

By the Committee on Ways and Means; and Senator Thomas

301-2242-98

1 A bill to be entitled
2 An act relating to funds distributed to local
3 governments; amending s. 236.081, F.S.;
4 amending the prerequisites to excluding from
5 the computation of district required local
6 effort the assessed value of property that is
7 the subject of litigation; creating s. 218.66,
8 F.S.; providing for a special distribution of
9 funds from the Local Government Half-cent Sales
10 Tax Clearing Trust Fund to a county or
11 municipality under certain conditions;
12 providing an effective date.

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

16 Section 1. Paragraph (d) of subsection (4) of section
17 236.081, Florida Statutes, as amended by section 1 of chapter
18 97-380, Laws of Florida, is amended to read:

19 236.081 Funds for operation of schools.--If the annual
20 allocation from the Florida Education Finance Program to each
21 district for operation of schools is not determined in the
22 annual appropriations act or the substantive bill implementing
23 the annual appropriations act, it shall be determined as
24 follows:

25 (4) COMPUTATION OF DISTRICT REQUIRED LOCAL
26 EFFORT.--The Legislature shall prescribe the aggregate
27 required local effort for all school districts collectively as
28 an item in the General Appropriations Act for each fiscal
29 year. The amount that each district shall provide annually
30 toward the cost of the Florida Education Finance Program for

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1 kindergarten through grade 12 programs shall be calculated as
2 follows:

- 3 (d) Exclusion.--In those instances in which:
4 1. There is litigation either attacking the authority
5 of the property appraiser to include certain property on the
6 tax assessment roll as taxable property or contesting the
7 assessed value of certain property on the tax assessment
8 roll, ~~and~~
9 2. The assessed value of the property in contest
10 involves more than 6 ~~10~~ percent of the total nonexempt
11 assessment roll, ~~and~~

12
13 the assessed value of the property in contest shall be
14 excluded from the taxable value for school purposes for
15 purposes of computing the district required local effort.

16 Section 2. Section 218.66, Florida Statutes, is
17 created to read:

18 218.66 Special distributions for contested property
19 taxes.--

20 (1) In the event that an action to contest a tax
21 assessment is brought by a taxpayer in a county or
22 municipality participating in the distribution of half-cent
23 sales tax proceeds pursuant to s. 218.61 and the difference
24 between the good-faith payment made by that taxpayer pursuant
25 to s. 194.171(3) and the taxes that would have been paid on
26 the property appraiser's tax assessment is greater than 6
27 percent of the total assessed taxes for the county or
28 municipality, the county or municipality qualifies for a
29 special distribution of funds from the Local Government
30 Half-cent Sales Tax Clearing Trust Fund as provided in this
31 section.

1 (2) The determination of eligibility for the special
2 distribution pursuant to this section and the amount of the
3 distribution shall be calculated based on the total of
4 district-wide millage levies by the county or municipality.
5 The distribution shall be made upon application to the
6 Department of Revenue by a qualified county or municipality in
7 which the action to contest a tax assessment has not been
8 resolved by July 1 of the year following the year in which the
9 tax was assessed. Distributions shall be made prior to
10 September 30 of that year and shall be in an amount equal to
11 95 percent of the difference between the good faith payment by
12 the taxpayer and the taxes that would have been paid on the
13 property appraiser's tax assessment. Counties or
14 municipalities receiving such distributions must use the
15 revenue in the same manner prescribed for the ad valorem
16 revenue which the distribution replaces. In calculating the
17 distribution to participating county and municipal governments
18 pursuant to s. 218.61, the amount earmarked for distribution
19 within each county pursuant to s. 218.61(2) shall be reduced
20 by a portion of the amount required for the special
21 distribution equal to its proportionate share of total moneys
22 remitted for distribution by sales tax dealers located in all
23 counties.

24 (3) Upon resolution of the action to contest the tax
25 assessment, any county or municipality which received a
26 special distribution pursuant to this section shall
27 immediately repay to the Local Government Half-cent Sales Tax
28 Clearing Trust Fund the full amount of any tax revenues
29 received as a result of the resolution. In calculating the
30 distribution to participating county and municipal governments
31 pursuant to s. 218.61, the amount earmarked for distribution

1 within each county pursuant to s. 218.61(2) shall be increased
2 by a portion of the amount of such repayment equal to its
3 proportionate share of total moneys remitted for distribution
4 by sales tax dealers located in all counties.

5 Section 3. This act shall take effect upon becoming a
6 law.

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8 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
9 COMMITTEE SUBSTITUTE FOR
10 SB 1748

11 The committee substitute, in addition to provisions in the
12 original bill, establishes a special distribution to cities
13 and counties from the Local Government Half-cent Sales Tax
14 Clearing Trust Fund in the event an action to contest a
property tax assessment results in a difference between the
property appraiser's assessment and the good faith payment by
the taxpayer is greater than 6 percent.