

*Please be aware that we post updates on our Facebook page as soon as we get important information. If you use Facebook we recommend that you like our page and follow our updates ([www.fb.com/PBAdvocates](http://www.fb.com/PBAdvocates)). We are now only sending these newsletter updates to 2014 active members. Thank you for your support of our efforts.*

Last night about two hundred people attended a meeting hosted by the PBA to get updates on the tax lawsuit, double taxation and the future of the SRIA. Guest speakers were Commissioner Grover Robinson, County Attorney Alison Rogers and Leaseholders' Attorney Danny Kepner.

### **Tax Litigation**

As you know we received a ruling on March 20th from the Florida Supreme Court that we lost the tax lawsuit on IMPROVEMENTS for tax years 2004 - 2008. The Navarre leaseholders lost their lawsuits on both LAND and IMPROVEMENTS. Our lawsuit on land is still in the local courts.

On April 4th our attorney Danny Kepner filed a motion for clarification with the Florida Supreme Court. [See motion here](#). By filing the request for rehearing, Danny has extended the litigation and anyone who is in the lawsuit is NOT required to pay taxes on their IMPROVEMENTS until a final order comes down from the FL Supreme Court. That could happen as early as tomorrow or we could wait months for it. The final order will cover years 2004-2008, but will be precedent for tax years to follow, so essentially all suits on IMPROVEMENTS are lost when this order comes in.

The 12% interest rate currently in effect on unpaid taxes is mandated by state law and can't be changed by local officials. Danny encouraged us to call our state representatives and ask them to change that interest rate. It won't help us retroactively, but could help for future suits.

The Escambia County Tax Collector will issue new tax bills when she receives the final order from the Supreme Court. Leaseholders will have 30 days from issue date to pay their bills in full or will be considered delinquent. Also the 18% interest rate (on improvement taxes) will go into effect retroactively to the original date the taxes were delinquent.

The tax cases on the LAND are ongoing and were stayed until this ruling. When the final order comes down, the attorneys will likely continue with the land cases. As long as the LAND taxes are in litigation, we do not have to pay taxes on the LAND. However the 12% interest will continue to accrue on unpaid land taxes until those cases are resolved - and this could go on for years...

Keep up to date on the Shell, Fleming, Menge and Davis lawsuit at:  
<http://pbeachtaxsuit.com>

Both Grover and Danny reiterated that in the event that we win the tax lawsuit, the County will be mandated to return the taxes that some of us have been paying. This, however, only accounts for 45-49% of the \$\$\$ collected. The rest goes to the State for the schools.

You may have received a Delinquent Notice from the Tax Collector saying that any payments must be paid in cash or certified funds. The Tax Collector's office has told us that personal checks will be accepted for payment of taxes for those who are in litigation.

Going forward, we can request that the taxes for the LAND be removed from our final delinquency notices if the final order on the IMPROVEMENTS lawsuit comes down while the LAND suits are still in litigation. And that the taxes for LAND be separated from the taxes for improvements on future tax bills. Chris Jones has a protocol that he is supposed to follow to separate these assessments. There was some discussion as to whether or not he is doing that correctly on the website.

Danny told everyone that if they intend to make a partial payment, or if they are concerned with the details of their tax bill, they should call Ms. Holley's office and ask to speak with her chief of staff, Richard Stone.

Also please be aware there are two non ad-valorem assessments (Beach Fire MSBU and Beach Sheriff MSBU) that we used to receive as a separate bill but are now included on the same bill as your leasehold taxes for land and improvements. These assessments are not included in any of the current lawsuits and are payable by April 1st. The Tax Collector can sell a tax certificate on your leasehold if these payments are in arrears. Currently the County is just processing unpaid MSBU's from 2008 and 2009.

### **Escambia County Services**

The BCC is in discussion as to which services should no longer be "charged" to the SRIA starting with the next budget process, but no promises have been made yet. We (PBA Government Affairs Committee) will continue to push this issue over the next several months. We are looking for more members on the Governmental Affairs Committee. We intend to work with the PB Chamber and the Hospitality Industry towards our common goals.

Grover said that the County is gradually taking over some of the services that the SRIA used to cover - he specifically mentioned roads and drainage. He also took questions on some of the secondary roads, but Dr. Campanella disputed that the County is doing anything on the secondary roads.

Both the BCC and the SRIA intend to continuing charging lease fees until the final order comes down on the LAND tax lawsuit. The county is estimating the % of taxes paid for the land and is escrowing those funds. They have made a verbal commitment to return this \$\$\$ to the SRIA for repayment of lease fees during double taxation years starting in 2011. So don't expect to see a reduction or elimination of your lease fees until all of the tax lawsuits are finalized - this could take years.

Passage of fee simple title legislation in US Congress will address this double taxation. The bill has passed in the House but not the Senate yet. We will keep you posted.

As of yet there has been no discussion on whether Escambia County will continue to charge the MSBU assessment for fire and sheriff protection on the beach when these lawsuits are finalized.

### **Santa Rosa Island Authority**

It appears that the SRIA will continue in its present form until the lawsuits are settled, using our lease fees to provide many services that others in the County receive for their taxes - including law enforcement, construction/permit processing, and secondary road repairs. Our leases will also continue to pay for the amenities that the rest of the County enjoy when they visit the beach including special events, tourism promotion, beach cleanup, and public safety.

The SRIA is lobbying to continue "as is" (same structure and budget) even if we lose all of the lawsuits and eventually gain fee-simple title. Dr. Campanella stated that they are examining county and SRIA functions that could be consolidated. There will not be enough money coming to the Island from the BCC to cover the SRIA's current budget of \$8 million. Our PBA Government Affairs committee, working with other interested groups, will propose changes that better meet the needs of the island and its visitors.

#### **ABOUT Pensacola Beach Advocates**

Pensacola Beach Advocates, Inc.(PBA) is a not for profit organization whose mission is to educate and inform leaseholders, public officials and other interested parties about important matters affecting Pensacola Beach and to act as a voice for these stakeholders.

Email: [info@pbadvocates.org](mailto:info@pbadvocates.org)

Pensacola Beach Advocates  
PO Box 1262  
Gulf Breeze, FL 32562

[Unsubscribe](#)

---

Florida has a very broad public records law. Under Florida law, both the content of emails and email addresses are public records. If you do not want the content of your email or your email address released in response to a public records request, do not send electronic mail to this entity. Instead, contact this office by phone or in person.