

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.)

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Prepared By: The Professional Staff of the Policy and Steering Committee on Ways and Means

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BILL: CS/CS/SB 1724

INTRODUCER: Policy and Steering Committee on Ways and Means; Criminal and Civil Justice  
Appropriations Committee and Senator Crist

SUBJECT: Increasing a Surcharge on License Tax

DATE: April 7, 2009

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Toms	Sadberry	JA	<b>Fav/CS</b>
2.	Toms	Kelly	WPSC	<b>Fav/CS</b>
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

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**Please see Section VIII. for Additional Information:**

- A. COMMITTEE SUBSTITUTE.....  Statement of Substantial Changes
- B. AMENDMENTS.....  Technical amendments were recommended
- Amendments were recommended
- Significant amendments were recommended

**I. Summary:**

This legislation increases the surcharge on license tax imposed on motor vehicle registrations from \$1 to \$1.50. This increase is expected to generate \$6.3 million in FY 2009-2010 and \$8.4 million annually thereafter. These new revenues will be deposited into the Grants and Donations Trust Fund within the Florida Department of Juvenile Justice, subject to the service charges imposed in s. 215.20, F.S.

This bill amends s. 320.08046, Florida Statutes.

**II. Present Situation:**

Currently, there is a \$1 surcharge on motor vehicle registration 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 prevention programs currently, funded with general revenue. The effective date of the bill is September 1, 2009.

### **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 surcharge on the license tax is increased by fifty cents, and the new revenue will be deposited into the Grants and Donations Trust Fund in the Department of Juvenile Justice. The fee increase is estimated to generate an additional \$6.3 million in Fiscal Year 2009-2010 with \$0.4 million transferred to the General Revenue Fund as services charges. The increases are estimated to generate an additional \$8.4 million in revenues annually each year thereafter, with \$0.6 million of those revenues transferred to the General Revenue Fund as service charges.

### **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 Policy and Steering Committee on Ways and Means on April 7, 2009:**

This committee substitute changes the effective date from July 1, 2009 to September 1, 2009.

**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.