

**ORDINANCE NO. 24-03**

**AN ORDINANCE OF THE BOARD OF COUNTY OF COUNTY COMMISSIONERS OF HOLMES COUNTY, FLORIDA RELATING TO TAXATION; PROVIDING FOR THE LEVY OF A DISCRETIONARY INDIGENT CARE SALES SURTAX OF ONE-HALF OF ONE PERCENT (0.5%) PURSUANT TO SECTION 212.055(7), FLORIDA STATUTES; PROVIDING FOR THE COLLECTION, DISTRIBUTION AND USE OF THE SALES SURTAX PROCEEDS; PROVIDING FOR A PLAN FOR USE OF THE SALES SURTAX PROCEEDS; PROVIDING FOR AN INDIGENT HEALTH CARE TRUST FUND; PROVIDING FOR THE LEVY OF THE SALES SURTAX TO BE SUBJECT TO APPROVAL BY THE ELECTORS OF HOLMES COUNTY IN A REFERENDUM; PROVIDING FOR A REFERENDUM TO BE HELD; PROVIDING FOR NOTIFICATION OF APPROVAL OF THE SALES SURTAX; PROVIDING FOR SEVERABILITY; PROVIDING FOR APPLICABILITY; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Section 212.055(7)(a)2., Florida Statutes, authorizes the governing body in each county that has a population of less than 50,000 residents to levy, pursuant to an Ordinance conditioned to take effect only upon approval by a majority vote of the electors of the county voting in a referendum, a discretionary sales surtax that may not exceed 1.0 percent, for purposes of funding health care services for indigent persons; and

**WHEREAS**, Holmes County meets the criteria established in Section 212.055(7)(a)2., Florida Statutes, to levy such discretionary sales surtax; and

**WHEREAS**, the growing cost of health care services, along with the growing number of residents in need of indigent care services has severely strained the fiscal resources available to Doctors Memorial Hospital (hereinafter "Hospital") to fund such care for indigent residents of the Holmes County; and

**WHEREAS**, the proceeds of a levy of a discretionary sales surtax may be used to service existing indebtedness of a public hospital pursuant to Section 212.055(7)(c)2., Florida Statutes, in a county that has a population of less than 50,000 residents; and

**WHEREAS**, Holmes County meets the criteria established in Section 212.055(7)(c)2, Florida Statutes, to use the proceeds of a levy of a discretionary sales surtax to be used to service existing indebtedness of the Hospital; and

**WHEREAS**, the Board of County Commissioners of Holmes County, Florida has determined that the Hospital would more likely than not cease to operate without the discretionary surtax being pledged to service the Hospital's existing indebtedness.

**NOW THEREFORE BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF HOLMES COUNTY, FLORIDA, THAT:**

**SECTION 1. Legislative Findings and Intent**

- (a) The provisions set forth in the recitals to this Ordinance (whereas clauses) are hereby adopted by the Board of County Commissioners of Holmes County, Florida, (hereinafter "Board") as the legislative findings and intent pertaining to this Ordinance.
- (b) The Board has complied with all requirements and procedures of Florida law in processing and advertising this Ordinance.

**SECTION 2. Short Title**

This Ordinance shall be known and may be cited as the "Holmes County Indigent Health Care Surtax Ordinance."

**SECTION 3. Levy and Imposition of Voter-Approved Indigent Health Care Sales Surtax.**

- (a) There shall be levied and imposed throughout the incorporated and unincorporated areas of Holmes County, Florida in accordance with the provisions of Section 212.055(7)(a)2., Florida Statutes, commencing on January 1, 2027 and continuing until December 31, 2032, or such time sooner as may be terminated by the Board, an indigent health care sales surtax (hereinafter "Sales Surtax") on all taxable transactions occurring in Holmes County, Florida which are subject to the state tax imposed on such transactions by Chapter 212, Florida Statutes, including, but not limited to, Sections 212.054 and 212.055(7), Florida Statutes, and applicable Florida Department of Revenue rules and regulations. The Hospital shall submit to the Board, within sixty (60) days from receipt of a request by the Board, including but not limited to, financial reports, audits, loan documents, amortization schedules, and statements from lenders stating principal balances, payment history and loan maturity dates, which will allow the Board to determine if the Sales Surtax should be continued, and which explains and confirms that the proceeds of the Sales Surtax should be continued, and which explains and confirms that the proceeds of the Sales Surtax imposed herein, and any interest thereon, have been expended in accordance with the Holmes County Indigent Health Care Plan, as set forth herein.
- (b) The Sales Surtax shall be at the rate of \$0.005 or one-half percent (0.5%) for each \$1.00 of the sales price or actual value received and for each fractional



part of \$1.00 of the sales price or actual value received. The Sales Surtax shall be levied and imposed in accordance with Section 212.055, Florida Statutes. Taxable transactions and administrative procedures shall be as provided in Section 212.054, Florida Statutes.

- (c) In the event any unforeseen circumstances should delay completion of any formalities or procedures required by law, or if it is held by a court of competent jurisdiction or determined by a competent authority that the dates for collection of the Sales Surtax are inconsistent with the requirements of law, the Board may, by Ordinance, revise the effective dates of the levy of the Sales Surtax to conform to such requirements.

#### **SECTION 4. Plan for Providing Health Care Services.**

- (a) Holmes County has created the Holmes County Indigent Health Care Plan (hereinafter "Plan"), to provide for the use of the proceeds of the Sales Surtax. The Plan is attached hereto as Exhibit "A" and made a part hereof.
- (b) The proceeds of the Sales Surtax shall be used to service existing indebtedness of the Hospital. The indebtedness may be incurred through the use of bonds, government guaranteed loans, or any other legal method of borrowing sufficient funds to accomplish the purposes of the Plan. The proceeds shall not be used to pay the salaries of Hospital staff or the other day-to-day operating expenses of the Hospital. "Existing indebtedness" shall mean the total indebtedness for the Hospital on this Ordinance's date of passing, from the use of bonds, government guaranteed loans, or any other legal method of borrowing.

#### **SECTION 5. Indigent Health Care Trust Fund.**

Creation. Pursuant to Section 212.055(7)(e), Florida Statutes, the Clerk of Court for Holmes County, Florida, shall create and establish an indigent Health Care Trust Fund" for the purpose of receiving, maintaining and disbursing monies received from the Florida Department of Revenue as a result of the Sales Surtax imposed herein. Custodian. The Clerk of Court for Holmes County, Florida, shall be the ex officio custodian of the funds deposited in the Indigent Health Care Trust Fund, and shall maintain the monies in the Indigent Health Care Trust Fund and invest any funds held in deposit in such Fund in accordance with Section 212.055(7)(e), Florida Statutes. The Clerk of Court shall disburse such funds, including any interest earned, upon directive of the Board as the Board deems appropriate and as authorized by law.

**SECTION 6. Use of Proceeds.**

The proceeds of the Sales Surtax imposed herein and any interest thereon, shall be expended by Holmes County, Florida, in accordance with the Plan.

**SECTION 7. Referendum.**

In accordance with Section 212.055(7), Florida Statutes, the Sales Surtax shall take effect only if the electors of Holmes County approve the levy of the Sales Surtax by a simple majority vote of the Holmes County electors voting in a referendum called pursuant to this Section. The referendum on the Sales Tax shall be held for the electors on November 3, 2024, during a general election. The ballot for such referendum shall contain the following title, statement and question, as required by Sections 101.161 and 212.055(7)(b), Florida Statutes:

**COUNTYWIDE INDIGENT CARE ONE-HALF CENT SALES SURTAX FOR PAYMENT OF DOCTORS MEMORIAL HOSPITAL INDEBTEDNESS**

Shall Holmes County levy a countywide one-half cent sales surtax? The proceeds of the sales surtax shall be used to service existing indebtedness of Doctors Memorial Hospital. The proceeds shall not be used to pay the salaries of the Hospital staff or the day-to-day operating expenses of the Hospital.

Yes

No

**SECTION 8. Notice.**

The Holmes County Project Director is directed to notify the Florida Department of Revenue within 10 days of the approval by referendum of the Sales Surtax, of the time period which the Sales Surtax will be in effect, and of the rate, and provide a copy of this Ordinance and such other information as the Department of Revenue may require.

**SECTION 9. Severability.**

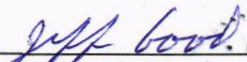
If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, it is the intent of the Board that the invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without application of the invalid provision, and those provisions of the Ordinance are declared severable.

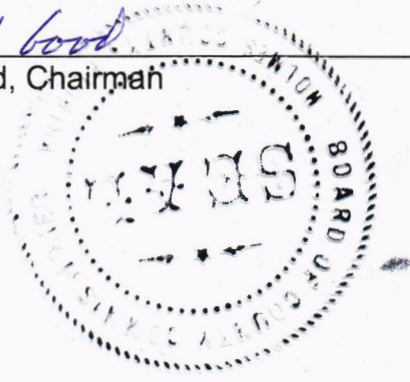
**SECTION 10. Effective Data.**

This Ordinance shall become elective as provided by law.

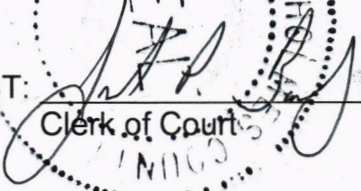
**APPROVED** and **ADOPTED** by a majority of the Board of County Commissioners of Holmes County, Florida this 12 day of AUGUST, 2024.

**BOARD OF COUNTY COMMISSIONERS OF  
HOLMES COUNTY, FLORIDA**

  
\_\_\_\_\_  
Jeff Good, Chairman



ATTEST:

  
\_\_\_\_\_  
Clerk of Court





## **Exhibit "A"**

### **PLAN FOR USING THE PROCEEDS OF THE VOTER-APPROVED INDIGENT CARE SALES SURTAX TO SERVICE THE EXISTING INDEBTEDNESS OF DOCTORS MEMORIAL HOSPITAL**

Should the Indigent Care Sales Surtax, as set forth in Holmes County Ordinance No. 24-03, be approved by a simple majority vote of the electors of Holmes County voting in a referendum, the proceeds of the Indigent Care Sales Surtax and interest accrued thereon shall be expended as set forth herein.

The full anticipated yearly proceeds of the Indigent Care Sales Surtax shall be used to service existing indebtedness for Doctors Memorial Hospital. The indebtedness may be incurred through the use of bonds, government guaranteed loans, or any other legal method of borrowing funds. The proceeds of the Indigent Care Sales Surtax shall not be used to pay the salaries of hospital staff or other day-to-day operating expenses of the hospital.

Should the yearly proceeds of the Indigent Care Sales Surtax grow so that there is a yearly surplus of proceeds above what is necessary to service the indebtedness of Doctors Memorial Hospital, the surplus shall be used to retire the indebtedness early.

"Existing indebtedness" shall mean the total indebtedness for Doctors Memorial Hospital on this Ordinance's date of passing, from the use of bonds, government guaranteed loans, or any other legal method of borrowing.