

OPINION

Wrongheaded tax policy hurts businesses at Tampa's port and airport | Column

The dispute has roots going back a couple of decades.



A view of part of Port Tampa Bay

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The Port of Tampa is a powerful economic engine for the entire Tampa Bay area and beyond. But that doesn't mean the engine can withstand wrongheaded taxation policies. In fact, Hillsborough County Property Appraiser Bob Henriquez is pursuing a change in taxation policies that could negatively affect the entire area economy. This cost will come in highly skilled jobs and reduced competitive ability for Port Tampa Bay and Tampa International Airport.

We represent dozens of independent port businesses concerned about this, and about the treatment of airport and port businesses in an ongoing lawsuit by the Hillsborough County Property Appraiser. As reported by the *Times*, this suit would revoke a tax exemption granted to Gulf Marine, a shipyard providing essential ship repair services to U.S. Jones Act and Coast Guard vessels. While the circuit court ruling in favor of the property appraiser will be appealed, it sheds a troubling light on the current leadership occupying the property appraiser's office.

There can be no question that the economic impact our airport and port provide to Tampa Bay's regional economy is vital. Our industries are complex and more susceptible to disruption by a wide variety of factors beyond our control. Indeed, one need only look to the recent COVID-19 pandemic for an example of how critical an efficient supply chain is to our economic well-being. Successful airports and seaports such as ours depend upon strong local government leadership that is understanding of the valuable roles they play in the country.

In the *Times* article, Hillsborough County Property Appraiser attorney Will Shepherd remarked "just as the judge did in the 1990s, the court again ruled in the property appraiser's favor." Mr. Shepherd neglected to mention several important events that have occurred during the 20-year span between those decisions.

As background, land owned by the airport or the port and leased to businesses enjoyed an exemption from property tax. However, in the late 1990s, a Florida appellate court ruled that the Sebring Airport's lease of a racetrack for the "Twelve Hours of Sebring" was not exempt from property tax. In 1997, armed with the *Sebring* case, former Hillsborough County Property Appraiser Rob Turner revoked exemptions for most businesses operating on port and the airport lands. The Legislature swiftly acted, passing a property tax exemption specifically for businesses performing important services at our airport and port. Turner challenged the law by revoking a 2010 exemption granted six years earlier to FedEx, an important airport tenant. In the resulting lawsuit, our circuit judge in 2012 issued a straightforward decision that FedEx clearly fell within the 1997 exemption for airports and ports. The former property appraiser chose not to appeal.

Based on the FedEx case, Gulf Marine applied for the same exemption in 2014. The Value Adjustment Board, which is charged with oversight of the Hillsborough County Property Appraiser, granted the exemption. But Henriquez sued Gulf Marine to revoke, and a five-year court battle ensued. Unfortunately, Henriquez revoked longstanding exemptions for many airport businesses in a transparent effort to justify an ad hoc exemption scheme exposed in Gulf Marine's case. This past May, the Value Adjustment Board reinstated the exemptions, but Henriquez sued. If successful, these actions would seriously imperil the economic health of critical airport businesses.

Given the valued relationship the Tampa Bay community has with the airport and port, we are alarmed by Henriquez' needlessly punitive measures against airport and seaport-based businesses. We have no objection to businesses paying their fair share of taxes. But we do strenuously object to an elected property appraiser targeting a business that is rightfully seeking and obtaining exemptions under Florida law. These tax exemptions are not "loopholes," but rather are the product of thoughtful policymaking by our elected Legislature, and reflect the substantial public interest served by our airport and port. We ask community leaders to join us in opposing Henriquez' actions.

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