AD VALOREM TAX EXEMPTION FOR ECONOMIC DEVELOPMENT

APPLICATION & REVIEW PROCESS

St. Petersburg’s Ad Valorem Tax Exemption for Economic Development reduces ad valorem taxes on qualifying tangible property, or real property such as building construction or equipment for businesses that are new or expanding. The minimum taxable value of improvements and tangible personal property is $300,000. The following business sectors creating a minimum number of new full-time jobs at the Pinellas County average wage of $48,901 are eligible for this incentive:

NEW BUSINESSES
- **Manufacturing** - 10 or more new jobs
- **Target industry** - 10 or more new jobs
  - Cleantech
  - Homeland Security/Defense
  - Life Sciences
- **Business w/50% sales outside of Florida** - 25 or more new jobs
- **Office** - 50 or more new jobs

EXPANDING BUSINESS
- **Manufacturing** - 10 or more new jobs
- **Business w/50% sales outside of Florida** - 25 or more new jobs
- **Office** - 50 or more new jobs

The following businesses located in the Brownfield area paying a minimum of 75% of the Pinellas County average wage of $36,676 are eligible:
- **Manufacturing** - 10 or more new jobs
- **Target industry** - 10 or more new jobs
- **Business w/50% sales outside of Florida** - 25 or more new jobs
- **Office** - 50 or more new jobs

- **Arts and Culture business (NAICS):**
  - Dance Companies (711120)
  - Musical Groups and Artists (711130)
  - Other Performing Arts Companies (711190)
  - Museums (712110)
  - Historical Sites (712120)
  - Theater Companies and Dinner Theaters (711110)
  - Independent Artists, Writers, & Performers (711510)
- **Musical Instrument and Supplies Stores (451140)**
- **Art Supply Stores (453998)**
- **Art Dealers (453920)**
- **Fine Arts Schools (611610)**
- **Art Schools (611519)**
- **Graphic Design Services (541430)**

**STEP 1: PRE-APPLICATION/RESOLUTION**
Prior to making any improvements and applying, any eligible business that desires an exemption must submit a pre-application to determine eligibility. The City of St. Petersburg’s Economic and Workforce Development staff will then prepare a resolution for City Council if the business meets the criteria.

**STEP 2: APPLICATION**
The business must complete the application (DR-418 form) and the supplemental questions in the first year that ad valorem taxes will be collected on the improvements. The City of St. Petersburg’s Economic and Workforce Development staff will determine eligibility and forward to the Pinellas County Property Appraiser.

**STEP 3: COUNTY REVIEW**
The estimated ad valorem tax exemption is calculated by the Pinellas County Property Appraiser’s office. County staff determines the current total revenue available for use for ad valorem tax exemptions and determines current revenue lost to the City by previously granted exemptions. An estimate of the taxable value lost to the City if the real property or tangible personal property exemptions applied are granted is calculated and provided to the City on the bottom of the applicant’s DR-418 form.

**STEP 4: CITY COUNCIL ACTION**
Once the DR-418 is returned to the City, City staff will prepare the item for City Council to review. The City of St. Petersburg’s Economic and Workforce Development staff will notify the applicant when the City Council will act on the item and will require the applicant to attend.

**STEP 5: MONITORING PHASE/ANNUAL REPORTS**
After City Council approval, the applicant will be required to submit an annual renewal application on the DR-418 Form and an update of business information. The City of St. Petersburg will require sufficient documentation that the business is in compliance with the original approval of the tax exemption, and may request additional information as necessary.