

The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA

**APPROPRIATIONS SUBCOMMITTEE ON FINANCE AND
TAX**

Senator Stargel, Chair
Senator Garcia, Vice Chair

MEETING DATE: Wednesday, February 22, 2017

TIME: 10:00—11:30 a.m.

PLACE: James E. "Jim" King, Jr. Committee Room, 401 Senate Office Building

MEMBERS: Senator Stargel, Chair; Senator Garcia, Vice Chair; Senators Campbell, Rodriguez, and Steube

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	SJR 76 Lee (Similar HJR 21)	Limitations on Property Tax Assessments ; Proposing an amendment to the State Constitution to remove a future repeal of provisions which limit annual assessment increases for specified nonhomestead real property, etc. AFT 02/22/2017 Fav/CS AP RC	Fav/CS Yea 5 Nays 0
2	SB 176 Passidomo (Similar H 63)	Sales and Use Tax Exemption for Feminine Hygiene Products; Exempting the sale of feminine hygiene products from the sales and use tax, etc. CM 01/23/2017 Favorable AFT 02/22/2017 Favorable AP	Favorable Yea 5 Nays 0
3	Presentation on Governor's Tax Recommendations		Presented

Other Related Meeting Documents

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Appropriations Subcommittee on Finance and Tax

BILL: PCS/SJR 76 (967958)

INTRODUCER: Senator Lee

SUBJECT: Limitations on Property Tax Assessments

DATE: February 24, 2017 REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Babin	Diez-Arguelles	AFT	Recommend: Fav/CS
2.		AP	
3.		RC	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

PCS/SJR 76 proposes an amendment to the Florida Constitution to remove the scheduled January 1, 2019, repeal of the 10-percent assessment limitation on non-homestead property. If approved by at least 60 percent of the electors, the 10-percent assessment limitation will continue.

The Revenue Estimating Conference has not yet determined the fiscal impact of SJR 76. The Department of State expects to incur costs of \$38,916 to advertise the constitutional amendment.

II. Present Situation:

General Overview of Property Taxation

The ad valorem tax (property tax) is levied annually by counties, cities, school districts, and some special districts. Taxing jurisdictions impose their tax on the taxable value of property as of January 1 of each year.¹ The property appraiser annually determines the “just value”² of property

¹ Both real property and tangible personal property can be subject to the tax. Section 192.001(12), F.S., defines “real property” as land, buildings, fixtures, and all other improvements to land. Section 192.001(11)(d), F.S., defines “tangible personal property” as all goods, chattels, and other articles of value capable of manual possession and whose chief value is intrinsic to the article itself.

² Property must be valued at “just value” for purposes of property taxation unless the Florida Constitution provides otherwise. FLA. CONST. art VII, s. 4. Just value has been interpreted by the courts to mean the fair market value that a willing buyer would pay a willing seller for the property in an arm’s-length transaction. See *Walter v. Shuler*, 176 So. 2d 81 (Fla. 1965);

and then applies relevant exclusions, assessment limitations, and exemptions to determine the property's "taxable value."³ Tax collectors mail tax bills in November of each year based on the previous January 1 valuation. Payment is due before April 1.⁴ The Florida Constitution prohibits the state from levying ad valorem taxes⁵ and requires property valuations to be at just value, unless a lesser valuation is expressly authorized.⁶

The Save Our Homes Assessment Limitation for Homestead Property

Property assessment limitations limit the annual increase in a property's value for tax purposes, regardless of the property's increase in fair market value. For example, even though a property's market value may increase by 15 percent in a given year, an assessment limitation will limit the increase in assessed value to a lesser amount for tax purposes.

Voters approved Florida's first property assessment limitation, known as Save Our Homes (SOH) in 1992, and it became effective for homestead assessments as of January 1, 1995.⁷ The SOH limitation limits the annual increase in the assessed value of homesteads to the lesser of three percent or the percentage change in the consumer price index (CPI).⁸ The CPI often limits the increase to below three percent. For example, the change in CPI resulted in a SOH limitation of 0.7 percent⁹ in 2016 and 2.1 percent¹⁰ in 2017.

The 10-Percent Assessment Limitation for Non-homestead Property

In 2007, the Legislature passed a joint resolution,¹¹ which, among other things, proposed a 10-percent assessment limitation for non-homestead property. The limitation does not apply to property taxes levied by school districts.¹² The voters approved the constitutional amendment in the primary election held on January 29, 2008. It first applied to assessments as of January 1, 2009.

Recapture

An administrative rule requires the property appraiser to increase the assessed value of a homestead property that is benefitting from the SOH limitation even though the just (or fair market) value of the property has remained the same, decreased, or increased less than the applicable SOH limit.¹³ Pursuant to SOH, the increase is limited to the lesser of 3 percent or the percentage change in the CPI, but the assessed value can never exceed the just value.

Deltona Corp. v. Bailey, 336 So. 2d 1163 (Fla. 1976); *Southern Bell Tel. & Tel. Co. v. Dade County*, 275 So. 2d 4 (Fla. 1973).

³ See s. 192.001(2) and (16), F.S.

⁴ Section 197.333, F.S.

⁵ FLA. CONST. art. VII, s. 1(a)

⁶ See FLA. CONST. art. VII, s. 4

⁷ See FLA. CONST. art. VII, s. (4)(d); s. 193.155, F.S.

⁸ Section 193.155(1), F.S.

⁹ Department of Revenue, Property Tax Valuation and Income Limitation Rates, available at www.floridarevenue.com/dor/property/resources/limitations.html (last visited Feb. 13, 2017).

¹⁰ Id.

¹¹ SJR 2-D (2007, Special Session D)

¹² See FLA. CONST. art. VII, s. 4(g) & (h); ss. 193.1554 and 193.1555, F.S.

¹³ Rule 12D-8.0062(5), F.A.C.

For an example of the rule's operation, assume that in year 1 a homestead property has a just value of \$250,000 and an assessed value of \$200,000. The assessed value is lower than the just value because the property has received the benefit of the SOH limitation for a few years. In year 2, assume that the applicable SOH percentage is 3 percent, but that the real estate market is flat and the property's just value remains at \$250,000. In this situation, the property appraiser must increase the assessed value to \$206,000. This treatment is also required for the 10-percent limitation for non-homestead property.

Repeal of the 10-Percent Assessment Limitation

The 2008 constitutional amendment included a repeal of the 10-percent assessment limitation, effective January 1, 2019. However, it also provided that the “[L]egislature shall by joint resolution propose an amendment abrogating the repeal..., which shall be submitted to the electors of the state for approval or rejection at the general election of 2018....”¹⁴

III. Effect of Proposed Changes:

The bill amends the State Constitution to remove the repeal of the 10-percent assessment limitation for non-homestead property scheduled for January 1, 2019. If approved by at least 60 percent of the electors, the 10-percent assessment limitation will continue.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

The mandate provisions in Art. VII, s. 18 of the State Constitution do not apply to joint resolutions.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

A joint resolution must be passed by three-fifths of the membership of each house of the Legislature. It must be submitted to the electors at the next general election held more than 90 days after the joint resolution proposing it is filed with the custodian of state records, unless, pursuant to law enacted by the affirmative vote of three-fourths of the membership of each house of the Legislature and limited to a single amendment or revision, it is submitted at an earlier special election held more than 90 days after such filing.¹⁵ To pass, a proposed constitutional amendment must be approved by at least 60

¹⁴ FLA. CONST. art. XII, s. 27

¹⁵ FLA. CONST. art. XI, s. 5(a).

percent of the electors voting on the measure, and if passed, it becomes effective as an amendment on the first Tuesday after the first Monday in January following the election, or on such other date as may be specified in the amendment or revision.¹⁶

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The Revenue Estimating Conference has not yet estimated the impact of this joint resolution. The joint resolution will reduce the non-school property tax base beginning in Fiscal Year 2019-2020, but the tax impact will depend upon the Fiscal Year 2019-2020 millage rates. Applying the Fiscal Year 2016-2017 millage rates, staff estimates that the joint resolution will reduce non-school property taxes by \$432.5 million, beginning in Fiscal Year 2019-2020.

B. Private Sector Impact:

If the voters approve the amendment in the 2018 general election, some owners of non-homestead property will pay less property tax.

C. Government Sector Impact:

The Division of Elections is required to advertise the full text of proposed constitutional amendments in English and Spanish twice in a newspaper of general circulation in each county before the election in which the amendment is submitted to the electors.¹⁷ The Division is also required to provide each Supervisor of Elections with either booklets or posters displaying the full text of proposed amendments. The cost to advertise constitutional amendments for the 2016 general election was \$117.56 per word. Using 2016 rates, the Division estimates that the cost to advertise this amendment for the 2018 general election will be at least \$38,916.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends Article XII, section 27 of the State Constitution.

¹⁶ FLA. CONST. art. XI, s. 5(e).

¹⁷ FLA. CONST. art. XI, s. 5(d).

IX. Additional Information:

A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

Recommend CS by Appropriations Subcommittee on Finance and Tax on February 22, 2017:

The proposed CS clarifies that, if approved by the voters, the constitutional amendment becomes effective on January 1, 2019.

B. **Amendments:**

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.



LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/22/2017	.	
	.	
	.	
	.	

Appropriations Subcommittee on Finance and Tax (Lee) recommended the following:

1 **Senate Amendment (with ballot and title amendments)**

2
3 Delete everything after the resolving clause
4 and insert:

5 That the following amendment to Section 27 of Article XII
6 of the State Constitution is agreed to and shall be submitted to
7 the electors of this state for approval or rejection at the next
8 general election:

9 ARTICLE XII
10 SCHEDULE



11 SECTION 27. Property tax exemptions and limitations on
12 property tax assessments.—

13 (a) The amendments to Sections 3, 4, and 6 of Article VII,
14 providing a \$25,000 exemption for tangible personal property,
15 providing an additional \$25,000 homestead exemption, authorizing
16 transfer of the accrued benefit from the limitations on the
17 assessment of homestead property, and this section, if submitted
18 to the electors of this state for approval or rejection at a
19 special election authorized by law to be held on January 29,
20 2008, shall take effect upon approval by the electors and shall
21 operate retroactively to January 1, 2008, or, if submitted to
22 the electors of this state for approval or rejection at the next
23 general election, shall take effect January 1 of the year
24 following such general election. The amendments to Section 4 of
25 Article VII creating subsections (g) ~~(f)~~ and (h) ~~(g)~~ of that
26 section, creating a limitation on annual assessment increases
27 for specified real property, shall take effect upon approval of
28 the electors and shall first limit assessments beginning January
29 1, 2009, if approved at a special election held on January 29,
30 2008, or shall first limit assessments beginning January 1,
31 2010, if approved at the general election held in November of
32 2008. ~~Subsections (f) and (g) of Section 4 of Article VII are~~
33 ~~repealed effective January 1, 2019; however, the legislature~~
34 ~~shall by joint resolution propose an amendment abrogating the~~
35 ~~repeal of subsections (f) and (g), which shall be submitted to~~
36 ~~the electors of this state for approval or rejection at the~~
37 ~~general election of 2018 and, if approved, shall take effect~~
38 ~~January 1, 2019.~~

39 (b) The amendment to subsection (a) abrogating the



967958

40 scheduled repeal of subsections (g) and (h) of Section 4 of
41 Article VII of the State Constitution as it existed in 2017,
42 shall take effect January 1, 2019.

43

44 ===== B A L L O T S T A T E M E N T A M E N D M E N T =====

45 And the ballot statement is amended as follows:

46 Delete everything after the resolving clause
47 and insert:

48 CONSTITUTIONAL AMENDMENT

49 ARTICLE XII, SECTION 27

50 LIMITATIONS ON PROPERTY TAX ASSESSMENTS.—Proposing an
51 amendment to the State Constitution to retain provisions adopted
52 in 2008 that limit increases in assessments, except for school
53 district levies, of specified nonhomestead real property, to 10
54 percent each year. If approved, the amendment removes the
55 scheduled repeal of such provisions in 2019 and shall take
56 effect January 1, 2019.

57

58 ===== T I T L E A M E N D M E N T =====

59 And the title is amended as follows:

60 Delete everything before the resolving clause
61 and insert:

62 A bill to be entitled

63 A joint resolution proposing an amendment to Section
64 27 of Article XII of the State Constitution to remove
65 a future repeal of provisions in Section 4 of Article
66 VII that limit the amount of annual increases in
67 assessments, except for school district levies, of
68 specified nonhomestead real property.

By Senator Lee

20-00160-17

201776

Senate Joint Resolution

A joint resolution proposing an amendment to Section 27 of Article XII of the State Constitution to remove a future repeal of provisions in Section 4 of Article VII which limit annual assessment increases for specified nonhomestead real property.

Be It Resolved by the Legislature of the State of Florida:

That the following amendment to Section 27 of Article XII of the State Constitution is agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE XII

SCHEDULE

SECTION 27. Property tax exemptions and limitations on property tax assessments.—

The amendments to Sections 3, 4, and 6 of Article VII, providing a \$25,000 exemption for tangible personal property, providing an additional \$25,000 homestead exemption, authorizing transfer of the accrued benefit from the limitations on the assessment of homestead property, and this section, if submitted to the electors of this state for approval or rejection at a special election authorized by law to be held on January 29, 2008, shall take effect upon approval by the electors and shall operate retroactively to January 1, 2008, or, if submitted to the electors of this state for approval or rejection at the next general election, shall take effect January 1 of the year following such general election. The amendments to Section 4 of Article VII creating subsections (g) ~~(f)~~ and (h) ~~(g)~~ of that section, creating a limitation on annual assessment increases

Page 1 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

20-00160-17

201776

for specified real property, shall take effect upon approval of the electors and shall first limit assessments beginning January 1, 2009, if approved at a special election held on January 29, 2008, or shall first limit assessments beginning January 1, 2010, if approved at the general election held in November of 2008. ~~Subsections (f) and (g) of Section 4 of Article VII are repealed effective January 1, 2019; however, the legislature shall by joint resolution propose an amendment abrogating the repeal of subsections (f) and (g), which shall be submitted to the electors of this state for approval or rejection at the general election of 2018 and, if approved, shall take effect January 1, 2019.~~

BE IT FURTHER RESOLVED that the following statement be placed on the ballot:

CONSTITUTIONAL AMENDMENT

ARTICLE XII, SECTION 27

LIMITATIONS ON PROPERTY TAX ASSESSMENTS.—Proposing an amendment to the State Constitution to retain provisions adopted in 2008 that limit assessment increases for specified nonhomestead real property, except for school district taxes, to 10 percent each year. If approved, the amendment removes the scheduled repeal in 2019 of the provisions.

Page 2 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.



The Florida Senate

Committee Agenda Request

To: Senator Kelli Stargel, Chair
Appropriations Subcommittee on Finance and Tax

Subject: Committee Agenda Request

Date: December 9, 2016

I respectfully request that **Senate Bill #76**, relating to Limitations on Property Tax Assessments, be placed on the:

- committee agenda at your earliest possible convenience.
- next committee agenda.

A handwritten signature in black ink that appears to read "Tom Lee".

Senator Tom Lee
Florida Senate, District 20

THE FLORIDA SENATE

APPEARANCE RECORD

2/22/2017

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

76

Meeting DateBill Number (if applicable)
967958Topic Limitations on Property Tax AssessmentsAmendment Barcode (if applicable)Name Danielle ScogginsJob Title Senior Public Policy RepresentativeAddress 200 South Monroe StreetPhone 850-224-1400StreetTallahasseeFlorida32312Email danielles@floridarealtors.orgCityStateZipSpeaking: For Against InformationWaive Speaking: In Support Against
(The Chair will read this information into the record.)Representing Florida Realtors®Appearing at request of Chair: Yes NoLobbyist registered with Legislature: Yes No*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.****This form is part of the public record for this meeting.***

S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2-22-17

Meeting Date

SJR 76

Bill Number (if applicable)

Topic Property tax

Amendment Barcode (if applicable)

Name Lori Killings

Job Title Legislative Counsel

Address 315 S. Calhoun St

Phone 850 222 5707

Street

Tallahassee FL 32301

Email lkillings@llw-law.com

City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Florida Manufactured Housing Assn.

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

2/22/17

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

76

Meeting Date

Bill Number (if applicable)

Topic Property Tax Assessments

Amendment Barcode (if applicable)

Name Carolyn JohnsonJob Title Policy DirectorAddress 136 S Bronough StPhone 521-1200

Street

Tallahassee

FL

32301

Email cjohnson@flchamber.com

City

State

Zip

Speaking: For Against InformationWaive Speaking: In Support Against
*(The Chair will read this information into the record.)*Representing Florida Chamber of CommerceAppearing at request of Chair: Yes NoLobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2-22-17

Meeting Date

SJR 76
Bill Number (if applicable)

Topic _____

Amendment Barcode (if applicable)

Name Tim Nungesser

Job Title Legislative Director

Address 110 E. Jefferson St.

Street

Tallahassee

FL

32301

City

State

Zip

Phone 850-445-5367

Email tim.nungesser@nfib.org

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing National Federation of Independent Business

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/22/17

SJR 76

Meeting Date

Bill Number (if applicable)

Topic Property Tax Assesments

Amendment Barcode (if applicable)

Name Brewster BevisJob Title Senior Vice PresidentAddress 516 N. Adams StPhone 2247173

Street

TallahasseeFL32301Email bbevis@aif.com

City

State

Zip

Speaking: For Against InformationWaive Speaking: In Support Against
(The Chair will read this information into the record.)Representing Associated Industries of FloridaAppearing at request of Chair: Yes NoLobbyist registered with Legislature: Yes No*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.****This form is part of the public record for this meeting.***

S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/22/2017

Meeting Date

Topic _____

Bill Number 76

(if applicable)

Name BRIAN PITTS

Amendment Barcode _____

(if applicable)

Job Title TRUSTEE

Address 1119 NEWTON AVNUE SOUTH

Phone 727-897-9291

Street

SAINT PETERSBURG

FLORIDA

33705

City

State

Zip

E-mail JUSTICE2JESUS@YAHOO.COM

Speaking: For Against Information

Representing JUSTICE-2-JESUS

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/20/11)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1-22-17

Meeting Date

SJR 76

Bill Number (if applicable)

Topic LIMITATIONS ON TAX ASSESSMENTS

Amendment Barcode (if applicable)

Name LAURA YOUNANS

Job Title ASSOCIATE DIR. OF PUBLIC POLICY

Address _____

Phone _____

Street

City

State

Zip

Email _____

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing FLORIDA ASSOCIATION OF COUNTIES

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

2/22/17

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

SJR 76

Bill Number (if applicable)

Topic Property assessment cap

Amendment Barcode (if applicable)

Name Nancy Stewart

Job Title

Address 1535 1/4 Learn Center Blvd

Phone

850-385-7805

Street

Tallahassee

State FL

City

Zip 32309

Email Nancy.Stewart @
nancyblackstewart.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Federation of Manufactured Home Owners of Florida

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Appropriations Subcommittee on Finance and Tax

BILL: **SB 176**

INTRODUCER: Senator Passidomo and others

SUBJECT: Sales and Use Tax Exemption for Feminine Hygiene Products

DATE: February 21, 2017 REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Little	McKay	CM	Favorable
2. Fournier	Diez-Arguelles	AFT	Recommend: Favorable
3. _____	_____	AP	_____

I. Summary:

SB 176 exempts the sale of feminine hygiene products from state sales and use tax.

The Revenue Estimating Conference has estimated that SB 176 reduces General Revenue receipts by \$3.8 million in Fiscal Year 2017-2018 and by \$8.9 million on a recurring basis. It reduces local revenue by \$1.0 million in Fiscal Year 2017-2018 and by \$2.3 million on a recurring basis. The Department of Revenue is expected to incur additional costs of approximately \$90,000 to notify sales tax dealers of this new exemption.

The bill provides an effective date of January 1, 2018.

II. Present Situation:

Florida Sales and Use Tax

Florida levies a six percent state sales and use tax on the sale or rental of most tangible personal property, admissions, rentals of transient accommodations, rental of commercial real estate, and a limited number of services.¹ In addition to the six percent state sales tax, Florida law authorizes counties to levy discretionary sales surtaxes.² Sales tax is added to the price of taxable goods or services and the tax is collected from the purchaser at the time of sale.

Chapter 212, F.S., contains statutory provisions that authorize the levy and collection of Florida's sales and use tax, as well as the exemptions and credits applicable to certain items or uses under specified circumstances. There are currently more than 200 different exemptions,

¹ Chapter 212, F.S.

² Sections 212.054 and 212.055, F.S.

exclusions, deductions, and credits from sales and use tax.³ Medical products and supplies are among the items exempt from sales and use tax.⁴ Common household remedies used in the cure, mitigation, treatment, or prevention of illness or disease are also exempt from sales and use tax.⁵ Cosmetics and toilet articles are not exempt from sales and use tax.⁶

Feminine Hygiene Products and Sales Tax Exemption

Feminine hygiene products are products used to absorb or contain menstrual flow. These products include tampons, sanitary napkins, panty liners, and menstrual cups. Feminine hygiene products are currently subject to state sales and use tax.

However, in 1977, feminine hygiene products were added to the list of medical items exempt from sales and use tax.⁷ In 1986, feminine hygiene products were removed from the list of exempt medical items and a study commission was created to review the public policy and fiscal impact of sales tax exemptions.⁸ In 1987, the Sales and Tax Exemption Study Commission reviewed the fiscal impact of levying sales tax on feminine hygiene products and estimated such taxation would generate \$2.6 million taxes in 1987-1988 and \$3.9 million taxes in 1988-1989.⁹

In 2016, a class action lawsuit was filed in Leon County, Florida to challenge the state sales tax levied on the sale of feminine hygiene products.¹⁰ The plaintiffs argue that feminine hygiene products are necessary for women's health and should be exempt as common household remedies.¹¹ The plaintiffs seek declaratory and injunctive relief, along with a refund of taxes.¹²

Other States

Currently, thirteen states and the District of Columbia do not impose sales and use tax on the sale of feminine hygiene products or have enacted legislation to exempt these products in the future. Five of those states do not impose a state sales tax at all.¹³ The District of Columbia,¹⁴ Illinois,¹⁵

³ Florida Revenue Estimating Conference, *Florida Tax Handbook*, (2016), available at <http://edr.state.fl.us/Content/revenues/reports/tax-handbook/taxhandbook2016.pdf> (last visited Jan. 12, 2017).

⁴ Section 212.08(2)(a), F.S.

⁵ *Id.*

⁶ The Department of Business and Professional Regulation is responsible for prescribing and approving a list of common household remedies, which is then certified by the Department of Revenue, available at

http://floridarevenue.com/Forms_library/current/dr46nt.pdf

⁷ Ch. 77-193, Laws of Fla.

⁸ Ch. 86-166, Laws of Fla.

⁹ Sales Tax Exemption Study Commission, *Report and Recommendations of the Sales Tax Exemption Study Commission* (April, 1987).

¹⁰ *Wendell v. Florida Dep't. of Rev.*, No. 2016 CA 001526 (Fla. Leon Cty. Ct. July 7, 2016).

¹¹ *Id.*

¹² *Id.*

¹³ Alaska, Delaware, Montana, New Hampshire, and Oregon do not impose state sales tax.

¹⁴ D.C. Official Code §47-2005 (2016)

¹⁵ 35 Ill. Comp. Stat. 110/3-5 (2016).

Maryland,¹⁶ Massachusetts,¹⁷ Pennsylvania,¹⁸ Minnesota,¹⁹ New Jersey,²⁰ Connecticut,²¹ and New York,²² have passed legislation to exempt the sale of feminine hygiene products from sales and use tax.

III. Effect of Proposed Changes:

The bill creates a sales tax exemption for the sale of feminine hygiene products. The bill also defines “feminine hygiene product” as “a product used to absorb or contain menstrual flow, including, but not limited to, tampons, sanitary napkins, panty liners, and menstrual cups.”

The bill provides an effective date of January 1, 2018.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Article VII, section 18 of the Florida Constitution governs laws that require counties and municipalities to spend funds or that limit their ability to raise revenue or receive state tax revenue.

Subsection (b) of Article VII, section 18 of the Florida Constitution provides that, except upon approval by each house of the Legislature by two-thirds vote of its membership, the Legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would be to reduce the authority that municipalities or counties have to raise revenue in the aggregate, as such authority existed on February 1, 1989. However, these requirements do not apply to laws that have an insignificant fiscal impact on local governments, which for Fiscal Year 2017-2018, is \$2 million or less.^{23,24,25}

Because this bill reduces local option tax revenue of counties and municipalities by \$1.1 million on a recurring bases, it has an insignificant impact on local governments and the provisions of Article VII, section 18 of the Florida Constitution do not apply.

B. Public Records/Open Meetings Issues:

None.

¹⁶ Md. Tax-Gen. Code Ann., §11-211 (2016).

¹⁷ Mass. Gen. Laws ch. 64H, § 6 (2016).

¹⁸ 72 Pa. Cons. Stat. § 7204 (2016).

¹⁹ Minn. Stat. §297A.67 (2016).

²⁰ N.J. Stat. Ann. § 54:32B-8.1 (2016).

²¹ Conn. Gen. Stat. § 12-412 (2016).

²² N.Y. Tax Law §1115 (2016).

²³ FLA. CONST. art. VII, s. 18(d).

²⁴ An insignificant fiscal impact is the amount not greater than the average statewide population for the applicable fiscal year times \$0.10. See Florida Senate Committee on Community Affairs, *Interim Report 2012-115: Insignificant Impact*, (Sept. 2011), available at <http://www.flsenate.gov/PublishedContent/Session/2012/InterimReports/2012-115ca.pdf> (last visited Jan. 17, 2017).

²⁵ Based on the Demographic Estimating Conference’s population adopted on November 1, 2016. The conference packet is available at <http://edr.state.fl.us/Content/conferences/population/ConferenceResults.pdf> (last visited Jan. 15, 2017).

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

The Revenue Estimating Conference has estimated that SB 176 reduces General Revenue receipts by \$3.8 million in Fiscal Year 2017-2018 and by \$8.9 million on a recurring basis. It reduces local revenue by \$1.0 million in Fiscal Year 2017-2018 and by \$2.3 million on a recurring basis.²⁶

B. Private Sector Impact:

Indeterminate, but positive. Individuals will see a reduction in the cost of purchasing feminine hygiene products.

C. Government Sector Impact:

The Department of Revenue estimates the cost associated with notifying businesses of the sales tax exemption, by printing and mailing a Tax Information Publication (TIP), will be approximately \$90,000.²⁷

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates section 212.08(7)(ooo) of the Florida Statutes.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

²⁶ http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2017/_pdf/Impact0120.pdf

²⁷ Department of Revenue, *Senate Bill 176 Fiscal Analysis* (Jan. 12, 2017) (on file with the Senate Appropriations Subcommittee on Finance and Tax).

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

By Senator Passidomo

28-00007-17

2017176

A bill to be entitled

An act relating to a sales and use tax exemption for feminine hygiene products; amending s. 212.08, F.S.; exempting the sale of feminine hygiene products from the sales and use tax; defining the term "feminine hygiene product"; providing an effective date.

8 Be It Enacted by the Legislature of the State of Florida:

10 Section 1. Paragraph (ooo) is added to subsection (7) of
11 section 212.08, Florida Statutes, to read:

212.08 Sales, rental, use, consumption, distribution, and
213 storage tax; specified exemptions.—The sale at retail, the
214 rental, the use, the consumption, the distribution, and the
215 storage to be used or consumed in this state of the following
216 are hereby specifically exempt from the tax imposed by this
217 chapter.

(7) MISCELLANEOUS EXEMPTIONS.—Exemptions provided to any entity by this chapter do not inure to any transaction that is otherwise taxable under this chapter when payment is made by a representative or employee of the entity by any means, including, but not limited to, cash, check, or credit card, even when that representative or employee is subsequently reimbursed by the entity. In addition, exemptions provided to any entity by this subsection do not inure to any transaction that is otherwise taxable under this chapter unless the entity has obtained a sales tax exemption certificate from the department or the entity obtains or provides other documentation as required by the department. Eligible purchases or leases made with such a certificate must be in strict compliance with this subsection and departmental rules, and any person who makes an exempt purchase with a certificate that is not in strict

Page 1 of 2

CODING: Words stricken are deletions; words underlined are additions.

28-00007-17

2017176

compliance with this subsection and the rules is liable for and shall pay the tax. The department may adopt rules to administer this subsection.

(ooo) Feminine hygiene products.-The sale of a feminine hygiene product is exempt from the tax imposed by this chapter.
As used in this paragraph, the term "feminine hygiene product" means a product used to absorb or contain menstrual flow, including, but not limited to, tampons, sanitary napkins, panty liners, and menstrual cups.

Section 2. This act shall take effect January 1, 2018.

Page 2 of 2

CODING: Words stricken are deletions; words underlined are additions.



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

**SENATOR KATHLEEN
PASSIDOMO**
28th District

COMMITTEES:
Ethics and Elections, *Chair*
Healthy Policy, *Vice Chair*
Appropriations Subcommittee on Health
and
Human Services
Appropriations Subcommittee on
Transportation,
Tourism, and Economic Development
Commerce and Tourism

SELECT COMMITTEE:
Joint Select Committee on Collective
Bargaining

JOINT COMMITTEE:
Joint Legislative Auditing Committee

January 23, 2017

The Honorable Kelli Stargel, Chair
Appropriations Subcommittee on
Finance and Tax
Florida Senate
207 The Capitol
404 South Monroe Street
Tallahassee, FL 32399

Dear Chair Stargel:

Senate Bill 176, Sales and Use Tax Exemption for Feminine Hygiene Products, has passed the Committee on Commerce and Tourism and has been referred to the Appropriations Subcommittee on Finance and Tax. I would appreciate the placing of this bill on the committee agenda at your earliest convenience.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Passidomo".

Kathleen C. Passidomo

Cc: Jose Diez-Arguelles, Staff Director
Lynn Wells, Committee Assistant

REPLY TO:

- 3299 East Tamiami Trail, Suite 203, Naples, Florida 34112 (239) 417-6205
- 318 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5028

Senate's Website: www.flsenate.gov

JOE NEGRON
President of the Senate

ANITERE FLORES
President Pro Tempore

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/22/17
Meeting Date

SB176
Bill Number (if applicable)

Topic Feminine Hygiene Tax

Amendment Barcode (if applicable)

Name Kiana Rivera

Job Title Student

Address 11205 N. 601st St.
Street

Phone 813435 8744

Temple Terrace FL 33617
City State Zip

Email _____

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing ought to Be a LAW - Armwood High School

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/22/17
Meeting Date

SB 176

Bill Number (if applicable)

Topic Feminine Hygiene Tax

Amendment Barcode (if applicable)

Name Alexandra Cote

Job Title Student

Address 11414 Bridgeland Ave
Street

Lithia
City

FL
State

33547
Zip

Phone (813)758-6871

Email Allie.cote.2017@gmail.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Ought to Be A Law - Armwood High School

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2-22-2017

Meeting Date

SB 176

Bill Number (if applicable)

Topic Feminine hygiene tax

Amendment Barcode (if applicable)

Name Destiny Pilcher

Job Title Student

Address 4309 E, Idlewild
Street

Phone 813-952-0887

Tampa

Fl

33610

Email _____

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Ought to be a law Armwood High School

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

2/22/17

Meeting Date

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

SB 176

Bill Number (if applicable)

Topic Feminint Hygiene Tax

Amendment Barcode (if applicable)

Name Candace Buttson

Job Title Teacher; Armwood High School

Address 5909 Esker Falls Lane

Street

Lithia

City

FL

State

33547

Zip

Phone 813-777-0186

Email cannicom@hotmail.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing

Ought to Bl a Law - Hillsborough County Schools

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/22/17

Meeting Date

SB 176

Bill Number (if applicable)

Topic Taxes on feminine hygiene

Amendment Barcode (if applicable)

Name Kelsey M. HeathleyJob Title Armwood High School StudentAddress 1011 Lenna AvePhone (813) 546-4565

Street

Seffner

FL

33584

City

State

Zip

Email littlekelseyuk@gmail.comSpeaking: For Against InformationWaive Speaking: In Support Against
(The Chair will read this information into the record.)Representing Armwood High School ought to be a lawAppearing at request of Chair: Yes NoLobbyist registered with Legislature: Yes No*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.****This form is part of the public record for this meeting.***

S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

2/22/17

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

176
Bill Number (if applicable)

Topic Tax Exemption - Feminine Hygiene Products Amendment Barcode (if applicable)

Name Barbara DeBare

Job Title MS

Address 625 E Bernard St

Street

City

State

Zip

Phone 850-251-4280

Email barbadebare1@yahoo.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing FL NOW

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/22/2017

Meeting Date

Topic _____ Bill Number 176 (if applicable)

Name BRIAN PITTS Amendment Barcode _____ (if applicable)

Job Title TRUSTEE

Address 1119 NEWTON AVNUE SOUTH Phone 727-897-9291
Street

SAINT PETERSBURG FLORIDA 33705 E-mail JUSTICE2JESUS@YAHOO.COM
City State Zip

Speaking: For Against Information

Representing JUSTICE-2-JESUS

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

2-22-17

Meeting Date

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

176

Bill Number (if applicable)

Topic Feminine Hygiene Tax Exemption

Amendment Barcode (if applicable)

Name Tony Pirrotta

Job Title Teacher

Address 544 Oak Creek Dr.
Street

Phone 813-526-6147

Brandon
City

FL
State

33511
Zip

Email TJ.Pirrotta@msn.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing _____

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

GOVERNOR RICK SCOTT'S 2017-2018 BUDGET

Fighting for Florida's Future



Governor's Tax and Fee Cut Recommendations

Governor Scott's priorities for Florida's Future

Tax Cuts for Florida Families and Businesses

Jobs for Florida Families

Education for Florida's Students

Protecting Florida's Environment

Keeping Florida's Residents and Tourists Safe

Ensuring a Healthy Future

Fighting To Cut Taxes for Florida's Future

	Tax Type	Tax Cut Description	Taxpayer Savings
1	Sales Tax	Commercial Rent: 1.5% rate decrease	\$454.4 million
2	Sales Tax	College and University School Books	\$48.0 million
3	Sales Tax	School Book Fair	\$3.0 million
4	Sales Tax	10 day Back to School Holiday	\$72.0 million
5	Sales Tax	Veterans' Holiday	\$18.4 million
6	Sales Tax	Hurricane Preparedness	\$6.9 million
7	Sales Tax	Camping and Fishing	\$0.5 million
8	Corporate Income Tax	Increase Exemption from \$50k to \$75k	\$15.2 million
	Total		\$618.4 million



Sales Tax Cut on Commercial Rent

- Florida is the only state in the nation to tax commercial rents
- Unfairly targets small businesses
- Taxes the cost of doing business and, thus, increases costs to final consumer
- Reduces commercial rent tax rate from 6% to 4.5%

FY 2017-18 (Fiscal impact in millions)	General Revenue		Local		Total	
	First Year	Recurring	First Year	Recurring	First Year	Recurring
Commercial Rent Rate Reduction by 1.5%	(167.7)	(402.5)	(21.6)	(51.9)	(189.3)	(454.4)

College Text Book Sales Tax Exemption

- In 2015, the Governor proposed and the Legislature passed a one year sales tax exemption for the purchase of college text books
- This proposal exempts college text books from all state and local options sales taxes for 1 year
- College students will save an estimated \$48 million per year or about \$60 per student

FY 2017-18 (Fiscal impact in millions)	General Revenue		Local		Total	
	First Year	Recurring	First Year	Recurring	First Year	Recurring
Exemption for College Text Books - One Year	(39.1)	0.0	(8.9)	0.0	(48.0)	0.0

Sales Tax Cut on School Book Fair

- Exempts school book fairs from sales tax
 - Allows families of young schoolchildren to encourage and support their kids' reading
 - Eases the administrative burden of book sellers

FY 2017-18 (Fiscal impact in millions)	General Revenue		Local		Total	
	First Year	Recurring	First Year	Recurring	First Year	Recurring
School Book Fairs		(2.5)	(2.5)	(0.5)	(0.5)	(3.0) (3.0)

Back to School Sales Tax Holiday

- August 4 to August 13
- The 10-day sales tax holiday will exempt:
 - Clothing and footwear at \$100 or less
 - School supplies at \$15 or less
 - The first \$750 of the price of a personal computer and accessories

FY 2017-18 (Fiscal impact in millions)	General Revenue		Local		Total	
	First Year	Recurring	First Year	Recurring	First Year	Recurring
Back-to-School Sales Tax Holiday - 10 Days	(58.5)	0.0	(13.5)	0.0	(72.0)	0.0

Veterans Sales Tax Holiday

- November 9 to November 11
- The 3-day sales tax holiday will exempt:
 - Clothing and footwear at \$100 or less
 - School supplies at \$15 or less
 - The first \$750 of the price of a computer
 - Books at \$50 or less
 - Sports and Recreation Equipment at \$100 or less
 - Televisions at \$1,000 or less
 - Household appliances at \$1,000 or less

FY 2017-18 (Fiscal impact in millions)	General Revenue		Local		Total	
	First Year	Recurring	First Year	Recurring	First Year	Recurring
Veterans' Holiday - 3 Days	(15.0)	0.0	(3.4)	0.0	(18.4)	0.0

Hurricane Preparedness Sales Tax Holiday

- May 27 to June 4
- The 9-day sales tax holiday will exempt:
 - Self-powered light at \$20 or less and radio at \$50 or less
 - Waterproof sheeting at \$50 or less
 - A portable generator at \$750 or less
 - Hurricane shutters at \$200 or less
 - Personal Locator beacon at \$600 or less and radio beacon at \$1,000 or less
 - Other items include first aid kits, anchor systems, gas tanks, batteries, food storage coolers and reusable ice

FY 2017-18 (Fiscal impact in millions)	General Revenue		Local		Total	
	First Year	Recurring	First Year	Recurring	First Year	Recurring
Hurricane Preparedness Holiday - 9 Days	(5.8)	0.0	(1.2)	0.0	(6.9)	0.0

Camping and Fishing Sales Tax Holiday

- July 1, 2017
- The 1-day sales tax holiday will exempt:
 - Pop-Up Shelters at \$100 or less
 - Sleeping Bags at \$150 or less
 - Canoes and Kayaks at \$1,000 or less
 - Life vests at \$400 or less
 - Other items include backpacking bags, bug spray, first aid kits, sleeping cots, flashlights

FY 2017-18 (Fiscal impact in millions)	General Revenue		Local		Total	
	First Year	Recurring	First Year	Recurring	First Year	Recurring
Camping and Fishing Holiday - 1 Day	(0.4)	0.0	(0.1)	0.0	(0.5)	0.0



Corporate Income Tax Exemption

- Governor Scott's previous legislation
 - Increase exemption from \$5k to \$25k - 2011
 - Increase exemption from \$25k to \$50k - 2012
- Increases corporate income tax exemption from \$50k to \$75k
 - More than 11,500 businesses will realize tax savings
 - 2,500 businesses will be completely exempt
- Savings to Florida businesses
 - Reduce cost for business so they add jobs and increase capital investments
 - Attract more businesses to the state
 - Help diversify Florida's economy

FY 2017-18 (Fiscal impact in millions)	General Revenue		Total	
	First Year	Recurring	First Year	Recurring
Increase Exemption from \$50,000 to \$75,000	(6.1)	(15.2)	(6.1)	(15.2)

Fee Cut Measures

- Title Fees
 - No fee for surviving spouses to retitle the vehicle in their name
- ID Cards and Driver Licenses
 - No fee for citizens over 80 surrendering their driver licenses
 - No fee for citizens over 80 renewing their id cards
 - No fee for veterans getting a veterans designation
 - No fee for veterans getting a commercial driver license
- Other Fees
 - Reduction in building permit surcharge
 - Standardization of delinquency fees at renewal for professional licenses

GOVERNOR RICK SCOTT'S 2017-2018 BUDGET
Fighting for Florida's Future

Measures Affecting Revenues
 (\$ in Millions)

TAX RELIEF		FY17-18				Total	
		General Revenue		Local		First Year	Recurring
		First Year	Recurring	First Year	Recurring	First Year	Recurring
Sales Tax	Commercial Rent Rate Reduction by 1.5%	(167.7)	(402.5)	(21.6)	(51.9)	(189.3)	(454.4)
Sales Tax	Exemption for College Text Books - One Year	(39.1)	0.0	(8.9)	0.0	(48.0)	0.0
Sales Tax	School Book Fairs	(2.5)	(2.5)	(0.5)	(0.5)	(3.0)	(3.0)
Sales Tax	Back-to-School Sales Tax Holiday - 10 Days	(58.5)	0.0	(13.5)	0.0	(72.0)	0.0
Sales Tax	Veterans' Holiday - 3 Days	(15.0)	0.0	(3.4)	0.0	(18.4)	0.0
Sales Tax	Hurricane Preparedness Holiday - 9 Days	(5.8)	0.0	(1.2)	0.0	(6.9)	0.0
Sales Tax	Camping and Fishing Holiday - 1 Day	(0.4)	0.0	(0.1)	0.0	(0.5)	0.0
Corporate Income Tax	Increase Exemption from \$50,000 to \$75,000	(6.1)	(15.2)	0.0	0.0	(6.1)	(15.2)
TOTAL TAX RELIEF		(295.1)	(420.2)	(49.2)	(52.4)	(344.2)	(472.6)
RECURRING PLUS ONE TIME TAX RELIEF							
(618.4)							

Office of Policy and Budget

Christian Weiss

Policy Coordinator

Christian.Weiss@LASPBS.state.fl.us

850-717-9392

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

February 22, 2017

Meeting Date

Bill Number (if applicable)

Topic Governor's Budget - Tax Cuts

Amendment Barcode (if applicable)

Name Christian Weiss

Job Title Policy Coordinator, Finance and Tax

Address 400 South Monroe St. Suite 1702

Phone 850-717-9392

Street

Tallahassee

FL

32399

Email christian.weiss@laspbs.state.fl.us

City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Executive Office of Budget

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/22/17
Meeting Date

Bill Number (if applicable)

Topic Governor's Tax Package

Amendment Barcode (if applicable)

Name Melissa Ramba

Job Title VP Government Affairs

Address 227 S Adams St
Street

Phone _____

Tallahassee FL 32303
City State Zip

Email Melissa@PRE.org

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Florida Retail Federation

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

Meeting Date

Bill Number (if applicable)

Topic Gov. Tax Recommendation

Amendment Barcode (if applicable)

Name MARK A. ALVAREZ

Job Title Natl Leg Chair UFW

Address 1149 E 6th Ct. East

Street

TALL.

FL.

32317

City

State

Zip

Phone 402 4133

Email

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing

VeterANS OF Foreign WARS

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

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S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

Meeting Date

Bill Number (if applicable)

Topic Gov TAX RECOMMENDATION

Amendment Barcode (if applicable)

Name ERIC G. KING

Job Title VFW DIST 2 COMDR

Address 6119 OR BOTTOM MDR
Street

TAL

City

32312

State

Zip

Phone 850.4451077

Email _____

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Veterans of Foreign Wars

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

Meeting Date

Bill Number (if applicable)

Topic Presentation of Governor's Tax Recommendation Amendment Barcode (if applicable)

Name Stephen Marchbanks

Job Title Emergency Funds Administrator

Address 1331 KINGS DR

Street

Tallahassee, FL 32301

City

State

Zip

Phone 850-225-968

Email smarchbanks@comcast.net

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Florida Veterans Foundation

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

02/22/2017

Meeting Date

Bill Number (if applicable)

Topic Presentation on Governor's Tax Recommendations Amendment Barcode (if applicable)

Name Washington SANCHEZ

Job Title Chairman of the Florida Veterans Foundation

Address 2229 STATES DR Phone 850-322-8455

Street

Tallahassee, FL

City

State

32312

Zip

Email WJSAN4@gmail.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing _____

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2-22-17

Meeting Date

Bill Number (if applicable)

Topic Gov. Tax Rec.

Amendment Barcode (if applicable)

Name Ned Hill Jr.

Job Title retire

Address 5253 Maddox Rd
Street

Phone 850 562-6235

Email _____

City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing _____

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

22 FEB 17

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

Meeting Date

Bill Number (if applicable)

Topic Gov Tax Recognition Act

Amendment Barcode (if applicable)

Name Dennis BAKER Commander, U.S. NavyJob Title FLORIDA VETERANS FOUNDATIONAddress 400 S. MONROE ST.
StreetPhone 850-545-6668TALLAHASSEE, FL 32399
City State ZipEmail BAKERD@FOIA.STATE.FL.USSpeaking: For Against InformationWaive Speaking: In Support Against
(The Chair will read this information into the record.)Representing FLORIDA VETERANS FOUNDATIONAppearing at request of Chair: Yes NoLobbyist registered with Legislature: Yes No

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S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2-22-17
Meeting Date

Bill Number (if applicable)

Topic Governor's Tax Package

Amendment Barcode (if applicable)

Name Tim NungesserJob Title Legislative DirectorAddress 110 E. Jefferson St.
StreetPhone 850-445-5367Tallahassee
CityFL
State32301
ZipEmail tim.nungesser@fb.orgSpeaking: For Against InformationWaive Speaking: In Support Against
(The Chair will read this information into the record.)Representing National Federation of Independent BusinessAppearing at request of Chair: Yes NoLobbyist registered with Legislature: Yes No

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S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/22/17
Meeting Date

Bill Number (if applicable)

Topic Governor's Proposed Budget (Business
Rent
Tax Cut) Amendment Barcode (if applicable)

Name Danielle Suggs

Job Title _____

Address _____ Phone _____
Street _____

City _____ State _____ Zip _____ Email _____

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Florida Neighbors

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

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S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/22/17

Meeting Date

Bill Number (if applicable)

Topic Governor's Tax Recommendations Amendment Barcode (if applicable)

Name Brewster Bevis

Job Title Senior Vice President

Address 516 N. Adams St Phone 2247173

Street

Tallahassee

FL

32301

Email bbevis@aif.com

City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Associated Industries of Florida

Appearing at request of Chair: Yes No Lobbyist registered with Legislature: Yes No

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S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/22/17

Meeting Date

Bill Number (if applicable)

Topic Governor's Tax Package

Amendment Barcode (if applicable)

Name Carolyn Johnson

Job Title Policy Director

Address 136 S Bronough St

Phone 521-1200

Street

Tallahassee

FL

32301

Email cjohnson@flchamber.com

City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Florida Chamber of Commerce

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/22/2017

Meeting Date

Topic GOP Tax Recommendations

Bill Number _____
(if applicable)

Name BRIAN PITTS

Amendment Barcode _____
(if applicable)

Job Title TRUSTEE

Address 1119 NEWTON AVNUE SOUTH
Street

Phone 727-897-9291

SAINT PETERSBURG FLORIDA 33705
City *State* *Zip*

E-mail JUSTICE2JESUS@YAHOO.COM

Speaking: For Against Information

Representing JUSTICE-2-JESUS

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/20/11)

CourtSmart Tag Report

Room: SB 401

Case No.:

Type:

Caption: Senate Appropriations Subcommittee on Finance and Tax

Judge:

Started: 2/22/2017 10:01:10 AM

Ends: 2/22/2017 11:02:40 AM

Length: 01:01:31

10:01:25 AM Sen. Stargel (Chair)
10:02:09 AM S 176
10:02:18 AM Sen. Passidomo
10:03:46 AM Sen. Garcia
10:03:54 AM Sen. Passidomo
10:04:34 AM Kiana Rivera, Student, Ought to Be a Law
10:05:22 AM Alexandra Cote, Student, Ought to Be a Law
10:06:25 AM Candace Butson, Teacher, Ought to Be a Law (waives in support)
10:06:35 AM Destiny Pilcher, Student, Ought to Be a Law
10:07:07 AM Kelsey Keathley, Student, Ought to Be a Law
10:07:47 AM Sen. Stargel
10:08:04 AM Barbara DeVane, Florida National Organization of Women, Inc. (waives in support)
10:08:22 AM Brian Pitts, Trustee, Justice-2-Jesus
10:11:05 AM Tony Pirotta, Teacher
10:11:51 AM Sen. Garcia
10:13:06 AM Sen. Passidomo
10:14:07 AM S 76
10:14:29 AM Sen. Lee
10:14:50 AM Am. 967958
10:17:21 AM Danielle Scoggins, Senior Public Policy Representative, Florida Realtors
10:18:07 AM S 76 (cont.)
10:18:11 AM Laura Youmans, Associate Director of Public Policy, Florida Association of Counties
10:18:48 AM Nancy Stewart, Federation of Manufactured Homeowners of Florida (waives in support)
10:18:58 AM Carolyn Johnson, Policy Director, Florida Chamber of Commerce (waives in support)
10:19:07 AM Tim Nungesser, Legislative Director, National Federation of Independent Business (waives in support)
10:19:11 AM Lori Killinger, Legislative Counsel, Florida Manufactured Housing Association (waives in support)
10:19:18 AM Brewster Bevis, Senior Vice President, Associated Industries of Florida (waives in support)
10:19:45 AM Brian Pitts, Trustee, Justice-2-Jesus
10:22:47 AM Sen. Lee
10:24:07 AM Sen. Campbell
10:24:45 AM TAB 3 - Presentation on Governor's Tax Recommendations
10:25:01 AM Christian Weiss, Policy Coordinator, Finance and Economic Analysis Unit, Governor's Office of Policy and Budget
10:34:07 AM Sen. Garcia
10:35:02 AM C. Weiss
10:35:31 AM Sen. Stargel
10:35:43 AM Sen. Garcia
10:36:08 AM Sen. Campbell
10:36:35 AM C. Weiss
10:37:40 AM Sen. Campbell
10:38:17 AM C. Weiss
10:39:39 AM Sen. Campbell
10:40:24 AM C. Weiss
10:42:05 AM Sen. Rodriguez
10:43:08 AM C. Weiss
10:43:43 AM Sen. Rodriguez
10:44:14 AM C. Weiss
10:44:51 AM Sen. Rodriguez
10:46:06 AM C. Weiss
10:47:42 AM Sen. Rodriguez
10:48:38 AM C. Weiss
10:50:01 AM Sen. Rodriguez

10:50:45 AM C. Weiss
10:51:43 AM Sen. Stargel
10:52:02 AM Melissa Ramba, Vice President Government Affairs, Florida Retail Federation (waives in support)
10:52:10 AM Mark Alvarez, Veterans of Foreign Wars (waives in support)
10:52:18 AM Eric King, Veterans of Foreign Wars (waives in support)
10:52:23 AM Stephen Machbanks, Emergency Funds Administrator, Florida Veterans Foundation (waives in support)
10:52:30 AM Washington Sanchez, Chairman, Florida Veterans Foundation (waives in support)
10:52:37 AM Ned Hill Jr., Retiree (waives in support)
10:52:45 AM Dennis Baker, Commander U.S. Navy, Florida Veteran Foundations (waives in support)
10:52:50 AM Tim Nungesser, Legislative Director, National Federation of Independent Business (waives in support)
10:52:55 AM Danielle Scoggins, Florida Realtors (waives in support)
10:53:02 AM Brewster Bevis, Senior Vice President, Associated Industries of Florida (waives in support)
10:53:22 AM Brian Pitts, Trustee, Justice-2-Jesus
10:58:11 AM Carolyn Johnson, Policy Director, Florida Chamber of Commerce
10:59:09 AM Sen. Stargel
10:59:41 AM Sen. Garcia
11:00:12 AM C. Weiss
11:00:32 AM Sen. Steube
11:01:38 AM Sen. Stargel
11:02:40 AM Meeting Adjourned