

House Joint Resolution

A joint resolution proposing an amendment to Section 1 of Article VII of the State Constitution relating to a limitation on legislative power to impose a tax, expand a tax base, increase a tax rate, or repeal a tax exemption and relating to the limitation on state revenue collections.

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

That the amendment to Section 1 of Article VII of the State Constitution set forth below is agreed to and shall be submitted to the electors of Florida for approval or rejection at the general election to be held in November 2004:

ARTICLE VII

FINANCE AND TAXATION

SECTION 1. Taxation; appropriations; state expenses; state revenue limitation.--

(a) No tax shall be levied except in pursuance of law. No state ad valorem taxes shall be levied upon real estate or tangible personal property. All other forms of taxation shall be preempted to the state except as provided by general law.

(b) Motor vehicles, boats, airplanes, trailers, trailer coaches and mobile homes, as defined by law, shall be subject to a license tax for their operation in the amounts and for the purposes prescribed by law, but shall not be subject to ad valorem taxes.

28 (c) No money shall be drawn from the treasury except in
 29 pursuance of appropriation made by law.

30 (d) Provision shall be made by law for raising sufficient
 31 revenue to defray the expenses of the state for each fiscal
 32 period.

33 (e) A law enacted after January 1, 2005, may not impose a
 34 tax, expand a tax base, increase a tax rate, or repeal a tax
 35 exemption, unless the law is enacted in a separate bill for that
 36 purpose only by a two-thirds vote of the membership of each
 37 house of the legislature.

38 (f)~~(e)~~ Except as provided herein, state revenues collected
 39 for any fiscal year shall be limited to state revenues allowed
 40 under this subsection for the prior fiscal year plus an
 41 adjustment for growth. As used in this subsection, "growth"
 42 means an amount equal to the average annual rate of growth in
 43 Florida personal income over the most recent twenty quarters
 44 times the state revenues allowed under this subsection for the
 45 prior fiscal year. For the 2005-2006 ~~1995-1996~~ fiscal year and
 46 thereafter, the state revenues allowed under this subsection for
 47 the prior fiscal year shall equal the actual state revenues
 48 collected for the prior ~~1994-1995~~ fiscal year less the amount by
 49 which actual collections in that year exceed the state revenues
 50 allowed in that year. Florida personal income shall be
 51 determined by the legislature, from information available from
 52 the United States Department of Commerce or its successor on the
 53 first day of February prior to the beginning of the fiscal year.
 54 State revenues collected for any fiscal year in excess of this
 55 limitation shall be transferred to the budget stabilization fund

56 | until the fund reaches the maximum balance specified in Section
57 | 19(g) of Article III, and thereafter shall be refunded to
58 | taxpayers as provided by general law. State revenues allowed
59 | under this subsection for any fiscal year may be increased by a
60 | two-thirds vote of the membership of each house of the
61 | legislature in a separate bill that contains no other subject
62 | and that sets forth the dollar amount by which the state
63 | revenues allowed will be increased. The vote may not be taken
64 | less than seventy-two hours after the third reading of the bill.
65 | For purposes of this subsection, "state revenues" means taxes,
66 | fees, licenses, and charges for goods and services imposed by
67 | the legislature on individuals, businesses, or agencies outside
68 | state government. However, "state revenues" does not include:
69 | revenues that are necessary to meet the requirements set forth
70 | in documents authorizing the issuance of bonds by the state;
71 | ~~revenues that are used to provide matching funds for the federal~~
72 | ~~Medicaid program with the exception of the revenues used to~~
73 | ~~support the Public Medical Assistance Trust Fund or its~~
74 | ~~successor program and with the exception of state matching funds~~
75 | ~~used to fund elective expansions made after July 1, 1994;~~
76 | proceeds from the state lottery returned as prizes; receipts of
77 | the Florida Hurricane Catastrophe Fund; balances carried forward
78 | from prior fiscal years; taxes, licenses, fees, and charges for
79 | goods and services imposed by local, regional, or school
80 | district governing bodies; or revenue from taxes, licenses,
81 | fees, and charges for goods and services required to be imposed
82 | by any amendment or revision to this constitution after July 1,
83 | 1994. An adjustment to the revenue limitation shall be made by

84 | general law to reflect the fiscal impact of transfers of
85 | responsibility for the funding of governmental functions between
86 | the state and other levels of government. The legislature shall,
87 | by general law, prescribe procedures necessary to administer
88 | this subsection.

89 | BE IT FURTHER RESOLVED that the title and substance of the
90 | amendment proposed herein shall appear on the ballot as follows:

91 | LIMITATION ON STATE REVENUES AND LIMITATION ON
92 | POWER OF LEGISLATURE TO IMPOSE OR INCREASE TAXES

93 | Proposes an amendment to Section 1 of Article VII of the
94 | State Constitution to: require limits on legislative imposition
95 | of or increase in taxes, expansion of a tax base, or repeal of a
96 | tax exemption by requiring a separate bill for that purpose only
97 | and an extraordinary vote; change the existing limit on the
98 | amount of revenues the state can receive each year; limit the
99 | growth in actual revenues from one year to the next, as opposed
100 | to the current provision which limits growth in revenues over
101 | the allowable limit in the prior year; delete the exclusion from
102 | "state revenues" of revenues that are used to provide matching
103 | funds for the federal Medicaid program; include charges for
104 | "goods" imposed by the Legislature within the definition of
105 | "state revenues"; and exclude charges for "goods" imposed by
106 | local, regional, or school district governing bodies or by any
107 | subsequent amendment or revision to the State Constitution from
108 | the definition of "state revenues."