

Hillsborough County Water Resource Services Non-Ad Valorem Assessments

Q. What is a special assessment?

A special assessment is a non-ad valorem assessment fee that will be included on the annual tax bills for affected property owners.

Q. What special assessments are handled by the Water Resource Services?

The Water Resource Services has three special assessment programs:

Reclaimed Water Improvement Units (RWIUs)

Capacity/Impact Fee Assessment Units (CAUs or IFAUs)

Infrastructure Assessment Units (IAUs)

Q. If my property tax bill shows an IAU, RWIU or CAU/IFAU special assessment, how can I obtain information about the assessment?

The County issued Special Assessment Bonds in 2000 and 2006 that are secured solely by a pledge of the non-ad valorem assessment revenues received from special assessments imposed from 1994 through 2006. To obtain information on any "Bonded" special assessment districts (CAU02000, CAU02006, or RW02000) contact Mary Stanaland at 272-5977, extension 43119, or Deborah Erickson at extension 43245. Information for all other special assessments can be obtained by contacting Hillsborough County Water Resource Services:

Impact Fee Assessment Units (CAU04401 to IFAU09301)

Mary Stanaland at 272-5977, extension 43119

Reclaimed Water Improvement Units (RW99001 to RW20091)

Mary Stanaland at 272-5977, extension 43119

Infrastructure Assessment Units (SD20011)

Mary Stanaland at 272-5977, extension 43119

Q. Are there other special assessment programs within Hillsborough County?

Yes. Other special assessment programs are currently in place in Hillsborough County. To obtain information on special assessments other than CAUs/IFAU, RWIUs and IAUs, please contact the **Tax Collector's Office at 635-5200** or click to: <http://www.hillstax.com>.

Q. What do the assessments fund?

The Reclaimed Water Improvement Unit (RWIU) special assessment was developed by the County to provide property owners in residential neighborhoods a means to finance a retrofit reclaimed water distribution system within their neighborhood.

The Impact Fee Assessment Unit (IFAU) special assessment was developed by the County to provide affected property owners the option to pay a portion of impact fees in the form of non-ad valorem special assessments.

The Infrastructure Assessment Unit (IAU) special assessment was developed by the County to provide affected property owners the option to pay for expanding water and/or wastewater infrastructure within their community.

Q. What procedures were followed to establish the special assessment?

The County adopted a home rule ordinance in 1992 (Ordinance No. 92-18) for the RWIU Special Assessment program, as amended in 1995 (Ordinance No. 95-13). In 1996 the Impact Fee Assessment Unit ordinance (Ordinance No. 96-7) was adopted to initiate the IFAU Special Assessment program. In 1999, the Infrastructure Assessment Unit ordinance (Ordinance No. 99-08) was adopted to initiate the IAU Special Assessment program.

Q. May the assessments be spent for any other purpose?

No. Special assessments may only be used for the services or facilities for which they have been imposed.

Q. How long will the assessment be imposed?

The special assessment will be imposed for a period of 20 years, or until all debt has been paid.

Q. When I receive my tax bill in November, for what period is the IFAU, RWIU or IAU Assessment?

All Water Resource Services Assessments (IFAU, RWIU and IAU) are billed annually for the time period January 1 to December 31 of that year. (To obtain information on any other non-ad valorem assessment districts, please contact the Tax Collector's office or agency that issued the assessment).

Q. Can I pay off the assessment early?

Yes. The special assessment for affected property owners will be included on the annual tax bills scheduled for mailing around November 1st of each year. Affected property owners may also pay off the imposed special assessment by paying (1) the annual assessment amount included on the tax bill, and (2) the remaining additional assessment balance outstanding (the "payoff amount").

Payment of both amounts will satisfy the assessment for each affected tax parcel, and the assessment will no longer be included on future tax bills.

Q. What will happen if I do not pay the assessment?

Because the County is using the tax bill collection method, Florida law requires that all ad valorem taxes and the accompanying capital improvements assessments be paid at the same time. If you do not pay your taxes and the special assessments, a lien will be placed against your property equal in rank and dignity with the liens of all state, county and municipal taxes and special assessments.

Q. Can the assessment be paid through my home mortgage?

Yes. If you make monthly mortgage payments, it is likely that this amount will be escrowed by your mortgage holder much like property taxes, and your monthly mortgage payment will include this assessment.

Q. I currently claim a deduction for property taxes on my income tax return each year, may I claim a deduction for the Non-Ad Valorem special assessments?

This is a question for your tax adviser. Generally a special assessment against your residence is not a valid income tax deduction. However, if the assessed property is rental property or a business, the special assessment may be deductible when computing your income taxes. Please contact either your accountant or income tax preparer for information regarding your specific situation.

Q. I do not pay taxes now due to homestead exemption. Will I have to pay the special assessments?

Yes. Special assessments are different than taxes, and the RWIU, IFAU and IAU special assessments apply to specific benefited property regardless of homestead exemption.

Q. What if I am concerned about my ability to pay the annual assessment amount at one time?

If you make monthly mortgage payments, it is likely that your mortgage holder will escrow this amount much like property taxes and your monthly payment will include this assessment. Alternatively, if you would like to make installment payments, you might wish to contact the Hillsborough County Tax Collector at (813) 307-6500 to arrange participation in the quarterly installment program for the payment of taxes and assessments.

Q. I receive a discount for early payment of my taxes. Will I receive the same discount for my special assessment?

Yes. The same discounts and penalties applicable to ad valorem taxes also apply to special assessments collected on the tax bill.

Q. If I move, do I have to pay the assessment off?

No, the assessment continues to be assessed against the property regardless of the owner. The assessment is imposed annually and after the initial year of imposition is expected to be payable as part of your tax bill each year.

Q. How does the tax bill collection method benefit delinquent property owners?

Property owners who do not pay their special assessments could lose title to their property either through foreclosure or tax deed sale. By using the tax bill collection method, the delinquent property owner will receive up to a two-year grace period and avoid costly traditional foreclosure proceedings.

Q. Why use special assessments to fund capital improvements and not taxes?

The property taxes you pay may be used in funding all facets of the County's government. The special assessment for the RWIU, IAU, and IFAU fees may only be used for these specific utility system expansion project costs. By using special assessments as a funding tool, the County can (1) determine which affected properties receive a benefit from the utility system connections and (2) allow the affected property owners to assist in funding the utility system improvements in an amount proportionate to the benefits they will receive.

Q. Why is the County using the tax bill collection method to collect the assessments?

"Piggy-backing" the collection method on the annual property tax bill (1) saves money for everyone by reducing the administrative costs of the program, (2) results in a stable revenue source to fund the utility system improvements project, and (3) is more fair to property owners who pay on time as well as those who may be delinquent in their payments.