# Dade tax rates likely increasing: With little hesitation, Miami-Dade County commissioners voted to boost property tax rates to compensate for sharp declines in property values.

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(Source: The Miami Herald)By Matthew Haggman and Martha Brannigan, The Miami Herald

July 21--With Miami-Dade property values plunging, county commissioners proposed raising the tax rate to keep property tax revenue essentially the same as last year.

The vote Tuesday on a so-called "rollback rate" proposed by Mayor Carlos Alvarez sailed through with limited debate. It sets the stage for two public hearings in September, after which the panel will finalize its property tax rate and decide on a budget for the fiscal year that starts Oct. 1.

While many South Florida households continue to tighten belts, grappling with a sluggish economy and double-digit unemployment, county leaders are betting taxpayers don't want severe cuts to government services.

"We've been cutting and cutting," Commission Chairman Dennis Moss said. "It just comes to a point where you can't cut anymore."

A higher tax rate would mean property owners with long-time homesteaded residences will end up paying higher taxes, even though their property values may have plummeted.

Others -- particularly those with commercial properties and non-homesteaded holdings -- would see their tax bills fall.

"A good number of people in Miami-Dade County are going to face a sizable tax increase," said Commissioner Carlos Gimenez, who voted against the measure, urging the county to further tighten its belt. Specifically, he questioned why county employees will get raises next year.

The countywide property tax rate -- the amount of tax charged per each $1,000 in value -- would jump 12 percent. When property owners receive their preliminary property tax notices next month, they will include this proposed tax rate -- which can be reduced at the September public hearings, but can't be raised.

The county is facing a revenue shortfall of more than $400 million, driven in part by a lack of new construction to bolster the property tax rolls. Only $2.63 billion in new construction had gone up as of Jan. 1, compared with $8.28 billion a year earlier.

To plug the gap, the county faces the dilemma of boosting the tax rate or imposing cuts, including laying off

police officers and firefighters.

The county's taxable property value fell 13.4 percent to $192.27 billion from $222.14 billion in 2009, according to the property appraiser.

MANY LAYOFFS

Even under the plan embraced Tuesday, the county will have to shed some 1,199 positions, which could spell up to 900 actual layoffs, albeit no police on the beat or firemen. That would pare county employment to 27,414 positions, the lowest level since the mid-1990s.

Parks and streets won't be maintained as much; medians won't be mowed as often.

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