1 SOUTH FLORIDA WATER MANAGEMENT DISTRICT 2 3 **RESOLUTION NO. 2011 – 930B** 4 5 A RESOLUTION OF THE GOVERNING BOARD OF THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT RELATING TO THE 6 7 EVERGLADES AGRICULTURAL PRIVILEGE TAX; DETERMINING THE AMOUNT AND APPLICATION OF 8 THE **EVERGLADES** 9 AGRICULTURAL AREA WIDE INCENTIVE CREDIT; PROVIDING THE 10 **DISPOSITION OF APPLICATIONS FOR INDIVIDUAL FARM CREDITS;** DISPOSITION 11 PROVIDING THE OF **APPLICATIONS** FOR CLASSIFICATION AS VEGETABLE ACREAGE; APPLYING THE 12 13 DEFERRAL OF AGRICULTURAL PRIVILEGE TAXES FOR THE 1996 AND 2000 VEGETABLE CLASSIFIED ACREAGE; APPROVING AND 14 CERTIFYING THE EVERGLADES AGRICULTURAL PRIVILEGE TAX 15 ROLL; AND PROVIDING AN EFFECTIVE DATE. 16

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WHEREAS, the Legislature has enacted Section 373.4592, Florida Statutes (the
 "Everglades Forever Act"); and

20 WHEREAS, the Everglades Forever Act imposes an annual Everglades 21 Agricultural Privilege Tax (the "EAA Tax") for the privilege of conducting an agricultural 22 trade or business on certain real property located within the Everglades Agricultural 23 Area (or "EAA"). The EAA is defined by the Everglades Forever Act as set forth in 24 Sections 373.4592(2)(f) and 373.4592(15), Florida Statutes.

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1 **WHEREAS**, the Everglades Forever Act requires the Governing Board (the 2 "Board") of the South Florida Water Management District (the "District") to determine 3 certain incentive credits and the classification of property as "vegetable acreage"; and

WHEREAS, the Everglades Forever Act further requires the Board to approve
and certify the EAA Tax roll;

NOW, THEREFORE BE IT RESOLVED by the Governing Board of the South
 Florida Water Management District, as follows:

8 SECTION 1. EAA-WIDE INCENTIVE CREDIT

9 The Everglades Forever Act requires that reductions in the phosphorus load 10 attributable to the EAA (compared to a 1979-1988 base period), during the annual 11 period ending on April 30 of the calendar year preceding certification of an EAA Tax roll, 12 be acknowledged by applying an incentive credit against the EAA Tax (the "EAA-Wide 13 Incentive Credit"). The reduction in the phosphorus load attributable to the EAA for the 14 annual period ending April 30, 2010, computed in accordance with the Everglades Forever Act, is 41 percent. This phosphorus load reduction results in EAA-Wide 15 16 Incentive Credits for each percentage point in excess of 25 percent. The current 17 percentage eligible as EAA-Wide Incentive Credits is 16 percent. The annual 18 Everglades agricultural privilege tax is \$35.00 per acre for the tax notices to be mailed 19 in November 2011. However, previously earned EAA-Wide incentive credits will be 20 applied to reduce the per acre tax rate to the minimum of \$24.89 per acre. Any unused 21 incentive credits shall be carried forward, on a phosphorus load percentage basis, to be 22 applied as incentive credits in subsequent years.

#### 23 SECTION 2. INDIVIDUAL FARM CREDITS

The Everglades Forever Act authorizes Individual Farm Credits to reduce the EAA Tax to the "minimum tax". For the 2011 EAA Tax, Individual Farm Credits may be

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1 earned either by achieving an annual flow weighted mean concentration of 50 parts per 2 billion ("ppb") of phosphorus at each discharge structure serving the parcel, or by 3 achieving a 40 percent or more reduction in the phosphorus load of a parcel. The 4 Everglades Forever Act puts the burden on a parcel owner to apply for an Individual 5 Farm Credit and to prove entitlement to the Individual Farm Credit. The Everglades 6 Forever Act further requires the District to deny or grant a parcel owner's application for 7 Individual Farm Credits. Individual Farm Credits may be carried forward on a 8 phosphorus load reduction basis and used in the future to reduce the EAA Tax to the 9 Minimum Tax. For the 2011 year, the EAA Tax is reduced to the minimum of \$24.89 per 10 acre by application of the EAA-wide incentive credit. Consequently, Individual Farm Credits for achieving the 50 ppb standard are not required to be used. The District has 11 12 received a Master Letter of Application from the Everglades Agricultural Area 13 Environmental Protection District on behalf of all eligible parcels within its jurisdiction, as 14 well as six (6) independent applications, for Individual Farm Credits for phosphorus load 15 reduction for the May 1, 2009 to April 30, 2010 period. Those applications are identified 16 in Appendix A. After duly considering all of the information supplied by the parcel 17 owners who have applied for Individual Farm Credits for the 2011 EAA Tax, the District 18 hereby grants Individual Farm Credits for phosphorus load reduction to those parcels 19 which are subject to the EAA Tax and which fall within basin identification numbers set 20 forth in Appendix B to the extent such credits, if any, are identified in Appendix B.

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### **SECTION 3. CLASSIFICATION AS VEGETABLE ACREAGE**

22 Upon application of the owner, lessee, or other appropriate interest holder, 23 property subject to the EAA Tax may be classified as "Vegetable Acreage" (as defined 24 in the Everglades Forever Act). The EAA Tax for Vegetable Acreage is the "minimum" 25 tax" established in the Everglades Forever Act.

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The Executive Director of the District has received no (0) applications for classification
 as Vegetable Acreage: therefore, no action is required on this issue.

### 3 SECTION 4. APPLICATION OF THE 1997 AND 2001 DEFERRALS OF EAA TAX

#### 4 FOR VEGETABLE CLASSIFIED ACREAGE

5 Property classified as vegetable acreage pursuant to Section 373.4592(6)(d)4., 6 Florida Statutes, is entitled to deferral of the EAA Tax in the event the Governor, 7 President of the United States, or the United States Department of Agricultural declares 8 the existence of a state of emergency or disaster resulting from extreme natural 9 conditions impairing the ability of vegetable acreage to produce crops.

On September 10, 1997, the Governing Board approved deferral of EAA agricultural privilege taxes for 1996 classified vegetable acreage. The Everglades Forever Act provides in Section 373.4592(6)(d)2., Florida Statutes that the payment of the privilege taxes shall be deferred for a period of 1 year, and that all subsequent annual payments shall be deferred for the same period.

For the 1996 vegetable classified acreage, the 2011 tax roll shall reflect the deferred amounts that would have been due in 2010. The 2011 tax amounts will be deferred to 2012 as set forth in Appendix C.

Also, on September 13, 2001, the Governing Board approved deferral of EAA agricultural privilege taxes for 2000 classified vegetable acreage. The Everglades Forever Act provides in Section 373.4592(6)(d)2., Florida Statutes that the payment of the privilege taxes shall be deferred for a period of 1 year, and that all subsequent annual payments shall be deferred for the same period.

For the 2000 vegetable classified acreage, the 2011 tax roll shall reflect the deferred amounts that would have been due in 2010. The 2011 tax amounts will be deferred to 2012 as set forth in Appendix D.

| 1 | The District shall record a "Notice of Deferral of Taxes" for each year of each            |
|---|--|
| 2 | deferral, in the official records of each county in which the vegetable acreage subject to |
| 3 | this deferment is located, pursuant to Section 373.4592(6)(d)3., Florida Statutes.         |

## 4 SECTION 5. APPROVAL AND CERTIFICATION OF EAA TAX ROLL

5 A printed copy of the tax roll, which is available for inspection by the public, is

6 currently on file with the District's Budget Office and is incorporated herein by reference.

7 The Board hereby approves the EAA Tax Roll and further certifies the EAA Tax

8 Roll on compatible electronic medium to the Tax Collectors of Palm Beach and Hendry

9 counties.

# 10 SECTION 6. EFFECTIVE DATE

11 This Resolution shall become effective immediately upon adoption.

12 **PASSED AND ADOPTED** this 8<sup>th</sup> day of September 2011.

| 13<br>14             |         |                | SOUTH FLORIDA WATER MANAGEMENT<br>DISTRICT, BY ITS GOVERNING BOARD |
|----------------------|---------|----------------|--|
| 15<br>16<br>17<br>18 |         |                | By:<br>Chair   |
| 18<br>19             | ATTEST: |                |  |
| 20<br>21<br>22       | Ву:     | District Clerk |  |
| 22<br>23<br>24       |         |                | APPROVED:  |
| 24<br>25<br>26       |         |                | By:<br>Office of Counsel   |