of taxable value.

If the Department of Revenue has issued a review notice to the property appraiser, the property appraiser cannot mail the TRIM notice until the Department of Revenue has approved the assessment roll.

2.4 September

After certification of taxable value (Days 65-80) the taxing authority will hold a public hearing on the tentative budget and millage rates. The property appraiser publicizes this hearing on the TRIM notice.

2.5 September - October

Within 15 days after the tentative hearing, the taxing authority must advertise its intent to adopt a final millage and budget.

The taxing authority will place a Notice of Proposed Tax Increase or Budget Hearing advertisement, along with an adjacent Budget Summary ad in the local newspaper.

2.6 October

Two to five days (Days 97-100) after publishing the advertisements, the taxing authority will hold a public hearing to adopt the final millage rate and budget.

Within three days after the final hearing, the taxing authority will send the resolution or ordinance adopting the final millage to the property appraiser, tax collector, and Department of Revenue.

The property appraiser's receipt of the resolution or ordinance is the official notice that the taxing authority approved the millage rate.

2.7 October - November

Within 30 days following the adoption of the final millage and budget ordinances or resolutions, each taxing authority submits form DR-487, Certification of Compliance, along with all applicable documents, to the Department of Revenue, Property Tax Oversight Program to certify that it has complied with the TRIM requirements.

Do not delay submitting the TRIM compliance package. It is due within 30 days of the final hearing. When you receive the Certificate of Final Taxable Value (form DR-422), complete the form, certify the final millages to the property appraiser, and send a copy to the TRIM section at the Department of Revenue.

3 TRIM FORMS

3.1 TRIM Certification Forms

The TRIM certification forms include:

- DR-420 - Certification of Taxable Value
- DR-420DEBT - Certification of Voted Debt Millage

- DR-420TIF - Tax Increment Adjustment Worksheet
- DR-422 – Certification of Final Taxable Value
- DR-422DEBT – Certification of Final Voted Debt Millage

3.2 DR-420

Form DR-420 is the Certification of Taxable Value form. The property appraiser fills in section I by July 1. The taxing authority completes section II.

3.3 DR-420DEBT

Form DR-420DEBT is the Certification of Voted Debt Millage form. The property appraiser fills in section I by July 1.

The taxing authority completes either line 5 or line 6.

Return the completed form within 35 days of certification.

3.4 DR-420TIF

Form DR-420TIF is the Tax Increment Adjustment Worksheet. The property appraiser fills in section I by July 1.

The taxing authority completes either line 6 or line 7.

Return the completed form within 35 days of certification.

3.5 DR-422

Form DR-422 is the Certification of Final Taxable Value form.

On this form:

- The property appraiser certifies final taxable value.
- The taxing authority enters the final millage rate.

You may adjust millage if you have met statutory requirements.

3.6 DR-422DEBT

Form DR-422DEBT is the Certification of Final Voted Debt Millage form and is similar to form DR-422.

As with form DR-422, the property appraiser certifies final taxable value, the taxing authority enters the final millage rate, and you may adjust the millage rate if you have met statutory requirements.



4 MAXIMUM MILLAGE

4.1 Maximum Millage

Forms DR-420MM-P and DR-420MM assist the taxing authority in administering the maximum millage levy requirements prescribed by section 200.065, Florida Statutes. The forms calculate the maximum millage rate and help in determining the votes required to adopt the millage rate, based on a majority, two-thirds, or unanimous vote of the governing body's full membership.

4.2 DR-420MM-P

The DR-420MM-P form is the Maximum Millage Levy Calculation Preliminary Disclosure form.

On this form you will enter the current-year proposed millage and determine the vote needed to adopt millage. Line 25 determines compliance with maximum millage laws.

4.3 DR-420MM

The DR-420MM form is the Maximum Millage Levy Calculation Final Disclosure form.

On this form you will enter the current-year proposed millage and determine the vote needed to adopt millage. Line 25 determines compliance with maximum millage laws.

4.4 DR-487V

Form DR-487V is the Vote Record for Final Adoption of Millage Levy form.

This form lists all board members and how they voted. You must complete it with your DR-420MM form.



5 TRIM HEARING REQUIREMENTS

5.1 TRIM Hearings

To adopt a millage rate and budget, taxing authorities must hold two public hearings: the first, or tentative, hearing and a final hearing.

5.2 Scheduling

Taxing authorities may hold TRIM hearings Monday through Friday after 5:00 pm and anytime on Saturday but **never** on Sunday.

The BCC cannot schedule its hearings on days scheduled for the school board. The school board has first priority of hearing dates. The BCC has second choice.

No other taxing authority in the county can use the BCC's and the school board's scheduled hearing dates for its public hearings. The only exceptions are multi-county and water management districts.

5.3 Advertising the Hearing

The tentative hearing is advertised on the TRIM notice that the property appraiser mails to taxpayers. Taxing authorities must advertise their final hearing within 15 days after adopting their tentative millage and budget.

5.4 At the Hearing

At the hearing, the taxing authority will discuss these issues first:

1. The percentage increase in millage over the rolled-back rate necessary to fund the budget, if any.
2. Specific reasons why ad valorem tax revenues are increasing.

At the hearing, the governing body will allow the general public to speak and ask questions prior to adopting any measures.

The governing body must adopt its tentative or final millage rate prior to adopting its tentative or final budget. Always adopt the millage *first* and the budget *second* by **separate votes**.

5.5 Announcement

Before adopting the millage resolution, each taxing authority levying a millage rate must publicly announce:

- The name of the taxing authority,
- The rolled-back rate,
- The percentage increase over the rolled-back rate, if any, and
- The millage rate to be levied.

5.6 Millage Facts

Remember these facts about millage.

1. The tentative millage rate **cannot exceed** the proposed millage rate unless the taxing authority mails, at its own expense, a revised TRIM notice to each taxpayer.
2. The final millage rate **cannot exceed** the tentatively adopted millage rate, and the TRIM process must be completed within 101 days.
3. The taxing authority cannot levy a millage until its governing board has approved a resolution or ordinance.



6 ADVERTISING REQUIREMENTS

6.1 Newspaper

Taxing authorities must select the appropriate newspaper advertisement to announce their final TRIM hearings.

To select the correct advertisement, the taxing authority will need to calculate the proposed rate as a percentage change of rolled-back rate.

- If the percent change in rolled-back rate is greater than 0 percent, then the taxing authority must

- publish a Notice of Proposed Tax Increase.
- If the percent change in rolled-back rate is equal to or less than 0 percent, then the taxing authority must publish a Notice of Budget Hearing.

6.2 Notice of Proposed Tax Increase Ad

Requirements of the Notice of Proposed Tax Increase ad include:

Newspaper

The taxing authority must publish a Notice of Proposed Tax Increase in a newspaper of general paid circulation in the county or in a newspaper's geographically limited insert.

Size

A Notice of Proposed Tax Increase ad must be a 1/4 page ad.

Headline

A Notice of Proposed Tax Increase ad must have a headline of at least 18-point type.

Adjacent Ad

A Notice of Proposed Tax Increase ad must have an adjacent Budget Summary ad.

Restrictions

A Notice of Proposed Tax Increase ad:

- **cannot** appear in the legal section or classified section of the newspaper.
- **cannot** deviate from the specified language in Chapter 200 of the Florida Statutes.
- **cannot** be accompanied, preceded, or followed by other ads or notices which conflict or contradict the required publications.

Final Hearing

The taxing authority must advertise its final hearing within 15 days of the tentative (first) hearing and hold the hearing two to five days after advertising.

Example

NOTICE OF PROPOSED TAX INCREASE

The (name of taxing authority) has tentatively adopted a measure to increase its property tax levy.

Last year's property tax levy:

A. Initially proposed tax levy	\$ <u>47,969</u>
B. Less tax reductions due to Value Adjustment Board and other assessment changes	\$ <u>3,833</u>
C. Actual property tax levy	\$ <u>44,136</u>
This year's proposed tax levy	\$ <u>49,740</u>

All concerned citizens are invited to attend a public hearing on the tax increase to be held on:

DATE:
TIME:
PLACE:
TOWN:

A FINAL DECISION on the proposed tax increase and the budget will be made at this hearing.

6.3 Notice of Budget Hearing Ad

Requirements of the Notice of Budget Hearing ad include:

Newspaper

The taxing authority must publish a Notice of Budget Hearing in a newspaper of general paid circulation in the county or in a newspaper's geographically limited insert.

Size

The Notice of Budget Hearing ad does not have a size requirement.

Headline

A Notice of Budget Hearing ad does not have a headline size requirement.

Adjacent Ad

A Notice of Budget Hearing ad must have an adjacent Budget Summary ad.

Restrictions

A Notice of Budget Hearing ad:

- **cannot** appear in the legal section or classified section of the newspaper.
- **cannot** deviate from the specified language in Chapter 200 of the Florida Statutes.
- **cannot** be accompanied, preceded, or followed by other ads or notices which conflict or contradict the required publications.

Final Hearing

The taxing authority must advertise its final hearing within 15 days after the tentative (first) hearing and must hold the final hearing two to five days after the ad appears in the newspaper.

Example

NOTICE OF BUDGET HEARING

The _____ has tentatively adopted
a budget for *(fiscal year)*

A public hearing to make a FINAL DECISION on the
budget AND TAXES will be held on:

(Date)

(Time)

at

(Meeting Place)

6.4 Budget Summary Ad

Millage Rates

The Budget Summary ad must show all the tentatively adopted millage rates for:

- The general fund,
- Dependent districts,
- Municipal service tax units, and
- All vote debt services.

Musts

Each millage rate in the ad must

- Have at least 95 percent of ad valorem taxes included in the budget.
- Show ALL funds.

- Have a balanced budget.
- Balance all funds.
- Balance the total of all funds.
- Show a line item for reserves.
- Have an adjacent Notice of Proposed Tax Increase or Notice of Budget Hearing (NOT BOTH).
- Comply with all statutory budget requirements.

Must Not's

The Budget Summary ad

- Cannot appear in the legal or classified section of the newspaper.
- Has no size requirements.

BOLD

If the proposed operating budget expenditures are more than last year's total operating expenditures, you must include that information in **BOLD** on the Budget Summary ad. For example:

**THE PROPOSED OPERATING BUDGET
EXPENDITURES OF (name of taxing authority) ARE (percent rounded to one decimal place) MORE THAN
LAST YEAR'S TOTAL OPERATING EXPENDITURES.**

Example

Example: Budget Summary Ad With Budget Increase

BUDGET SUMMARY								
Town of Florida - Current Fiscal Year								
*THE PROPOSED OPERATING BUDGET EXPENDITURES OF (name of taxing authority) ARE (percent rounded to one decimal) MORE THAN LAST YEARS TOTAL OPERATING EXPENDITURES.								
General fund	4.4205							
Voted fund	1.0000							
ESTIMATED REVENUES	GENERAL FUND	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT FUND	ENTERPRISE FUND	INTERNAL SERVICE	TOTAL ALL FUNDS
Taxes:	Millage per \$1000							
Ad Valorem Taxes	4.4205	47,253						47,253
Ad Valorem Taxes	1.000 (voted debt)		10,689					10,689
Sales And Use Taxes	22,639	8,000						30,639
Charges For Services	13,603	3,313		9,457				26,383
Intergovernmental Revenue	28,982	5,620		20,895		23,685		79,182
Fines & Forfeitures	15,240							15,240
Miscellaneous Revenue	16,894	3,350		9,536			1,415	31,195
Licenses And Permits	15,357	4,667		12,350				32,374
Internal Service Charges	8,385	2,415					11,895	22,696
TOTAL SOURCES	168,356	27,365	10,689	52,248	0	23,685	13,310	296,653
Transfers In	2,235							2,235
Fund Balances/Reserves/Net Assets	75,675							75,675
TOTAL REVENUES, TRANSFERS & BALANCES	\$246,266	\$27,365	\$10,689	\$52,248	0	\$23,685	\$13,310	\$373,563
EXPENDITURES								
General Government	133,500	4,060		18,650				\$156,230
Public Safety	36,063	3,500		13,340				\$52,903
Physical Environment	13,660	200		3,514				\$17,374
Transportation	9,000	3,260		10,055				\$22,315
Debt Services	6,650		10,689					\$17,339
Human Services	17,765	15,325		3,450		23,685		\$60,225
Internal Services							13,310	\$13,310
TOTAL EXPENDITURES	\$216,638	\$26,365	\$10,689	\$49,009	0	\$23,685	\$13,310	\$339,696
Transfers Out				3,239				3,239
Fund Balances/Reserves/Net Assets	29,628	1,000						30,628
TOTAL APPROPRIATED EXPENDITURES	\$246,266	\$27,365	\$10,689	\$52,248	0	\$23,385	\$13,310	\$373,563

6.5 Recessed Hearing Information

If the governing body recesses the hearing, the taxing authority must publish a Notice of Continuation in a newspaper of general paid circulation in the county. The notice will state the time, date, and location of the hearing.

*****DO NOT ADJOURN the hearing. The hearing must be RECESSED. *****

Example

NOTICE OF CONTINUATION

The tentative/final budget hearing held
on *(Date of first hearing)*

For the *(name of taxing authority)* was
recessed and will be continued on
(Date, time, and location of new hearing).

(Include name of town)

6.6 Proof of Publication

The taxing authority must send proof of publications for all advertisements in the newspaper with the TRIM compliance package.

7 RESOLUTIONS/ORDINANCES

7.1 Introduction

A taxing authority cannot levy a millage rate until its governing board has approved a resolution or ordinance.

Example

Example of Resolution/Ordinance Adopting a Millage Rate
(Include percent increase over RBR, millage rate and RBR.)
A Resolution/Ordinance must be completed, for the tentative hearing and the final hearing.

Resolution/Ordinance Number 98-01
A (RESOLUTION/ORDINANCE) OF THE (NAME OF TAXING AUTHORITY) OF _____ COUNTY, FLORIDA, ADOPTING THE (TENTATIVE/FINAL) LEVYING OF AD VALOREM TAXES FOR _____ COUNTY FOR FISCAL YEAR _____; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the (name of taxing authority) _____ of _____ County, Florida, on (Date) _____, adopted Fiscal Year (Tentative/Final) Millage Rates following a public hearing as required by Florida Statute 200.065.

WHEREAS, the (name of taxing authority) of _____ County, Florida, held a public hearing as required by Florida Statute 200.065; and

WHEREAS, the gross taxable value for operating purposes not exempt from taxation within _____ County has been certified by the county property appraiser to the (name of taxing authority) as \$ _____.

NOW, THEREFORE, BE IT RESOLVED by the (name of taxing authority) of _____ County, Florida, that:

1. The FY _____ operating millage rate is _____ mills, which is greater than the rolled-back rate of _____ mills by _____ %.
2. The voted debt service millage is _____.
3. This (resolution/ordinance) will take effect immediately upon its adoption.

DULY ADOPTED at a public hearing this _____ Day of _____, Time Adopted _____ PM

(NAME OF TAXING AUTHORITY)
Chairman

ATTEST:
Resolution or Ordinance adopting the final millage rates(s) will be forwarded to the property appraiser, tax collector, and Department of Revenue within 3 days after adoption.
If the adopted millage rate is less than the rolled-back rate, you may state the percent decrease.

7.2 Tentative & Final Resolution/Ordinance

The resolution/ordinance **must** include:

- Name of the taxing authority,
- Percentage increase over the rolled-back rate,
- Each millage rate adopted, and

- Rolled-back rate.

7.3 Budget Resolution/Ordinance

The taxing authority must adopt a budget resolution or ordinance by separate vote after it adopts the millage rate.

If the Department of Revenue cannot determine the order of millage and budget adoption, then the taxing authority must send the meeting minutes with the TRIM package.

The property appraiser's receipt of the resolution or ordinance is official notice of the taxing authority's approved millage rate.

Example

Example: Resolution/Ordinance Adopting Budget

A resolution/ordinance must be done for the **tentative** and **final** hearings.

Resolution/Ordinance Number 98-02

A (RESOLUTION/ORDINANCE) OF THE (NAME OF TAXING AUTHORITY) OF _____ COUNTY, FLORIDA, ADOPTING THE (TENTATIVE/FINAL) BUDGET FOR FISCAL YEAR _____; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the (name of taxing authority) of _____ County, Florida, on _____, held a public hearing as required by Florida Statute 200.065; and

WHEREAS, the (name of taxing authority) of _____ County, Florida, set forth the appropriations and revenue estimate for the Budget for Fiscal Year _____ in the amount of \$_____.

NOW, THEREFORE, BE IT RESOLVED by the (name of taxing authority) of _____ County, Florida, that:

1. The Fiscal Year _____ (Tentative/Final) Budget be adopted.
2. This resolution will take effect immediately upon its adoption.

DULY ADOPTED at a public hearing this _____ Day of _____, Time Adopted _____ PM

(NAME OF TAXING AUTHORITY)
Chairman

ATTEST:

Within three days after the final hearing, the taxing authority must forward the resolution/ordinance adopting final millage to the property appraiser, tax collector, and Department of Revenue. Also include a copy in the TRIM package.

8 CERTIFYING COMPLIANCE TO THE DEPARTMENT OF REVENUE

8.1 Introduction

All taxing authorities must submit the TRIM compliance package to the department within 30 days following the final budget hearing. Use form DR-487, Certification of Compliance, to submit the TRIM package.

8.2 DR-487

Use the DR-487, Certification of Compliance, as a checklist to include everything in the TRIM package, which is due within 30 days of the final hearing.

Along with the DR-487, include the DR-420 and any other completed forms; the ordinances or resolutions; the entire newspaper page; proof of publication; and forms DR-422, DR-420MM, and DR-487V.

Do not wait on the DR-422 if you have not received it. Indicate non-receipt on the DR-487 and send a copy of the DR-422 when you receive it from the property appraiser.

8.3 Value Adjustment Board

Taxpayers have 25 days to file a petition for value issues. The county clerk will notify the petitioner within 25 days of his or her scheduled hearing.

No more than 15 days before the hearing, the petitioner should provide to the property appraiser any information he or she will present. If the petitioner makes a written request to the property appraiser for information, the property appraiser must provide the requested information at least seven days before the hearing.

The value adjustment board (VAB) meets between **30 and 60 days** after the property appraiser mails the TRIM notice. The VAB must remain in session from day to day until it has heard all petitions, complaints, appeals, and disputes.



9 TRIM COMPLIANCE CONTACTS

9.1 Contact Us

TRIM (Truth in Millage)

- Wyatt Peters – (850) 617-8921
- Dametria Hayward – (850) 617-8922
- Chito Landrito – (850) 617-8920
- Kendall Tolbert – (850) 617-8861
- Chris Leduc – (850) 617-8847

Telephone: 850-617-8923
Efax: 850-617-6115
Email: TRIM@dor.state.fl.us

9.2 Resources

TRIM Forms

<http://dor.myflorida.com/dor/property/forms/#10>

TRIM Website

<http://dor.myflorida.com/dor/property/trim/>

