

1 A bill to be entitled
2 An act relating to taxation; creating the State
3 Tax Reform Task Force; providing for the
4 appointment and organization of the task force;
5 specifying duties; providing for reports;
6 providing for the expiration of the act;
7 providing an appropriation; providing an
8 effective date.

9
10 Be It Enacted by the Legislature of the State of Florida:

11
12 Section 1. The State Tax Reform Task Force;
13 membership; duties.--

14 (1) The State Tax Reform Task Force is created to
15 examine the state's tax structure and make recommendations to
16 the Governor and the Legislature on how the state's tax
17 structure can be improved to ensure a stable revenue base that
18 is adequate to fund the needs of the state. The Senate Fiscal
19 Resource Committee and the House Finance and Tax Committee
20 shall provide administrative staff for the task force. The
21 task force shall consist of the following members, who must be
22 appointed by July 1, 2000:

23 (a) Five members to be appointed by the Governor.

24 (b) Four members to be appointed by the President of
25 the Senate.

26 (c) Four members to be appointed by the Speaker of the
27 House.

28 (d) The Chair of the Senate Committee on Fiscal
29 Resource at the time this act becomes law.

30 (e) The Chair of the House Committee on Finance and
31 Taxation at the time this act becomes law.

1 (f) The Executive Director of the Department of
2 Revenue or his or her designee.

3 (2) Each appointed member of the task force shall
4 serve at the pleasure of the appointing official. A vacancy on
5 the task force shall be filled in the same manner as the
6 original appointment.

7 (3) The task force shall elect a chair from among its
8 members.

9 (4) The task force shall hold its organizational
10 meeting by August 1, 2000, and thereafter shall meet as
11 necessary at the call of the chair at the time and place
12 designated by the chair. A quorum is necessary for the purpose
13 of conducting official business of the task force. The task
14 force shall use accepted rules of procedure to conduct its
15 meetings and shall keep a complete record of each meeting.

16 (5) Members of the task force shall serve without
17 compensation but are entitled to reimbursement for per diem
18 and travel expenses incurred in the performance of their
19 duties as provided in section 112.061, Florida Statutes.

20 (6) The task force shall examine the state's tax
21 structure to evaluate whether it is adequate for supporting
22 the continuing needs of the state. The task force shall
23 consider the following in its evaluation:

24 (a) Standard principles of sound tax policy:

25 1. Effectiveness.--Is the revenue raised by the system
26 stable and adequate to fund needed services or is it highly
27 sensitive to economic fluctuations in the short run? Does the
28 tax structure produce revenue that grows as the state's
29 economy grows; thereby enabling the public sector to grow
30 commensurately with the private sector?

31

1 2. Efficiency.--Is Florida's tax structure easily and
2 economically administered? Is compliance with tax provisions,
3 by businesses and by consumers, simple and inexpensive? Does
4 the tax system unnecessarily distort decisionmaking by
5 consumers or business? To what degree can the tax burden be
6 exported to tourists, the federal government, or out-of-state
7 businesses? How does the state's tax structure interact with
8 Federal or local tax structures?

9 3. Equity.--Is Florida's tax structure proportional or
10 progressive in its incidence among income groups? Are
11 individuals with similar incomes taxed uniformly? Are
12 Florida's taxes based on ability to pay?

13 (b) How other states treat the same or similar tax
14 issues.

15 (c) Whether the base of the tax system is as broad as
16 possible, so that tax rates and burdens are as low as
17 possible.

18 (d) Whether tax exemptions are consistent with state
19 tax policy and the economic impact of each exemption.

20 (7) In addition, the task force shall provide an
21 analysis of alternative tax sources.

22 (8) By February 1, 2001, the task force shall submit
23 an interim report and, by February 1, 2002, shall submit a
24 final report to the Governor, the President of the Senate, and
25 the Speaker of the House of Representatives.

26 (9) This section expires June 30, 2002.

27 Section 2. The sum of \$100,000 is appropriated from
28 the General Revenue Fund to the Office of Legislative Services
29 for the purpose of paying administrative expenses and funding
30 contracts necessary to carry out the provisions of this act.

31

1 Section 3. This act shall take effect upon becoming a
2 law.
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31