

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 Criminal and Civil Justice Appropriations Committee

BILL: CS/SB 1724

INTRODUCER: Criminal and Civil Justice Appropriations Committee and Senator Crist

SUBJECT: Increasing a Surcharge on License Tax

DATE: April 1, 2009

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Toms	Sadberry	JA	Fav/CS
2.			GO	
3.			WPSC	
4.			RC	
5.				
6.				

Please see Section VIII. for Additional Information:

- | | | |
|------------------------------|-------------------------------------|---|
| A. COMMITTEE SUBSTITUTE..... | <input checked="" type="checkbox"/> | Statement of Substantial Changes |
| B. AMENDMENTS..... | <input type="checkbox"/> | Technical amendments were recommended |
| | <input type="checkbox"/> | Amendments were recommended |
| | <input type="checkbox"/> | Significant amendments were recommended |

I. Summary:

This bill amends s. 320.08046, Florida Statutes. The bill raises the surcharge on license tax from \$1 to \$1.50. This will generate more money for the Grants and Donations Trust Fund within the Florida Department of Juvenile Justice. The Trust Fund will continue to fund the community juvenile justice partnership grants and will now include prevention programs.

II. Present Situation:

Currently, there is a \$1 surcharge on license tax which is collected in the same manner as the license tax. This surcharge is collected when a motor vehicle, moped or motorized bicycle registers or renews a registration in the State of Florida. These registrations must be renewed annually. This tax is collected by the Department of Highway Safety and Motor Vehicles or its agent upon the registration or annual renewal of the registration. In Fiscal Year 2007-2008 there were 18,426,403 transactions subject to this surcharge. Currently, fifty-eight cents of the proceeds are deposited into the General Revenue Fund and forty-two cents are deposited into the Grants and Donations Trust Fund within the Department of Juvenile Justice. The Grants and Donations Trust Fund funds the community juvenile justice partnership grants program.

III. Effect of Proposed Changes:

The bill increases the surcharge from \$1 to \$1.50. The new fifty cents of the surcharge will be deposited into the Grants and Donations Trust Fund to fund some of the prevention programs.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

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

A fifty cent charge will be added to each registration or annual renewal of a motor vehicle registration.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The department will be permitted to increase the license tax by fifty cents and deposit the revenue generated by the tax to the Grants and Donations Trust Fund in the Department of Juvenile Justice. The fee increase is estimated to generate an additional \$8.4 million in revenues annually. The surcharge will be implemented on October 1, 2009, generating approximately \$6.3 million in Fiscal Year 2009-2010.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

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

CS by Criminal and Civil Justice Appropriations Committee on April 1, 2009:

This committee substitute increases the license tax surcharge from \$1 to \$1.50. The new fifty cents of the surcharge will be deposited into the Grants and Donations Trust Fund to fund some of the prevention programs.

- B. **Amendments:**

None.

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