

MSBU/TU TERMS

Ad Valorem Tax - a tax based upon the assessed value of property. The term property tax may be used interchangeably with the term ad valorem tax.

Assessed value of property - an annual determination of the just or fair market value of an item or property or the value of the homestead property.

Levy - the imposition of a tax, stated in terms of millage, against all appropriately located property by a governmental body authorized by law to impose ad valorem taxes.

Millage Rate - applies to a single levy of taxes or to the cumulative of all levies. A mill translates into a \$1 per \$1,000 of taxable property.

Municipal Services Benefit Unit (MSBU) - Revenue is derived by non-ad valorem assessments. The cost of the annual work program is divided by the total number of assessment units (ERUs) within the MSBU resulting in an assessment per ERU. A single residential lot is often defined as 1 ERU.

Municipal Services Taxing Unit (MSTU) - Revenue is derived by ad valorem taxes. The millage rate is determined by allocating the cost of the services among the taxable value of all property within the unit.

Non-Ad Valorem Assessments - assessments on your tax bill determined by a local government and certified to the tax collector for collection. These assessments may include, but are not limited to, garbage collection, street lighting, stormwater, road paving, waterways and community development district assessments.

Taxing Authority - entities that have been given the authority to levy taxes on real estate and tangible personal property to fund operations and services. The Florida Constitution directly authorizes counties, school districts and municipalities to levy ad valorem taxes. It also provides that special districts may be created and authorized by law to levy ad valorem and non-ad valorem taxes.

Tax Notice - the tax bill sent to taxpayers for payment of any taxes or special assessments.



PUBLIC PRESENTATIONS

Public presentations explaining Charlotte County's MSBU/MSTU system are available. If your group is interested in a presentation, please contact the MSBU/MSTU section of the Public Works Department.

Phone: (941) 575-3600
Email: MSBU@CharlotteCountyFL.com



MEETING DATES

To view meeting dates and times go to our website at www.CharlotteCountyFL.com or call (941) 575-3600

COMMUNITY BENEFITS

What are MSBU/TUs?



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MSBU/TUs Questions & Answers

Q. What are **Municipal Service Benefit Units (MSBU) and Municipal Services Taxing Units (MSTU)**?

A. MSBUs and MSTUs are units within the County, created by ordinance, through which specific services are provided. These services include road maintenance and improvements, drainage, as well as waterway dredging.

Q. What is the difference between a MSBU and a MSTU?

A. Services performed in an MSBU come from non-ad valorem (no-value) assessments. Services performed by an MSTU are produced by ad-valorem (value-taxes).

Q. What is a **non-ad valorem assessment**?

A. These are assessments on your tax bill determined by a local government and certified to the tax collector for collection. Assessments may include, but are not limited to, garbage collection, storm water, road paving and community development.

Q. What is an **ad valorem tax**?

A. An ad valorem tax is based upon the **assessed value of property**. The term property tax may be used interchangeably with the term ad valorem tax.

Q. Do methods vary from one unit to another when calculating assessments/taxes?

A. Yes. They can be calculated by front footage, lots, acreage or value. The method used for each unit is defined in the ordinance levying the assessment or tax.

Q. I have never heard of a MSBU/TU. How are these services funded in other states?

A. In most other states and counties these services are part of the normal annual property tax rate and are not identified as a separate tax/assessment.

Q. Can the money I pay be spent in other areas of the county?

A. No. All monies collected within a specific MSBU must be spent within that MSBU. Monies cannot be transferred or spent for a different area within the county.

Q. What department manages the MSBUs and MSTUs?

A. Street & Drainage, Waterway and Stormwater MSBU/MSTUs are managed by the Public Works Department.



Q. What is the purpose of MSBU/TUs?

A. Street & Drainage is responsible for all aspects of road and drainage maintenance. This includes paving, grading, pipes, catch basins and mowing in front of vacant lots. This may also include community signs and median beautification. Waterway is responsible for channel markers, dredging, vegetation control and mangrove trimming. Stormwater maintains all major stormwater control devices.

Q. Why were MSBU/TUs initiated?

A. In the early 1980s General Development Corporation platted thousands of lots and then later went bankrupt. This left the County responsible for maintaining all of the roads. The road conditions varied greatly. Some areas were in much better condition than others. Each area was put into their own MSBU based on the condition of that area's road. This system evenly distributed cost among developed and undeveloped property owners.

Q. What is the benefit of an MSBU or MSTU?

A. The costs for services, within a specific area, are fairly assessed on each property within the benefit unit. Benefits are calculated for the entire unit.

Q. How are MSBUs and MSTUs managed?

A. MSBUs and MSTUs are managed by Public Works along with input from **Advisory Committees**.

Q. How do I become a member of an Advisory Committee?

A. Volunteers are always appreciated. If you or someone you know is interested in becoming a member of an Advisory Committee, contact Public Works at (941) 575-3600.

Q. When are meetings held?

A. Committee meetings are generally held every quarter and more often if needed during special projects.

