

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Ad Valorem

**Issue:** Charter Schools/Exemption Clarification – Leases

**Bill Number(s):** HB 7109, Enrolled

**Entire Bill**

**Partial Bill:** Section 7

**Sponsor(s):** Ways and Means

**Month/Year Impact Begins:** Retroactively to January 1, 2017

**Date of Analysis:** 6/16/2017

**Section 1: Narrative**

**a. Current Law:** Section 196.1983 reads: 196.1983 Charter school exemption from ad valorem taxes.—Any facility, or portion thereof, used to house a charter school whose charter has been approved by the sponsor and the governing board pursuant to s. 1002.33(7) shall be exempt from ad valorem taxes. For leasehold properties, the landlord must certify by affidavit to the charter school that the lease payments shall be reduced to the extent of the exemption received. The owner of the property shall disclose to a charter school the full amount of the benefit derived from the exemption and the method for ensuring that the charter school receives such benefit. The charter school shall receive the full benefit derived from the exemption through either an annual or monthly credit to the charter school’s lease payments.

**Proposed Change:** Revises the language to read: 196.1983 Charter school exemption from ad valorem taxes.—Any facility, or portion thereof, used to house a charter school whose charter has been approved by the sponsor and the governing board pursuant to s. 1002.33(7) shall be exempt from ad valorem taxes. For leasehold properties, the landlord must certify by affidavit to the charter school that the required lease payments under the lease, whether paid to the landlord or on behalf of the landlord to a third party, will ~~shall~~ be reduced to the extent of the exemption received. The owner of the property shall disclose to a charter school the full amount of the benefit derived from the exemption and the method for ensuring that the charter school receives such benefit. The charter school shall receive the full benefit derived from the ~~exemption through either an annual or monthly credit to the charter school's lease payments.~~

**Section 2: Description of Data and Sources**

2016 Ad Valorem Tax rolls

**Section 3: Methodology (Include Assumptions and Attach Details)**

Through conversations with representatives of Property Appraisers, identified that the issue underlying the proposed language is a charter school leasing a facility in Flagler County.

**Section 4: Proposed Fiscal Impact**

School

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(\$0.97 M)	(\$0.97 M)	(\$0.19 M)	(\$0.19 M)	(\$0.04 M)	(\$0.04 M)
2018-19	(\$1.02 M)	(\$1.02 M)	(\$0.20 M)	(\$0.20 M)	(\$0.04 M)	(\$0.04 M)
2019-20	(\$1.06 M)	(\$1.06 M)	(\$0.21 M)	(\$0.21 M)	(\$0.04 M)	(\$0.04 M)
2020-21	(\$1.11 M)	(\$1.11 M)	(\$0.22 M)	(\$0.22 M)	(\$0.04 M)	(\$0.04 M)
2021-22	(\$1.14 M)	(\$1.14 M)	(\$0.23 M)	(\$0.23 M)	(\$0.05 M)	(\$0.05 M)

NonSchool

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(\$1.88 M)	(\$1.88 M)	(\$0.38 M)	(\$0.38 M)	(\$0.08 M)	(\$0.08 M)
2018-19	(\$1.97 M)	(\$1.97 M)	(\$0.39 M)	(\$0.39 M)	(\$0.08 M)	(\$0.08 M)
2019-20	(\$2.06 M)	(\$2.06 M)	(\$0.41 M)	(\$0.41 M)	(\$0.08 M)	(\$0.08 M)
2020-21	(\$2.14 M)	(\$2.14 M)	(\$0.43 M)	(\$0.43 M)	(\$0.09 M)	(\$0.09 M)
2021-22	(\$2.20 M)	(\$2.20 M)	(\$0.44 M)	(\$0.44 M)	(\$0.09 M)	(\$0.09 M)

**List of affected Trust Funds:** Ad Valorem Group

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Ad Valorem

**Issue:** Charter Schools/Exemption Clarification – Leases

**Bill Number(s):** HB 7109, Enrolled

**Section 5: Consensus Estimate (Adopted: 06/16/2017): The Conference adopted the low estimate.**

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(*)	(*)	(0.1)	(0.1)	(0.1)	(0.1)
2018-19	(*)	(*)	(0.1)	(0.1)	(0.1)	(0.1)
2019-20	(*)	(*)	(0.1)	(0.1)	(0.1)	(0.1)
2020-21	(*)	(*)	(0.1)	(0.1)	(0.1)	(0.1)
2021-22	(*)	(*)	(0.1)	(0.1)	(0.1)	(0.1)

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)
2018-19	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)
2019-20	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)
2020-21	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)
2021-22	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)

HB7109 - Charter Schools/Exemption Clarification

Parcel	05-12-31-5855-00000-0030
2016 Taxable Value	\$5,241,279
Flagler Millage - Total	20.3887
Flagler Millage - School	6.9532
Flagler Millage - NonSchool	13.4355
Tax Impact - School	\$36,444
Tax Impact- NonSchool	\$70,419

School	Growth - NonResidential	High (5 times Middle)	Middle (5 times low)	Low
2017	6.59	\$971,132	\$194,226	\$38,845
2018	5.13	\$1,020,952	\$204,190	\$40,838
2019	4.25	\$1,064,342	\$212,868	\$42,574
2020	3.89	\$1,105,745	\$221,149	\$44,230
2021	2.75	\$1,136,153	\$227,231	\$45,446

NonSchool	High	Middle	Low
2017	\$1,876,496	\$375,299	\$75,060
2018	\$1,972,760	\$394,552	\$78,910
2019	\$2,056,602	\$411,320	\$82,264
2020	\$2,136,604	\$427,321	\$85,464
2021	\$2,195,361	\$439,072	\$87,814

## REVENUE ESTIMATING CONFERENCE

**Tax:** Ad Valorem

**Issue:** Assisted Living Facilities

**Bill Number** HB 7109

**Entire Bill**

**Partial Bill:** Sections 3 and 4

**Sponsor(s):** Rep. Boyd

**Month/Year Impact Begins:** Applies retroactively to January 1, 2017, first impacting levies in 2017-18

**Date of Analysis:** 6/15/2017

### Section 1: Narrative

- a. **Current Law:** Section 196.012 (9) provides the following definition: (9) "Nursing home" or "home for special services" means an institution which possesses a valid license under chapter 400 on January 1 of the year for which exemption from ad valorem taxation is requested.

Section 196.197 reads: Additional provisions for exempting property used by hospitals, nursing homes, and homes for special services.—In addition to criteria for granting exemptions for charitable use of property set forth in other sections of this chapter, hospitals, nursing homes, and homes for special services shall be exempt to the extent that they meet the following criteria:

(1) The applicant must be a Florida corporation not for profit that has been exempt as of January 1 of the year for which exemption from ad valorem property taxes is requested from federal income taxation by having qualified as an exempt organization under the provisions of s. 501(c)(3) of the Internal Revenue Code of 1954 or of the corresponding section of a subsequently enacted federal revenue act.

(2) In determining the extent of exemption to be granted to institutions licensed as hospitals, nursing homes, and homes for special services, portions of the property leased as parking lots or garages operated by private enterprise shall not be deemed to be serving an exempt purpose and shall not be exempt from taxation. Property or facilities which are leased to a nonprofit corporation which provides direct medical services to patients in a nonprofit or public hospital and qualifies under s. 196.196 of this chapter are excluded and shall be exempt from taxation.

- b. **Proposed Change:** Amends Section 196.012 (9) as follows: (9) "Nursing home" or "home for special services" means an institution ~~that which~~ possesses a valid license under chapter 400 or part I of chapter 429 on January 1 of the year for which exemption from ad valorem taxation is requested.

### Section 2: Description of Data and Sources

Licensed Assisted Living Facilities – Agency for Health Care Administration  
Data from Miami-Dade, Broward, Duval and Lee counties

### Section 3: Methodology (Include Assumptions and Attach Details)

Obtained a list of the licensed Assisted Living Facilities from AHCA. A field of the data identified if the licensed entity was not-for-profit or for profit. Assumed those designated as not-for-profit would be eligible for the proposed exemption. Assumed those identified as for profit would not be eligible. Used parcel level data provided by Broward, Duval and Lee county to calculate a percentage of totally exempt parcels and average taxable value per bed for the facilities identified as taxable. Used the calculated per bed total to generate an average taxable value per bed. In developing this average the analyst excluded a clear outlier value. Multiplied the total number of beds by the calculated percentage of totally exempt parcels. Multiplied the average taxable value per bed by the assumed number of taxable parcels. Added back the value of the outlier less the number of beds for that facility multiplied by the average taxable value per bed. This estimate was used for the low.

For the high, the analyst used this average taxable value per bed to estimate Miami-Dade impact by multiplying the total number of beds in Miami-Dade by the non-exempt percentage and the average taxable value per bed. This calculated amount was then compared to an estimate of the impact provided by Miami-Dade County. The ratio of the calculated exemption to the provided estimate was measured. This ratio (1.6) was multiplied by the low estimate to arrive at the high estimate. The middle estimate is the average of the middle and the high. Non-residential growth rates from the March 7 Ad Valorem Assessment Estimating Conference were applied to simulate growth.

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Ad Valorem

**Issue:** Assisted Living Facilities

**Bill Number** HB 7109

**Section 4: Proposed Fiscal Impact**

**School**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(\$3.3 M)	(\$3.3 M)	(\$2.7 M)	(\$2.7 M)	(\$2.1 M)	(\$2.1 M)
2018-19	(\$3.5 M)	(\$3.5 M)	(\$2.8 M)	(\$2.8 M)	(\$2.2 M)	(\$2.2 M)
2019-20	(\$3.6 M)	(\$3.6 M)	(\$3.0 M)	(\$3.0 M)	(\$2.3 M)	(\$2.3 M)
2020-21	(\$3.8 M)	(\$3.8 M)	(\$3.1 M)	(\$3.1 M)	(\$2.4 M)	(\$2.4 M)
2021-22	(\$3.9 M)	(\$3.9 M)	(\$3.2 M)	(\$3.2 M)	(\$2.5 M)	(\$2.5 M)

**Non-School**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(\$5.2 M)	(\$5.2 M)	(\$4.2 M)	(\$4.2 M)	(\$3.2 M)	(\$3.2 M)
2018-19	(\$5.4 M)	(\$5.4 M)	(\$4.2 M)	(\$4.2 M)	(\$3.4 M)	(\$3.4 M)
2019-20	(\$5.7 M)	(\$5.7 M)	(\$4.2 M)	(\$4.2 M)	(\$3.5 M)	(\$3.5 M)
2020-21	(\$5.9 M)	(\$5.9 M)	(\$4.2 M)	(\$4.2 M)	(\$3.7 M)	(\$3.7 M)
2021-22	(\$6.1 M)	(\$6.1 M)	(\$4.2 M)	(\$4.2 M)	(\$3.8 M)	(\$3.8 M)

**List of affected Trust Funds:** Ad Valorem Group

**Section 5: Consensus Estimate (Adopted: 06/16/2017): The Conference adopted the middle estimate.**

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	0.0	0.0	0.0	0.0	(6.9)	(6.9)	(6.9)	(6.9)
2018-19	0.0	0.0	0.0	0.0	(7.0)	(7.0)	(7.0)	(7.0)
2019-20	0.0	0.0	0.0	0.0	(7.2)	(7.2)	(7.2)	(7.2)
2020-21	0.0	0.0	0.0	0.0	(7.3)	(7.3)	(7.3)	(7.3)
2021-22	0.0	0.0	0.0	0.0	(7.4)	(7.4)	(7.4)	(7.4)

	A	B	C	D	E	F	G	H	I	J	K
1	Facility Type	Name	Street County	Owner	Licensed Beds	Profit Status	Just value	School TV	NonSchool TV	Per bed School TV	Per Bed NonSchool TV
2	ALF	CLOISTERS OF DELAND THE	Volusia	CLOISTERS RHF HOUSING LLC (THE)	220	Not-For-Profit					
3	ALF	EPWORTH VILLAGE RETIREMENT COMMUNITY	Miami-Dade	ALDERGATE RETIRMENT INC	200	Not-For-Profit					
4	ALF	BISHOP'S GLEN RETIREMENT CENTER	Volusia	HOLLY HILL RHF HOUSING INC	189	Not-For-Profit					
5	ALF	HOMESTEAD VILLAGE RETIREMENT COMMUNITY	Escambia	COMMUNITY SENIOR LIFE	180	Not-For-Profit					
6	ALF	JOHN KNOX VILLAGE OF TAMPA BAY	Hillsborough	JOHN KNOX VILLAGE OF TAMPA BAY INC.	175	Not-For-Profit					
7	ALF	GRAND VILLA OF DELRAY EAST	Palm Beach	GVDB OPERATIONS LLC	170	Not-For-Profit					
8	ALF	ARBOR AT SHELL POINT (THE)	Lee	THE CHRISTIAN AND MISSIONARY ALLIANCE FOUND. INC. D/B/A SHELL P	160	Not-For-Profit		\$3,425,136	\$3,425,136	\$21,407	\$21,407
9	ALF	ROBERT H. JENKINS JR. VETERANS DOMICILIARY HOME OF FLORIDA	Columbia	VETERANS' DOMICILIARY HOME OF FL DEPT. OF VET. AFF	150	Not-For-Profit					
10	ALF	WESTCHESTER OF SUNRISE	Broward	ISLF WESTCHESTER OF SUNRISE LLC	150	Not-For-Profit	\$13,176,660	\$13,176,660	\$13,176,660	\$87,844	\$87,844
11	ALF	PALMVIEW AT GULF COAST VILLAGE	Lee	GULF CARE INC.	141	Not-For-Profit		\$0	\$0	\$0	
12	ALF	NORTH FLORIDA RETIREMENT VILLAGE	Alachua	NORTH FLORIDA RETIREMENT VILLAGE INC.	140	Not-For-Profit					
13	ALF	TITUSVILLE TOWERS ALF	Brevard	TITUSVILLE HOUSING AUTHORITY	138	Not-For-Profit					
14	ALF	FLORIDA PRESBYTERIAN HOMES INC.	Polk	FLORIDA PRESBYTERIAN HOMES INC	136	Not-For-Profit					
15	ALF	HAZEL CYPEN TOWER	Miami-Dade	MIAMI JEWISH HEALTH SYSTEMS INC.	132	Not-For-Profit					
16	ALF	KING'S CROWN-SHELL POINT VILLAGE	Lee	THE CHRISTIAN AND MISSIONARY ALLIANCE FOUND. INC. D/B/A SHELL P	130	Not-For-Profit		\$3,660,951	\$3,660,951	\$28,161	\$28,161
17	ALF	SPRINGS AT SHELL POINT RETIREMENT COMMUNITY THE	Lee	THE CHRISTIAN AND MISSIONARY ALLIANCE FOUND. INC. D/B/A SHELL P	130	Not-For-Profit		\$4,961,170	\$4,961,170	\$38,163	\$38,163
18	ALF	MEASE ASSISTED LIVING	Pinellas	MEASE MANOR INC	122	Not-For-Profit					
19	ALF	EAST RIDGE RETIREMENT VILLAGE INC	Miami-Dade	EAST RIDGE RETIREMENT VILLAGE INC.	121	Not-For-Profit					\$0
20	ALF	WESTCHESTER OF WINTER PARK	Orange	ISLF REGENTS PARK WINTER PARK LLC	121	Not-For-Profit					
21	ALF	INN AT UNIVERSITY VILLAGE (THE)	Hillsborough	TALF INC.	120	Not-For-Profit					
22	ALF	FINNISH-AMERICAN VILLAGE	Palm Beach	FINNISH AMERICAN REST HOME INC.	120	Not-For-Profit					
23	ALF	LOVING CARE OF ST PETERSBURG INC	Pinellas	LOVING CARE OF ST PETERSBURG	120	Not-For-Profit					
24	ALF	WESTMINSTER TOWERS & SHORES OF BRADENTON	Manatee	PRESBYTERIAN RETIREMENT COMMUNITIES INC.	117	Not-For-Profit					
25	ALF	TAMPA LIVING CARE	Hillsborough	SUNRISE SENIOR VILLAGE ASSISTED LIVING INC.	116	Not-For-Profit					
26	ALF	MAGNOLIA GARDENS	Pinellas	PALM LAKE VILLAGE HOUSING CORPORATION	110	Not-For-Profit					
27	ALF	ORLANDO LUTHERAN TOWERS	Orange	ORLANDO LUTHERAN TOWERS INC.	109	Not-For-Profit					
28	ALF	SUNSHINE CHRISTIAN HOMES INC.	Pasco	SUNSHINE CHRISTIAN HOMES INC.	108	Not-For-Profit					
29	ALF	FANNIE E. TAYLOR HOME FOR THE AGED-TAYLOR MANOR INC.	Duval	FANNIE E. TAYLOR HOME FOR THE AGED-MANOR INC.	105	Not-For-Profit		\$0			
30	ALF	WESTMINSTER SHORES INC.	Pinellas	WESTMINSTER SHORES INC.	103	Not-For-Profit					
31	ALF	MASONIC HOME OF FLORIDA	Pinellas	MOST WORSHIPFUL GRAND LODGE OF FREE & ACCEPTED MASONS OF FLORIDA	102	Not-For-Profit					
32	ALF	DEERWOOD PLACE	Duval	ISLF DEERWOOD PLACE JACKSONVILLE LLC	102	Not-For-Profit		\$4,451,654	\$4,451,654	\$43,644	\$43,644
33	ALF	TAYLOR HOME	Duval	FANNIE E. TAYLOR HOME FOR THE AGED INC.	102	Not-For-Profit		\$0			
34	ALF	MIAMI-DADE COUNTY	Miami-Dade	MIAMI-DADE COUNTY	101	Not-For-Profit					
35	ALF	BARTRAM LAKES ASSISTED LIVING	Duval	BROOKS SKILLED NURSING FACILITY A INC	100	Not-For-Profit		\$11,021,599	\$11,021,599	\$110,216	\$110,216
36	ALF	BRIDGEWATER AT WATERMAN VILLAGE (THE)	Lake	WATERMAN COMMUNITIES INC.	100	Not-For-Profit					
37	ALF	FLEET LANDING	Duval	NAVAL CONTINUING CARE RETIREMENT FOUNDATION INC	100	Not-For-Profit		\$3,285,805	\$3,285,805	\$32,858	
38	ALF	MATHISON RETIREMENT COMMUNITY INC	Bay	MATHISON RETIREMENT COMMUNITY INC	100	Not-For-Profit					
39	ALF	VILLAGE ON THE ISLE	Sarasota	SOUTHWEST FLORIDA RETIREMENT CENTER. INC.	100	Not-For-Profit					
40	ALF	WESTMINSTER OAKS	Leon	PRESBYTERIAN RETIREMENT COMMUNITIES INC.	100	Not-For-Profit					
41	ALF	INN OF CYPRESS COVE AT HEALTH PARK	Lee	CYPRESS COVE AT HEALTHPARK FLORIDA INC.	99	Not-For-Profit		\$2,253,212	\$2,253,212	\$22,760	\$22,760
42	ALF	VICK STREET MANOR	Charlotte	FAMILY EXTENDED CARE OF PUNTA GORDA INC	98	Not-For-Profit					
43	ALF	CENTURY OAKS SENIOR LIVING	Brevard	FAMILY EXTENDED CARE OF MELBOURNE INC.	95	Not-For-Profit					
44	ALF	WEINBERG VILLAGE	Hillsborough	THE TAMPA JCC/FEDERATION INC	95	Not-For-Profit					
45	ALF	SOLARIS SENIOR LIVING MERRITT ISLAND	Brevard	SOLARIS SENIOR LIVING OF MERRITT ISLAND LLC.	95	Not-For-Profit					
46	ALF	INN ON THE POND	Pinellas	MENORAH MANOR SENIOR LIVING LLC	93	Not-For-Profit					
47	ALF	ST JOSEPH RESIDENCE INC.	Broward	ST JOSEPH RESIDENCE INC.	90	Not-For-Profit	\$10,836,440	\$0	\$0	\$0	
48	ALF	ST MARK VILLAGE INC	Pinellas	ST MARK VILLAGE INC.	88	Not-For-Profit					
49	ALF	INDIGO PALMS	Volusia	INDIGO PALMS LLC	84	Not-For-Profit					
50	ALF	THE ARLINGTON OF NAPLES INC	Collier	THE ARLINGTON OF NAPLES INC	82	Not-For-Profit					

	A	B	C	D	E	F	G	H	I	J	K
1	Facility Type	Name	Street County	Owner	Licensed Beds	Profit Status	Just value	School TV	NonSchool TV	Per bed School TV	Per Bed NonSchool TV
51	ALF	NATIONAL CHURCH RESIDENCES OF BRADENTON FL INC	Manatee	NATIONAL CHURCH OF BRADENTON FLORIDA INC	80	Not-For-Profit					
52	ALF	OAK HAMMOCK AT THE UNIVERSITY OF FLORIDA	Alachua	OAK HAMMOCK AT THE UNIV. OF FL. Inc	80	Not-For-Profit					
53	ALF	ORCHID TERRACE	Collier	THE MOORINGS INCORPORATED	80	Not-For-Profit					
54	ALF	PALM TERRACE ASSISTED LIVING FACILITY & ADULT DAYCARE CENTER	Hillsborough	TAMPA HOUSING AUTHORITY	79	Not-For-Profit					
55	ALF	WESTMINSTER MANOR OF BRADENTON	Manatee	PRESBYTERIAN RETIREMENT COMMUNITIES INC.	79	Not-For-Profit					
56	ALF	LISENBY ON LAKE CAROLINE	Bay	LISENBY LLLP	78	Not-For-Profit					
57	ALF	RENAISSANCE AT THE TERRACES	Lee	BONITA SPRINGS RETIREMENT VILLAGE INC.	78	Not-For-Profit		\$0			
58	ALF	GULF COAST VILLAGE ASSISTED LIVING	Lee	GULF CARE INC.	75	Not-For-Profit		\$965,240	\$965,240	\$12,870	\$12,870
59	ALF	ST MARK ASSISTED LIVING CENTER	Pinellas	ST MARK VILLAGE INC.	75	Not-For-Profit					
60	ALF	SUNSHINE MEADOWS ASSISTED LIVING FACILITY INC	Sarasota	SUNSHINE MEADOWS ASSISTED LIVING FACILITY INC.	75	Not-For-Profit					
61	ALF	WESTMINSTER WINTER PARK	Orange	PRESBYTERIAN RETIREMENT COMMUNITIES INC.	73	Not-For-Profit					
62	ALF	OAKBRIDGE TERRACE AL RESIDENCE AT ST ANDREWS ESTATES	Palm Beach	ACTS RETIREMENT LIFE COMMUNITIES INC	72	Not-For-Profit					
63	ALF	PINES OF SARASOTA	Sarasota	PINES OF SARASOTA INC.	72	Not-For-Profit					
64	ALF	TRADITION OF THE PALM BEACHES (THE)	Palm Beach	THE TRADITION OF THE PALM BEACHES INC.	72	Not-For-Profit					
65	ALF	STILL WATERS WEST	Columbia	STILL WATERS OF LAKE CITY INC.	72	Not-For-Profit					
66	ALF	OAKBRIDGE TERRACE ASSISTED LIVING AT INDIAN RIVER ESTATES	Indian River	ACTS RETIREMENT LIFE COMMUNITIES INC	71	Not-For-Profit					
67	ALF	ANCHIN PAVILION	Sarasota	SARASOTA MANATEE JEWISH HOUSING COUNCIL INC.	70	Not-For-Profit					
68	ALF	HAWTHORN HOUSE	Okaloosa	AIR FORCE ENLISTED VILLAGE INC	70	Not-For-Profit					
69	ALF	HAWTHORNE INN	Polk	FAMILY EXTENDED CARE OF WINTER HAVEN INC.	70	Not-For-Profit					
70	ALF	PAVILION AT BAYVIEW (THE)	St. Johns	ST JOHNS COUNTY WELFARE FEDERATION	69	Not-For-Profit					
71	ALF	HAWTHORNE INN LAKE LAND	Polk	FOURTH FLORIDA LIVING OPTIONS LLC	68	Not-For-Profit					
72	ALF	LAKEVIEW TERRACE ASSISTED LIVING FACILITY	Lake	LAKEVIEW TERRACE HEALTH CARE CENTER LLC	65	Not-For-Profit					
73	ALF	CABOT RESERVE ON THE GREEN	Sarasota	FAMILY EXTENDED CARE OF SARASOTA INC	65	Not-For-Profit					
74	ALF	CRESTVIEW MANOR	Okaloosa	ALTERNATIVE LIVING INC	65	Not-For-Profit					
75	ALF	WATER'S EDGE OF BRADENTON LLC	Manatee	WATER'S EDGE OF BRADENTON LLC	65	Not-For-Profit					
76	ALF	WESLEY HAVEN VILLA INC.	Escambia	WESLEY HAVEN VILLA INC.	65	Not-For-Profit					
77	ALF	JOHN KNOX VILLAGE OF FLORIDA INC.	Broward	JOHN KNOX VILLAGE OF FLORIDA INC.	64	Not-For-Profit	\$63,449,900	\$44,393,470	\$44,393,470	\$693,648	\$693,648
78	ALF	HAWTHORNE INN OF BRANDON	Hillsborough	FLORIDA LIVING OPTIONS	64	Not-For-Profit					
79	ALF	INN AT WATER'S EDGE (THE)	Polk	WATER'S EDGE OF LAKE WALES LLC	60	Not-For-Profit					
80	ALF	JOHN KNOX VILLAGE OF CENTRAL FLORIDA INC.	Volusia	JOHN KNOX VILLAGE OF CENTRAL FLORIDA INC.	60	Not-For-Profit					
81	ALF	BROWARD HOUSE INC.	Broward	BROWARD HOUSE INC.	60	Not-For-Profit	\$2,855,560	\$0	\$0	\$0	
82	ALF	PALM AVENUE BAPTIST TOWER ALF	Hillsborough	PALM AVENUE BAPTIST TOWER	60	Not-For-Profit					
83	ALF	DACIER MANOR	Suwannee	A C V COMMUNITY SERVICES LLC	60	Not-For-Profit					
84	ALF	WESTMINSTER PALMS	Pinellas	PALM SHORES RETIREMENT COMMUNITY INC.	60	Not-For-Profit					
85	ALF	WESTMINSTER SUNCOAST	Pinellas	SUNCOAST MANOR RETIREMENT COMMUNITY INC	60	Not-For-Profit					
86	ALF	WESTMINSTER TOWERS	Orange	PRESBYTERIAN RETIREMENT COMMUNITIES INC.	60	Not-For-Profit					
87	ALF	ST ANNE'S RESIDENCE	Miami-Dade	ST. ANNE'S NURSING CENTER ST. ANNE'S RESIDENCE INC.	60	Not-For-Profit					
88	ALF	MORSELIFE MEMORY CARE RESIDENCE	Palm Beach	JOSEPH L. MORSE HEALTH CENTER INC. THE	58	Not-For-Profit					
89	ALF	COVENANT VILLAGE OF FLORIDA	Broward	COVENANT VILLAGE OF FLORIDA INC .	55	Not-For-Profit	\$5,334,520	\$1,409,930	\$1,222,770	\$22,232	\$22,232
90	ALF	GRACE MANOR ASSISTED LIVING AND MEMORY CARE	Volusia	SNR 23 GRACE MANOR LEASING LLC	54	Not-For-Profit					
91	ALF	GROVES AT ALLIANCE COMMUNITY (THE)	Volusia	THE ALLIANCE COMMUNITY FOR RETIREMENT LIVING INC.	54	Not-For-Profit					
92	ALF	OAKBRIDGE TERRACE AT AZALEA TRACE	Escambia	ACTS RETIREMENT LIFE COMMUNITIES INC	54	Not-For-Profit					
93	ALF	BV ASSISTED LIVING INC.	Brevard	BV ASSISTED LIVING INC	52	Not-For-Profit					
94	ALF	IMPERIAL CLUB	Miami-Dade	AFFORDABLE COMMUNITY HOUSING TRUST-ALPHA INC.	51	Not-For-Profit					
95	ALF	OAKBRIDGE TERRACE ASSISTED LIV RES - EDGEWATER AT BOCA POINTE	Palm Beach	ACTS RETIREMENT LIFE COMMUNITIES INC	51	Not-For-Profit					
96	ALF	INDIGO PALMS AT THE MANOR	Volusia	ALLIANCE FOUNDATION OF FLORIDA INC.	50	Not-For-Profit					
97	ALF	LOURDES PAVILION	Palm Beach	LOURDES NOREEN MCKEEN RESIDENCE FOR GERIATRIC CARE INC	50	Not-For-Profit					
98	ALF	TWIN CITIES PAVILION	Okaloosa	ALTERNATIVE LIVING INC	50	Not-For-Profit					
99	ALF	INN AT LA POSADA	Palm Beach	KC PBG HEALTH CENTER LLC	48	Not-For-Profit					

	A	B	C	D	E	F	G	H	I	J	K
1	Facility Type	Name	Street County	Owner	Licensed Beds	Profit Status	Just value	School TV	NonSchool TV	Per bed School TV	Per Bed NonSchool TV
100	ALF	BISHOP GRADY VILLAS	Osceola	BISHOP GRADY VILLAS INC	48	Not-For-Profit					
101	ALF	RIVERSIDE PRESBYTERIAN HOUSE INC.	Duval	RIVERSIDE PRESBYTERIAN HOUSE INC	46	Not-For-Profit		\$0			
102	ALF	SUMMERFIELD SUITES L.L.C.	Marion	SUMMERFIELD SUITES LLC	46	Not-For-Profit					
103	ALF	GOOD SAMARITAN SOCIETY-FLORIDA LUTHERAN (THE)	Volusia	EVANGELICAL LUTHERAN GOOD SAMARITAN SOCIETY	45	Not-For-Profit					
104	ALF	SUNNYSIDE MANOR	Sarasota	SUNNYSIDE HEALTH SERVICES INC.	45	Not-For-Profit					
105	ALF	GOOD SAMARITAN SOCIETY-KISSIMMEE VILLAGE	Osceola	EVANGELICAL LUTHERAN GOOD SAMARITAN SOCIETY	44	Not-For-Profit					
106	ALF	BAY OAKS HISTORIC RETIREMENT RESIDENCE	Miami-Dade	BAY OAKS HISTORIC RETIREMENT RESIDENCE	41	Not-For-Profit					
107	ALF	JANE ADAMS HOUSE (THE)	Nassau	FAMILY EXTENDED CARE OF AMELIA ISLAND	40	Not-For-Profit					
108	ALF	PARK OF THE PALMS INC.	Clay	PARK OF THE PALMS INC.	40	Not-For-Profit					
109	ALF	PATHWAYS TO CARE INC	Seminole	PATHWAYS TO CARE INC	40	Not-For-Profit					
110	ALF	STRATFORD (THE)	St. Johns	LIFE CARE PONTE VEDRA INC	40	Not-For-Profit					
111	ALF	RENAISSANCE MANOR	Sarasota	COMMUNITY ASSISTED AND SUPPORTED LIVING INC.	38	Not-For-Profit					
112	ALF	RESTHAVEN OF HARDEE COUNTY INC	Hardee	RESTHAVEN OF HARDEE COUNTY INC	38	Not-For-Profit					
113	ALF	BUCKINGHAM SMITH ASSISTED LIVING FACILITY	St. Johns	ST JOHNS COUNTY WELFARE FEDERATION	36	Not-For-Profit					
114	ALF	GLENMOOR	St. Johns	LIFE CARE ST. JOHNS INC.	36	Not-For-Profit					
115	ALF	HACIENDA VILLAS	Hillsborough	HACIENDA VILLAS INC.	36	Not-For-Profit					
116	ALF	JARC-RALES CAMPUS	Palm Beach	JEWISH ASSOCIATION FOR RESIDENTIAL CARE INC	32	Not-For-Profit					
117	ALF	LUTHERAN HAVEN ASSISTED LIVING FACILITY	Seminole	LUTHERAN HAVEN NURSING HOME & ASSISTED LIVING FACILITY LLC	31	Not-For-Profit					
118	ALF	MAYFLOWER ASSISTED LIVING FACILITY	Orange	MAYFLOWER RETIREMENT CENTER INC.	31	Not-For-Profit					
119	ALF	BAY VILLAGE OF SARASOTA INC.	Sarasota	BAY VILLAGE OF SARASOTA INC	30	Not-For-Profit					
120	ALF	THE LODGE AT LUTHERAN HAVEN	Seminole	LUTHERAN HAVEN CONGREGATE CARE LLC.	26	Not-For-Profit					
121	ALF	BELL ROAD HUMAN SERVICES INC.	Gadsden	BELL ROAD HUMAN SERVICES INC	24	Not-For-Profit					
122	ALF	SEAGULL PLACE	Palm Beach	SEAGULL INDUSTRIES FOR THE DISABLED INC.	24	Not-For-Profit					
123	ALF	TOBY WEINMAN ASSISTED LIVING RESIDENCE AT MENORAH MANOR	Pinellas	MENORAH MANOR INC	24	Not-For-Profit					
124	ALF	MARANATHA MANOR INC	Highlands	MARANATHA MANOR INC.	20	Not-For-Profit					
125	ALF	FAMILY CONNECT LIFE INC	Hernando	FAMILY CONNECT LIFE INC	20	Not-For-Profit					
126	ALF	TBI RESIDENTIAL SERVICES INC	Pinellas	TBI RESIDENTIAL SERVICES INC.	20	Not-For-Profit					
127	ALF	SOUTH COUNTY MENTAL HEALTH CENTER INC.	Palm Beach	SOUTH COUNTY MENTAL HEALTH CENTER INC.	18	Not-For-Profit					
128	ALF	FLORIDA BAPTIST RETIREMENT CENTER	Indian River	FLORIDA BAPTIST RETIREMENT CENTER INC.	17	Not-For-Profit					
129	ALF	ADVENT SQUARE	Palm Beach	TRUSTEES OF ADVENT LUTHERAN CHURCH INC. (THE)	16	Not-For-Profit					
130	ALF	BAYSHORE MANOR	Monroe	MONROE COUNTY COMMISSIONERS	16	Not-For-Profit					
131	ALF	HERON THE	Monroe	GUIDANCE/CARE CENTER INC.	16	Not-For-Profit					
132	ALF	GREAT QUALITY ADULT ASSISTED LIVING FACILITY INC	Polk	LILLIE LASTER	16	Not-For-Profit					
133	ALF	SMYRNA WEST ASSISTED LIVING FACILITY	Volusia	APOSTOLIC FAITH TEMPLE INC	16	Not-For-Profit					
134	ALF	ACTS ASSISTED LIVING FACILITY	Hillsborough	AGENCY FOR COMMUNITY TREATMENT SERVICES INC. (ACTS)	15	Not-For-Profit					
135	ALF	WORC HAVEN INC.	Volusia	WORC HAVEN INC.	15	Not-For-Profit					
136	ALF	WORC INC.	Volusia	WORK ORIENTED REHABILITATION CENTER INC.	15	Not-For-Profit					
137	ALF	SIM LODGE	Highlands	SUDAN INTERIOR MISSION INC	15	Not-For-Profit					
138	ALF	ABBAY DELRAY HEALTH CENTER	Palm Beach	LIFESPACE COMMUNITIES INC	14	Not-For-Profit					
139	ALF	LUCILLE'S LOVING CARE	Miami-Dade	LUCILLES LOVING CARE	14	Not-For-Profit					
140	ALF	NEW HORIZONS GROUP HOME	Hillsborough	NEW HORIZONS GROUP HOMES INC	14	Not-For-Profit					
141	ALF	COVE AT THE MARBELLA THE	Collier	MARBELLA SERVICES INC.	14	Not-For-Profit					
142	ALF	FAMILY OF FRIENDS INC (THE)	Seminole	FAMILY OF FRIENDS INC. (THE)	14	Not-For-Profit					
143	ALF	THE ARC OF PUTNAM COUNTY INC	Putnam	ARC OF PUTNAM COUNTY INC (THE)	14	Not-For-Profit					
144	ALF	THE ARC OF PUTNAM COUNTY INC	Putnam	ARC OF PUTNAM COUNTY INC (THE)	14	Not-For-Profit					
145	ALF	COURTENAY OAKS	Brevard	MERRITT ISLAND RHF HOUSING INC.	11	Not-For-Profit					
146	ALF	HOPE ENTERPRISES OF AMERICA INC.	Pinellas	HOPE ENTERPRISES OF AMERICA INC.	10	Not-For-Profit					
147	ALF	KEY TRAINING CENTER	Citrus	CITRUS COUNTY ASSOCIATION FOR RETARDED CITIZENS INC.	10	Not-For-Profit					
148	ALF	KEY TRAINING CENTER	Citrus	CITRUS COUNTY ASSOCIATION FOR RETARDED CITIZENS INC.	10	Not-For-Profit					



	A	B	C	D	E	F	G	H	I	J	K
1	Facility Type	Name	Street County	Owner	Licensed Beds	Profit Status	Just value	School TV	NonSchool TV	Per bed School TV	Per Bed NonSchool TV
149	ALF	PLYMOUTH HARBOR INC.	Sarasota	PLYMOUTH HARBOR INCORPORATED	10	Not-For-Profit					
150	ALF	PONDELLA SERENITY COURT	Lee	PONDELLA SERENITY COURT LLC	10	Not-For-Profit		\$0			
151	ALF	NTM HOMES	Seminole	NEW TRIBES MISSION INC	10	Not-For-Profit					
152	ALF	CIRCLE OF HOPE INC.	Duval	CIRCLE OF HOPE INC.	10	Not-For-Profit		\$105,386	\$105,386	\$10,539	\$10,539
153	ALF	KEY TRAINING CENTER	Citrus	CITRUS COUNTY ASSOCIATION FOR RETARDED CITIZENS INC.	9	Not-For-Profit					
154	ALF	THE ARC OF PUTNAM COUNTY INC	Putnam	ARC OF PUTNAM COUNTY INC (THE)	9	Not-For-Profit					
155	ALF	FRESH HORIZON'S ALF	Indian River	ROCK SERVICES INC	8	Not-For-Profit					
156	ALF	GOOD SAMARITAN HOME LLC	Miami-Dade	ANANIAS Y PIERRE	8	Not-For-Profit					
157	ALF	LITTLE RANCH OF HOPE	Pasco	THE ARC NATURE COAST INC	8	Not-For-Profit					
158	ALF	THE ARC OF PUTNAM COUNTY INC	Putnam	ARC OF PUTNAM COUNTY INC (THE)	8	Not-For-Profit					
159	ALF	L'ARCHE HARBOR HOUSE INC. III	Duval	L'ARCHE JACKSONVILLE INC	7	Not-For-Profit		\$0			
160	ALF	VANDOR GERIATRIC HOMECARE INC.	Broward	VANDOR GERIATRIC HOMECARE INC.	7	Not-For-Profit	\$301,290	\$301,290	\$290,050	\$41,436	\$41,436
161	ALF	ACTS ADULT LIVING FACILITIES LLC	Miami-Dade	ACTS ADULT LIVING FACILITIES LLC	6	Not-For-Profit					
162	ALF	ANGEL HOUSE ASSISTED LIVING INC.	Broward	ANGEL HOUSE ASSISTED LIVING INC.	6	Not-For-Profit	\$291,400	\$0	\$0	\$0	
163	ALF	BAXTER'S ADULT LIVING FACILITY INC	St. Lucie	BAXTER'S ADULT LIVING FACILITY INC	6	Not-For-Profit					
164	ALF	INASMUCH ASSISTED LIVING FACILITY INC	Escambia	INASMUCH ASSISTED LIVING FACILITY INC	6	Not-For-Profit					
165	ALF	INDEPENDENT LIVING WITH CARE INC	St. Lucie	INDEPENDENT LIVING WITH CARE INC	6	Not-For-Profit					
166	ALF	JANUA COELI INC	Miami-Dade	JANUA COELI INC	6	Not-For-Profit					
167	ALF	L'ARCHE HARBOR HOUSE INC. II	Duval	L'ARCHE JACKSONVILLE INC	6	Not-For-Profit		\$0			
168	ALF	GOD ANSWERS PRAYERS- EMMANUEL INC	Marion	GOD ANSWERS PRAYERS- Emmanuel INC	6	Not-For-Profit					
169	ALF	PORT ORANGE ASSISTED LIVING FACILITY	Volusia	DANNA BUDANIO	6	Not-For-Profit					
170	ALF	ROCIOUS HOME FOREVER INC	Miami-Dade	ROCIO'S HOME FOREVER INC	6	Not-For-Profit					
171	ALF	SHARING FACILITY	St. Lucie	SHARING FACILITY INC.	6	Not-For-Profit					
172	ALF	SHARING FACILITY INC 2	Brevard	SHARING FACILITY INC.	6	Not-For-Profit					
173	ALF	MONTANO ASSISTED LIVING FACILITY	Pasco	THE ARC NATURE COAST INC	6	Not-For-Profit					
174	ALF	MOON RIVER ALF LLC	Miami-Dade	MOON RIVER ALF LLC	6	Not-For-Profit					
175	ALF	MYRTLE'S RETIREMENT HOME INC	Miami-Dade	MYRTLE'S RETIREMENT HOME INC.	6	Not-For-Profit					
176	ALF	CLARKE'S ASSISTED LIVING	Brevard	NICHELE CLARKE	6	Not-For-Profit					
177	ALF	ELPA HOME CARE CENTER	Miami-Dade	ELVIRA PAULIN	6	Not-For-Profit					
178	ALF	TOUCHED BY ANGELS ASSISTED OF CARE	Broward	(WANDA) WORKING AGAINST NEGATIVE AND DESTRUCTIVE ALTERNATIVES I	6	Not-For-Profit	96,060	\$0	\$0	\$0	
179	ALF	VERONA'S RETIREMENT HOME II INC	Miami-Dade	VERONA'S RETIREMENT HOME INC.	6	Not-For-Profit					
180	ALF	WORC INC.	Volusia	WORK ORIENTED REHABILITATION CENTER INC.	6	Not-For-Profit					
181	ALF	A & C GOD BLESS ASSISTED LIVING FACILITY	Brevard	A&C GODBLESS ASSISTED LIVING FACILITY LLC	5	Not-For-Profit					
182	ALF	AMAZING WONDERS	Miami-Dade	MIRACLES HOUSE INC.	5	Not-For-Profit					
183	ALF	K'S HAVEN INC.	Broward	K'S HAVEN INC.	5	Not-For-Profit	\$135,990	\$135,990	\$109,640	\$21,928	\$21,928
184	ALF	KEY TRAINING CENTER	Citrus	CITRUS COUNTY ASSOCIATION FOR RETARDED CITIZENS INC.	5	Not-For-Profit					
185	ALF	KINGS HOUSE II	Duval	POWER HOUSE MIRACLE CENTER MINISTRY INC	5	Not-For-Profit		\$64,964	\$64,964	\$12,993	\$12,993
186	ALF	L'ARCHE JACKSONVILLE INC. I (PEACE HOUSE)	Duval	L'ARCHE JACKSONVILLE INC	5	Not-For-Profit		\$0			
187	ALF	GENESIS ASSISTED LIVING FACILITY INC	Gadsden	HELPING HANDS OF NORTH FLORIDA INC	5	Not-For-Profit					
188	ALF	MARRYSHOW HOUSE	Broward	COMMUNITY ACCESS SERVICE	5	Not-For-Profit	\$149,930	\$149,930	\$128,110	\$25,622	\$25,622
189	ALF	THE LOVE CENTER ASSISTED LIVING FACILITY	Brevard	LOVE CENTER CHURCH INC	5	Not-For-Profit					
190	ALF	L'ARCHE JACKSONVILLE INC. IV	Duval	L'ARCHE JACKSONVILLE INC	4	Not-For-Profit		\$0			
191											
192											
193				Subtotal			10,445		sum - Duval, Broward, Lee	\$532,672	
194									average per bed - 3 counties	\$35,511	
195											
196				Exempt Beds - Duval, Broward, Lee			667	35.8%			
197				Taxable Beds			1197	64.2%			

	A	B	C	D	E	F	G	H	I	J	K
1	Facility Type	Name	Street County	Owner	Licensed Beds	Profit Status	Just value	School TV	NonSchool TV	Per bed School TV	Per Bed NonSchool TV
198				total beds - 3 counties			1864				
199											
200				Total beds - all counties			10,445				
201				Assumed Taxable Beds			6707				
202				TV at average TV per bed			\$280,311,749.68	Low			
203											
204				Miami-Dade - total beds			775				
205				Miami Dade Estimate -			498	\$17,673,340			
206				Miami Dade Reported Impact				\$28,245,297		1.6	Miami-Dade reported factor
207											
208				Impact Factored up to reflect Miami-Dade reported impact - High			\$447,990,512.45				
209											
210											
211											
212											
213											
214											
215				Non-Residential Growth Rates - March 7, 2017 Ad Valorem Assessment Estimating Conference							
216					School	High	Middle	Low			
217				2017	6.6%	\$3,321,104	\$2,699,574	\$2,078,045			
218				2018	5.1%	\$3,491,476	\$2,838,062	\$2,184,648			
219				2019	4.3%	\$3,639,864	\$2,958,680	\$2,277,496			
220				2020	3.9%	\$3,781,455	\$3,073,773	\$2,366,091			
221				2021	3.8%	\$3,923,259	\$3,189,039	\$2,454,819			
222					Non-School	High	Middle	Low			
223				2017	6.6%	\$5,168,602	\$4,201,321	\$3,234,041			
224				2018	5.1%	\$5,433,751	\$4,201,321	\$3,399,948			
225				2019	4.3%	\$5,664,685	\$4,201,321	\$3,544,445			
226				2020	3.9%	\$5,885,042	\$4,201,321	\$3,682,324			
227				2021	3.8%	\$6,105,731	\$4,201,321	\$3,820,411			



**Estimated Fiscal Impact of Legislative Changes Regarding Assisted Living Facilities\***  
**Values based on the 2016 Preliminary Assessment Roll**

	Value Change from New ALF Legislation			Operating		Debt Service		Total Impact		Total Properties Considered	Properties Affected
	2016 Taxable Value	Taxable Value After Reduction for Additional Exemption Value	Value Reduction Due to Additional Exemption Value	Millage Rate	Revenue Loss	Millage Rate	Revenue Loss	Millage Rate	Revenue Loss		
<b>MUNICIPALITIES</b>											
01 MIAMI	44,602,305,542	44,602,305,542	0	7.6465	0	0.6435	0	8,2900	0	4	0
DOWNTOWN DEV AUTH	16,681,746,744	16,681,746,744	0	0.4681	0		0	0.4681	0		
02 MIAMI BEACH	34,697,757,108	34,697,757,108	0	5.7092	0	0.1796	0	5.8888	0		
MB NORMANDY SHORES	176,059,811	176,059,811	0	1.0093	0		0	1.0093	0		
03 CORAL GABLES	14,389,132,612	14,389,132,612	0	5.5590	0		0	5.5590	0		
04 HIALEAH	8,533,649,696	8,533,649,696	0	6.3018	0		0	6.3018	0	1	0
05 MIAMI SPRINGS	1,050,756,136	1,050,756,136	0	7.5000	0		0	7.5000	0		
06 NORTH MIAMI	2,603,435,134	2,603,435,134	0	7.5000	0		0	7.5000	0		
07 N. MIAMI BCH	2,330,919,734	2,330,919,734	0	6.5000	0	0.8360	0	7.3360	0		
08 OPA LOCKA	751,530,607	751,530,607	0	10.0000	0		0	10.0000	0		
09 SOUTH MIAMI	1,692,410,228	1,692,410,228	0	4.3000	0		0	4.3000	0		
10 HOMESTEAD	2,316,513,457	2,316,513,457	0	5.9215	0	0.5934	0	6.5149	0		
11 MIAMI SHORES	974,796,046	974,796,046	0	7.9000	0	0.5054	0	8.4054	0		
12 BAL HARBOUR	4,433,731,559	4,433,731,559	0	1.9654	0		0	1.9654	0		
13 BAY HARBOR ISLAND	880,111,322	880,111,322	0	4.4000	0		0	4.4000	0		
14 SURFSIDE	1,689,439,338	1,689,439,338	0	5.0144	0		0	5.0144	0		
15 WEST MIAMI	368,149,163	368,149,163	0	6.8858	0		0	6.8858	0		
16 FLORIDA CITY	460,489,467	460,489,467	0	7.1858	0		0	7.1858	0		
17 BISCAYNE PARK	176,894,419	176,894,419	0	9.7000	0		0	9.7000	0		
18 EL PORTAL	129,830,872	129,830,872	0	8.3000	0		0	8.3000	0		
19 GOLDEN BEACH	952,564,565	952,564,565	0	7.3960	0	1.0040	0	8.4000	0		
20 PINECREST	4,380,870,849	4,380,870,849	0	2.3000	0		0	2.3000	0		
21 INDIAN CREEK	547,987,077	547,987,077	0	6.9500	0		0	6.9500	0		
22 MEDLEY	1,986,106,744	1,986,106,744	0	5.5000	0		0	5.5000	0		
23 NORTH BAY VILLAGE	959,707,508	959,707,508	0	4.8432	0	0.7108	0	5.5540	0		
24 KEY BISCAYNE	8,339,284,877	8,339,284,877	0	3.0000	0		0	3.0000	0		
25 SWEETWATER	1,557,673,900	1,557,673,900	0	4.5000	0		0	4.5000	0		
26 VIRGINIA GARDENS	243,065,483	243,065,483	0	5.1500	0		0	5.1500	0		
27 HIALEAH GARDENS	1,091,423,081	1,091,423,081	0	5.1613	0		0	5.1613	0		
28 AVENTURA	9,901,694,244	9,896,618,298	5,075,946	1.7261	8,762		0	1.7261	8,762	1	1
31 SUNNY ISLES	10,111,428,895	10,111,428,895	0	2.4000	0		0	2.4000	0		
32 MIAMI LAKES	2,809,602,232	2,809,602,232	0	2.3353	0		0	2.3353	0		
33 PALMETTO BAY	2,659,717,359	2,659,717,359	0	2.3292	0		0	2.3292	0		
34 MIAMI GARDENS	3,840,502,830	3,840,207,847	294,983	6.9363	2,046	1.1571	341	8.0934	2,387	2	1
35 DORAL	11,134,952,688	11,134,952,688	0	1.9000	0		0	1.9000	0		
36 CUTLER BAY	2,234,838,286	2,212,441,592	22,396,694	2.3907	53,544		0	2.3907	53,544	1	1
<b>TOTAL MUNICIPAL IMPACT</b>					<b>64,351</b>			<b>341</b>	<b>64,693</b>		
<b>COUNTY</b>											
30 COUNTY-WIDE	251,337,011,475	251,308,766,178	28,245,297	4.6669	131,818	0.4000	11,298	5.0669	143,116	13	6
U.M.S.A.	66,613,469,754	66,612,992,140	477,614	1.9283	921		0	1.9283	921	4	3
FIRE-RESCUE	140,871,793,499	140,843,548,262	28,245,237	2.4207	68,373	0.0075	212	2.4282	68,585	8	6
LIBRARY	230,877,177,404	230,848,932,167	28,245,237	0.2840	8,022		0	0.2840	8,022	12	6
<b>TOTAL COUNTY IMPACT</b>					<b>209,134</b>			<b>11,510</b>	<b>220,644</b>		
<b>OTHERS</b>											
S.F.W.M.D.	253,337,152,718	253,308,907,421	28,245,297	0.1359	3,839		0	0.1359	3,839	13	6
EVERGLADES CONS PROJ	253,337,152,718	253,308,907,481	28,245,237	0.0471	1,330		0	0.0471	1,330	13	6
OKEECHOBEE BASIN	253,337,152,718	253,308,907,481	28,245,237	0.1477	4,172		0	0.1477	4,172	13	6
F.I.N.D.	253,337,152,718	253,308,907,481	28,245,237	0.0320	904		0	0.0320	904	13	6
THE CHILDREN'S TRUST	253,337,152,718	253,308,907,481	28,245,237	0.5000	14,123		0	0.5000	14,123	13	6
SCHOOL BOARD	284,845,924,926	284,817,495,236	28,429,690	7.1380	202,931	0.1840	5,231	7.3220	208,162	13	7

\*Four properties identified would not qualify for this exemption based on ownership. They have been excluded in this analysis.

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## REVENUE ESTIMATING CONFERENCE

**Tax:** Ad Valorem

**Issue:** Low Income Housing Ad Valorem Relief

**Bill Number(s):** HB 7109, Enrolled

**Entire Bill**

**Partial Bill:** Section 6

**Sponsor(s):** N/A

**Month/Year Impact Begins:** January 1, 2018

**Date of Analysis:** 6/16/2017

### Section 1: Narrative

- a. **Current Law:** Article VII, Section 3 (a) of the Florida Constitution provides: All property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation. A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are used predominantly for educational, literary, scientific, religious or charitable purposes may be exempted by general law from taxation.

Section 196.195, Florida Statutes, provides: Determining profit or nonprofit status of applicant. —

(1) Applicants requesting exemption shall supply such fiscal and other records showing in reasonable detail the financial condition, record of operation, and exempt and nonexempt uses of the property, where appropriate, for the immediately preceding fiscal year as are requested by the property appraiser or the value adjustment board.

(2) In determining whether an applicant for a religious, literary, scientific, or charitable exemption under this chapter is a nonprofit or profitmaking venture or whether the property is used for a profitmaking purpose, the following criteria shall be applied:

(a) The reasonableness of any advances or payment directly or indirectly by way of salary, fee, loan, gift, bonus, gratuity, drawing account, commission, or otherwise (except for reimbursements of advances for reasonable out-of-pocket expenses incurred on behalf of the applicant) to any person, company, or other entity directly or indirectly controlled by the applicant or any officer, director, trustee, member, or stockholder of the applicant;

(b) The reasonableness of any guaranty of a loan to, or an obligation of, any officer, director, trustee, member, or stockholder of the applicant or any entity directly or indirectly controlled by such person, or which pays any compensation to its officers, directors, trustees, members, or stockholders for services rendered to or on behalf of the applicant;

(c) The reasonableness of any contractual arrangement by the applicant or any officer, director, trustee, member, or stockholder of the applicant regarding rendition of services, the provision of goods or supplies, the management of the applicant, the construction or renovation of the property of the applicant, the procurement of the real, personal, or intangible property of the applicant, or other similar financial interest in the affairs of the applicant;

(d) The reasonableness of payments made for salaries for the operation of the applicant or for services, supplies and materials used by the applicant, reserves for repair, replacement, and depreciation of the property of the applicant, payment of mortgages, liens, and encumbrances upon the property of the applicant, or other purposes; and

(e) The reasonableness of charges made by the applicant for any services rendered by it in relation to the value of those services, and, if such charges exceed the value of the services rendered, whether the excess is used to pay maintenance and operational expenses in furthering its exempt purpose or to provide services to persons unable to pay for the services.

(3) Each applicant must affirmatively show that no part of the subject property, or the proceeds of the sale, lease, or other disposition thereof, will inure to the benefit of its members, directors, or officers or any person or firm operating for profit or for a nonexempt purpose.

(4) No application for exemption may be granted for religious, literary, scientific, or charitable use of property until the applicant has been found by the property appraiser or, upon appeal, by the value adjustment board to be nonprofit as defined in this section.

## REVENUE ESTIMATING CONFERENCE

**Tax:** Ad Valorem

**Issue:** Low Income Housing Ad Valorem Relief

**Bill Number(s):** HB 7109, Enrolled

Section 196.196, Florida Statutes, provides, in part:

- (1) In the determination of whether an applicant is actually using all or a portion of its property predominantly for a charitable, religious, scientific, or literary purpose, the following criteria shall be applied:
  - (a) The nature and extent of the charitable, religious, scientific, or literary activity of the applicant, a comparison of such activities with all other activities of the organization, and the utilization of the property for charitable, religious, scientific, or literary activities as compared with other uses.
  - (b) The extent to which the property has been made available to groups who perform exempt purposes at a charge that is equal to or less than the cost of providing the facilities for their use. Such rental or service shall be considered as part of the exempt purposes of the applicant.
- (2) Only those portions of property used predominantly for charitable, religious, scientific, or literary purposes shall be exempt. In no event shall an incidental use of property either qualify such property for an exemption or impair the exemption of an otherwise exempt property.
- (4) Except as otherwise provided herein, property claimed as exempt for literary, scientific, religious, or charitable purposes which is used for profitmaking purposes shall be subject to ad valorem taxation. Use of property for functions not requiring a business or occupational license conducted by the organization at its primary residence, the revenue of which is used wholly for exempt purposes, shall not be considered profit making. In this connection the playing of bingo on such property shall not be considered as using such property in such a manner as would impair its exempt status.

Section 196.1978, Florida Statutes, provides:

Affordable housing property exemption.—Property used to provide affordable housing to eligible persons as defined by s. 159.603 and natural persons or families meeting the extremely-low-income, very-low-income, low-income, or moderate-income limits specified in s. 420.0004, which is owned entirely by a nonprofit entity that is a corporation not for profit, qualified as charitable under s. 501(c)(3) of the Internal Revenue Code and in compliance with Rev. Proc. 96-32, 1996-1 C.B. 717, is considered property owned by an exempt entity and used for a charitable purpose, and those portions of the affordable housing property that provide housing to natural persons or families classified as extremely low income, very low income, low income, or moderate income under s. 420.0004 are exempt from ad valorem taxation to the extent authorized under s. 196.196. All property identified in this section must comply with the criteria provided under s. 196.195 for determining exempt status and applied by property appraisers on an annual basis. The Legislature intends that any property owned by a limited liability company which is disregarded as an entity for federal income tax purposes pursuant to Treasury Regulation 301.7701-3(b)(1)(ii) be treated as owned by its sole member.

- b. Proposed Change:** The proposed language creates a new subsection (2) to section 196.1978, which reads:
  - (2)(a) Notwithstanding ss. 196.195 and 196.196, property in a multifamily project that meets the requirements of this paragraph is considered property used for a charitable purpose and shall receive a 50 percent discount from the amount of ad valorem tax otherwise owed beginning with the January 1 assessment after the 15th completed year of the term of the recorded agreement on those portions of the affordable housing property that provide housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004. The multifamily project must:
    1. Contain more than 70 units that are used to provide affordable housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004; and
    2. Be subject to an agreement with the Florida Housing Finance Corporation recorded in the official records of the county in which the property is located to provide affordable housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004.

This discount terminates if the property no longer serves extremely-low-income, very-low-income, or low-income persons pursuant to the recorded agreement.

- (b) To receive the discount under paragraph (a), a qualified applicant must submit an application to the county property appraiser by March 1.

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Ad Valorem

**Issue:** Low Income Housing Ad Valorem Relief

**Bill Number(s):** HB 7109, Enrolled

(c) The property appraiser shall apply the discount by reducing the taxable value on those portions of the affordable housing property that provide housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004 before certifying the tax roll to the tax collector.

1. The property appraiser shall first ascertain all other applicable exemptions, including exemptions provided pursuant to local option, and deduct all other exemptions from the assessed value.
  2. Fifty percent of the remaining value shall be subtracted to yield the discounted taxable value.
  3. The resulting taxable value shall be included in the certification for use by taxing authorities in setting millage.
  4. The property appraiser shall place the discounted amount on the tax roll when it is extended.

**Section 2: Description of Data and Sources**

Data on affordable housing from Florida Housing Finance Corporation

2016 Real Property taxrolls

2016-17 Ad valorem Millage rates

NonResidential Appreciation rates from December 2, 2016 Ad Valorem Assessment Estimating Conference.

**Section 3: Methodology (Include Assumptions and Attach Details)**

Obtained data from the Florida Housing Finance Corporation that provided those affordable housing complexes that were subject to agreements to provide affordable housing that were recorded in the public records. Data also provided for each affordable housing complex the number of total units, the number of affordable units, the number of market rate units, and the year in which the agreement to provide affordable housing began. The data also included the address of the property and in some cases the parcel number. Data was matched with the tax roll by identifying the properties by either name, address, or parcel number. 613 properties out of 735 were matched. Once matched, the TV for that portion that was affordable was calculated by dividing the number of affordable units by the total number of units. This percentage was applied to the school and taxable value for the matched parcels. In order to extrapolate to the population, the number of matched affordable units was divided by the total affordable units. The impacted taxable value was divided by the percent of total units that were matched to approximate statewide impact.

As any property that was beyond the 15<sup>th</sup> year of the agreement would be subject to the discount in the first year, the TV for properties that had entered into an agreement through 2001 was summed. This sum was then multiplied by 0.5 to obtain the discounted amount. This amount was grown to 2017-18 by using the non-residential real property appreciation rates from the December 2, 2016 Ad Valorem Assessment Estimating Conference. For future years, a newly eligible cohort was added to the prior year impact, again using the aforementioned appreciation rates. 2016-17 school and non-school millage rates were applied to obtain tax impacts.

The low impact assumed that those entities that were designated as non-profit (general partner non-profit and limited for profit partners) made a choice at the 16<sup>th</sup> year to restructure in such a way as they would be exempt under the current s. 196.1978 provision) This assumption was only made for those entities that entered the 16<sup>th</sup> year during the forecast period.

**Section 4: Proposed Fiscal Impact**

School

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18			\$0	(\$10.4M)	\$0	(\$10.4 M)
2018-19			(\$10.4 M)	(\$10.4 M)	(\$10.4 M)	(\$10.4 M)
2019-20			(\$12.4 M)	(\$12.4 M)	(\$12.4 M)	(\$12.4 M)
2020-21			(\$13.8 M)	(\$13.8 M)	(\$13.7 M)	(\$13.7 M)
2021-22			(\$14.8 M)	(\$14.8 M)	(\$14.8 M)	(\$14.8 M)

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Ad Valorem

**Issue:** Low Income Housing Ad Valorem Relief

**Bill Number(s):** HB 7109, Enrolled

NonSchool

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18			\$0	(\$15.4 M)	\$0	(\$15.4 M)
2018-19			(\$15.4 M)	(\$15.4 M)	(\$15.4 M)	(\$15.4 M)
2019-20			(\$18.4 M)	(\$18.4 M)	(\$18.3 M)	(\$18.3 M)
2020-21			(\$20.6 M)	(\$20.6 M)	(\$20.4 M)	(\$20.4 M)
2021-22			(\$22.1 M)	(\$22.1 M)	(\$22.1 M)	(\$22.0 M)

**List of affected Trust Funds:** Ad Valorem Group

**Section 5: Consensus Estimate (Adopted: 06/16/2017):** The Conference adopted the middle estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	0.0	0.0	0.0	0.0	0.0	(25.8)	0.0	(25.8)
2018-19	0.0	0.0	0.0	0.0	(25.8)	(25.8)	(25.8)	(25.8)
2019-20	0.0	0.0	0.0	0.0	(30.8)	(30.8)	(30.8)	(30.8)
2020-21	0.0	0.0	0.0	0.0	(34.5)	(34.5)	(34.5)	(34.5)
2021-22	0.0	0.0	0.0	0.0	(36.9)	(36.9)	(36.9)	(36.9)



	A	B	C	D	E	F	G	H	I	J	K	L	M
1													
2	2016-17 School Millage		6.955										
3	2016-17 Non-School Millage		10.824										
4													
5	Matched Data - FHFC and Taxrolls					Florida Housing Finance Corporation Data							
6	Date of Affordability agreement	Sum of TV Impact School	Sum of TV Impact - NonSchool	Number of properties	Date of Affordability agreement	Total Number of Properties	Total Affordable Units	Matched affordable units	Percent matched	Estimated Impact - School TV	Estimated Impact - NonSchool TV		
7	1967	\$1,507,000	\$1,507,000	1	1967	1	100	100	100.0%	\$1,507,000	\$1,507,000		
8	1969	\$1,991,005	\$1,991,005	1	1969	3	264	230	87.1%	\$2,285,327	\$2,285,327		
9	1970	\$5,778,554	\$5,769,704	2	1970	2	301	301	100.0%	\$5,778,554	\$5,769,704		
10	1971	\$12,298,654	\$11,256,582	4	1971	4	440	440	100.0%	\$12,298,654	\$11,256,582		
11	1972	\$14,248,880	\$14,248,880	6	1972	7	1226	1007	82.1%	\$17,347,693	\$17,347,693		
12	1973	\$16,023,456	\$14,971,432	6	1973	7	599	599	100.0%	\$16,023,456	\$14,971,432		
13	1974	\$15,811,669	\$12,979,069	4	1974	5	500	500	100.0%	\$15,811,669	\$12,979,069		
14	1977	\$9,465,000	\$9,350,000	1	1977	1	140	140	100.0%	\$9,465,000	\$9,350,000		
15	1979	\$5,681,873	\$5,681,873	4	1979	4	419	419	100.0%	\$5,681,873	\$5,681,873		
16	1980	\$6,055,710	\$6,055,710	2	1980	2	226	226	100.0%	\$6,055,710	\$6,055,710		
17	1981	\$2,950,600	\$2,950,600	4	1981	4	501	501	100.0%	\$2,950,600	\$2,950,600		
18	1982	\$74,480	\$74,480	2	1982	2	182	182	100.0%	\$74,480	\$74,480		
19	1983	\$26,345,900	\$26,345,900	5	1983	5	753	753	100.0%	\$26,345,900	\$26,345,900		
20	1984	\$10,191,920	\$7,608,838	2	1984	2	198	198	100.0%	\$10,191,920	\$7,608,838		
21	1985	\$30,076,876	\$27,465,807	2	1985	3	1047	826	78.9%	\$38,124,079	\$34,814,407		
22	1986	\$2,534,450	\$2,534,450	1	1986	1	116	116	100.0%	\$2,534,450	\$2,534,450		
23	1988	\$3,322,820	\$3,322,820	3	1988	3	321	321	100.0%	\$3,322,820	\$3,322,820		
24	1989	\$21,916,282	\$21,455,413	5	1989	5	629	629	100.0%	\$21,916,282	\$21,455,413		
25	1990	\$40,183,190	\$37,123,811	8	1990	13	2048	1229	60.0%	\$66,961,085	\$61,862,949		
26	1991	\$53,045,748	\$52,772,345	9	1991	13	2376	1448	60.9%	\$87,041,918	\$86,593,295		
27	1992	\$97,024,897	\$95,366,422	15	1992	18	3655	3347	91.6%	\$105,953,391	\$104,142,298		
28	1993	\$188,091,738	\$181,031,534	27	1993	39	7477	5774	77.2%	\$243,568,051	\$234,425,490		
29	1994	\$97,694,092	\$93,662,174	22	1994	29	4916	3676	74.8%	\$130,648,573	\$125,256,596		
30	1995	\$97,717,960	\$89,992,920	17	1995	19	3393	3184	93.8%	\$104,132,235	\$95,900,119		
31	1996	\$94,385,388	\$88,918,350	18	1996	20	3414	2974	87.1%	\$108,349,602	\$102,073,721		
32	1997	\$249,656,345	\$232,459,450	37	1997	42	8022	7284	90.8%	\$274,951,016	\$256,011,767		
33	1998	\$310,070,202	\$294,399,340	43	1998	46	10086	9578	95.0%	\$326,515,772	\$310,013,755		
34	1999	\$366,759,314	\$334,615,024	50	1999	56	12307	11225	91.2%	\$402,111,971	\$366,869,230		
35	2000	\$389,789,708	\$380,377,947	54	2000	68	14778	11859	80.2%	\$485,733,393	\$474,005,000		
36	2001	\$281,109,305	\$275,526,799	44	2001	53	11066	9240	83.5%	\$336,661,858	\$329,976,143		
37	2002	\$400,615,725	\$390,443,383	66	2002	73	13748	12635	91.9%	\$435,905,420	\$424,837,010		
38	2003	\$264,764,380	\$259,562,755	38	2003	45	8786	7531	85.7%	\$308,885,917	\$302,817,470		
39	2004	\$156,443,890	\$148,009,805	37	2004	44	7573	6105	80.6%	\$194,062,174	\$183,600,041		
40	2005	\$166,650,951	\$161,666,554	38	2005	48	6579	5587	84.9%	\$196,240,667	\$190,371,265		
41	2006	\$95,153,163	\$91,401,696	34	2006	42	4892	3826	78.2%	\$121,664,734	\$116,868,033		
42	2007	\$98,140,560	\$96,010,819	32	2007	32	3679	3235	87.9%	\$111,610,238	\$109,188,192		
43	Grand Total	\$3,633,571,685	\$3,478,910,689	644	total	761	136757	113990		\$4,238,713,483	\$3,951,935,480		

	A	B	C	D	E	F	G	H	I	J	K	L	M
44													
45	Affordability Restriction Expirations												
46	Cohort year	End Year	Adjusted School TV	Adjusted County TV	Total Units	Affordable Units	School TV	County TV					
47	1990	2020	\$4,713,600	\$4,713,600	100	100	\$4,713,600	\$4,713,600					
48	1990	2020	\$7,575,438	\$6,053,794	155	155	\$7,575,438	\$6,053,794					
49	1990	2021	\$4,906,690	\$4,906,690	172	172	\$4,906,690	\$4,906,690					
50	1991	2021	\$8,300,014	\$8,058,634	184	184	\$8,300,014	\$8,058,634					
51	2002	2021	\$9,142,676	\$9,142,676	245	202	\$11,088,890	\$11,088,890					
52													
53													
54													
55													
56													
57	Non-Residential JV Appreciation Rates		Compound Appreciation Factor										
58	2017	4.33											
59	2018	3.13	1.07596										
60	2019	2.62	1.10415										
61	2020	2.41	1.13076										
62	2021	2.43	1.15823										
63													
64	Impact - TV	School	Non-School										
65	2017-18	0	0										
66	2018-19	\$1,497,315,121	\$1,425,899,842										
67	2019-20	\$1,778,688,456	\$1,699,083,322										
68	2020-21	\$1,989,033,121	\$1,904,832,167										
69	2021-22	\$2,133,744,338	\$2,041,738,871										
70													
71	Tax Impact	School	Non-School	total	total cash	total recurring							
72	2017-18	0	0	0	0	\$	(25.8)	(25.8)					
73	2018-19	\$10,413,827	\$15,433,940	\$25,847,767	\$	(25.8)	(25.8)						
74	2019-20	\$12,370,778	\$18,390,878	\$30,761,656	\$	(30.8)	(30.8)						
75	2020-21	\$13,833,725	\$20,617,903	\$34,451,629	\$	(34.5)	(34.5)						
76	2021-22	\$14,840,192	\$22,099,782	\$36,939,973	\$	(36.9)	(36.9)						
77													

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Article V Fees  
**Issue:** School Bus Safety  
**Bill Number(s):** HB 1239

- Entire Bill**  
 **Partial Bill:** Sections 2,3 and 4

**Sponsor(s):** Rep. Eagle  
**Month/Year Impact Begins:** July 1, 2017  
**Date of Analysis:** 6/9/2017

**Section 1: Narrative**

- a. Current Law:** Under S. 316.772, F.S., vehicles are required to stop for any school bus displaying a stop signal and a driver that fails to stop commits a moving violation. Under Sections 316.027 and 318.18 F.S., various fines and penalties are provided to school bus moving violations.
- b. Proposed Change:** The bill creates Cameron Mayhew Act and creates the following additional penalties for failing to stop for a school bus resulting in serious bodily injury or death:
- Establishes a fine of \$1500;
  - Requires suspension of driver license for 1 year by the Department of Highway Safety and Motor Vehicles(DHSMV);
  - Increases points on a driver license for moving violations resulting in injury or death from 4 to 6;
  - May require attendance of a DHSMV course relating to rights of vulnerable users on the roadway.

**Section 2: Description of Data and Sources**

House Staff Analysis  
 Department of Highway Safety and Motor Vehicles Analysis

**Section 3: Methodology**

There were 2186 school bus violations in 2015 and 2424 school bus violations in 2016. Year to date there are 724 school bus violations. In 2015 there were 5 suspensions and in 2016 there was only 1 suspension. The cost for DHSMV approved course for vulnerable users ranges between \$15-\$40. DHSMV receives \$2.50 from each student taking a course. The cost for reinstatement of suspension is \$45, which is paid to the Department and \$263 paid to the clerks, along with the \$1500 fine. Of the \$45, \$30 is deposited in the HSOTF and \$15 in GR.

The bill may increase revenues from the \$1500 fine and the additional suspension.

**Section 4: Proposed Fiscal Impact**

General Revenue

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18			*	*		
2018-19			*	*		
2019-20			*	*		
2020-21			*	*		
2021-22			*	*		

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Article V Fees

**Issue:** School Bus Safety

**Bill Number(s):** HB 1239

Highway Safety Operating Trust Fund

Various State Trust Funds

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18			*	*		
2018-19			*	*		
2019-20			*	*		
2020-21			*	*		
2021-22			*	*		

**List of affected Trust Funds:**

General Revenue

Highway Safety Operating Trust Fund

**Section 5: Consensus Estimate (Adopted 06/16/2017):** The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	Insignificant	Insignificant	Insignificant	Insignificant	0.0	0.0	Insignificant	Insignificant
2018-19	Insignificant	Insignificant	Insignificant	Insignificant	0.0	0.0	Insignificant	Insignificant
2019-20	Insignificant	Insignificant	Insignificant	Insignificant	0.0	0.0	Insignificant	Insignificant
2020-21	Insignificant	Insignificant	Insignificant	Insignificant	0.0	0.0	Insignificant	Insignificant
2021-22	Insignificant	Insignificant	Insignificant	Insignificant	0.0	0.0	Insignificant	Insignificant

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Corporate Income Tax

**Issue:** Corporate Income Tax – Research and Development Tax Credit

**Bill Number(s):** HB 7109

**Entire Bill**

**Partial Bill:** Section 33

**Sponsor(s):** Representative Boyd

**Month/Year Impact Begins:** July 1, 2017

**Date of Analysis:** June 16, 2017

**Section 1: Narrative**

**a. Current Law:** 220.196 Research and development tax credit.—

(2) TAX CREDIT. Subject to the limitations contained in paragraph (e), a business enterprise is eligible for a credit against the tax imposed by this chapter if the business enterprise has qualified research expenses in this state in the taxable year exceeding the base amount and, for the same taxable year, claims and is allowed a research credit for such qualified research expenses under 26 U.S.C. s. 41.

(a) The tax credit shall be 10 percent of the excess qualified research expenses over the base amount. However, the maximum tax credit for a business enterprise that has not been in existence for at least 4 taxable years immediately preceding the taxable year is reduced by 25 percent for each taxable year for which the business enterprise, or a predecessor corporation that was a business enterprise, did not exist.

(b) The credit taken in any taxable year may not exceed 50 percent of the business enterprise's remaining net income tax liability under this chapter after all other credits have been applied under s. 220.02(8).

(c) Any unused credit authorized under this section may be carried forward and claimed by the taxpayer for up to 5 years.

(d) The combined total amount of tax credits which may be granted to all business enterprises under this section during any calendar year is \$9 million.

**b. Proposed Change:** (e) The combined total amount of tax credits which may be granted to all business enterprises under this section during any calendar year is \$9 million, except the total amount that may be awarded in calendar year ~~2018-2016~~ is \$16.5 ~~\$23~~ million. Applications may be filed with the department on or after March 20 and before March 27 for qualified research expenses incurred within the preceding calendar year. If the total, and credits for all applicants exceed the maximum amount allowed pursuant to this paragraph, the credits shall be allocated on a prorated basis.

**Section 2: Description of Data and Sources**

**Section 3: Methodology (Include Assumptions and Attach Details)**

It is assumed the total amount of \$7.5 Million will be granted using a ratio agreed upon in a prior conference with \$5.4 million in Fiscal year 2017-18 and \$2.1 Million in Fiscal Year 2018-19.

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18			(\$5.4m)			
2018-19			(\$2.1m)			
2019-20						
2020-21						
2021-22						

**List of affected Trust Funds:** General Revenue

**Section 5: Consensus Estimate (Adopted: 06/16/2017): The Conference adopted the proposed estimate.**

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(5.4)	0.0	0.0	0.0	0.0	0.0	(5.4)	0.0
2018-19	(2.1)	0.0	0.0	0.0	0.0	0.0	(2.1)	0.0
2019-20	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2020-21	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2021-22	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Corporate Income Tax

**Issue:** Extension Length for Calendar Year Taxpayers

**Bill Number(s):** HB 7099

**Entire Bill**

**Partial Bill:** Sections 3 and 4

**Sponsor(s):** Rep. Cortez

**Month/Year Impact Begins:** 10/1/2017

**Date of Analysis:** 6/14/2017

**Section 1: Narrative**

- a. Current Law:** Section 220.222 (2) reads: (2)(a) When a taxpayer has been granted an extension or extensions of time within which to file its federal income tax return for any taxable year, and if the requirements of s. [220.32](#) are met, the filing of a request for such extension or extensions with the department shall automatically extend the due date of the return required under this code until the expiration of 6 months from the original due date.
- (b) The department may grant an extension or extensions of time for the filing of any return required under this code upon receiving a prior request therefor if good cause for an extension is shown. However, the aggregate extensions of time under paragraph (a) and this paragraph must not exceed 6 months. An extension granted under this paragraph is not valid unless the taxpayer complies with s. [220.32](#).
- (c) For purposes of this subsection, a taxpayer is not in compliance with s. [220.32](#) if the taxpayer underpays the required payment by more than the greater of \$2,000 or 30 percent of the tax shown on the return when filed.
- (d) For taxable years beginning before January 1, 2026, the 6-month time period in paragraphs (a) and (b) shall be 7 months for taxpayers with a taxable year ending June 30 and shall be 5 months for taxpayers with a taxable year ending December 31.
- b. Proposed Change:** The bill revises section 220.222(2)(d) as follows: (d) For taxable years beginning before January 1, 2026, the 6-month time period in paragraphs (a) and (b) shall be 7 months for taxpayers with a taxable year ending June 30 ~~and shall be 5 months for taxpayers with a taxable year ending December 31.~~

**Section 2: Description of Data and Sources**

**Section 3: Methodology (Include Assumptions and Attach Details)**

The change will shift the extension period for Calendar year filers from September 30 to October 31. Because this shift happens within a given fiscal year and does not result in a shift in any other month, there is no impact from this change on an annual basis. Revenues on a fiscal year basis will remain unchanged.

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18			\$0	\$0		
2018-19			\$0	\$0		
2019-20			\$0	\$0		
2020-21			\$0	\$0		
2021-22			\$0	\$0		

**List of affected Trust Funds:**

None

**Section 5: Consensus Estimate (Adopted: 06/16/2017): The Conference adopted the proposed estimate.**

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2018-19	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2019-20	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2020-21	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2021-22	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Documentary Stamp Tax

**Issue:** Redirects the \$75 million annually from State Economic Enhancement and Development Trust Fund (SEED) to GR

**Bill Number(s):** HB 5501 and HB1A (2017A Special Session)

**Entire Bill**

**Partial Bill:** Section 14

**Sponsor(s):** Transportation and Tourism Appropriations Subcommittee; Ingram

**Month/Year Impact Begins:** July 1, 2017

**Date of Analysis:** 06/16/2017

**Section 1: Narrative**

**a. Current Law:** s. 201.15(4)(a) provides that the lesser of 24.18442 percent of the remainder (after the distribution to the LATF and the GR service charge) or \$541.75 million in each fiscal year shall be paid into the State Treasury to the credit of the State Transportation Trust Fund. Of such funds, \$75 million for each fiscal year shall be transferred to the State Economic Enhancement and Development Trust Fund within the Department of Economic Opportunity.

**b. Proposed Change:** Section 14 redirects the \$75 million annually from the SEED to GR.

**Section 2: Description of Data and Sources**

- GR conference/Documentary Stamp Tax Packages.

**Section 3: Methodology (Include Assumptions and Attach Details)**

Changes regarding the Documentary Stamp Tax distribution due to HS5501 are straightforward (\$75 million is directed from the SEED Trust Fun to GR)

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash GR/TF	Recurring GR/TF	Cash	Recurring
2017-18			\$75/(\$75)	\$75/(\$75)		
2018-19			\$75/(\$75)	\$75/(\$75)		
2019-20			\$75/(\$75)	\$75/(\$75)		
2020-21			\$75/(\$75)	\$75/(\$75)		
2021-22			\$75/(\$75)	\$75/(\$75)		

**List of affected Trust Funds:**

State Economic Enhancement and Development Trust Fund  
General Revenue Fund

**Section 5: Consensus Estimate (Adopted: 06/16/2017): The Conference adopted the proposed estimate.**

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	75.0	75.0	(75.0)	(75.0)	0.0	0.0	0.0	0.0
2018-19	75.0	75.0	(75.0)	(75.0)	0.0	0.0	0.0	0.0
2019-20	75.0	75.0	(75.0)	(75.0)	0.0	0.0	0.0	0.0
2020-21	75.0	75.0	(75.0)	(75.0)	0.0	0.0	0.0	0.0
2021-22	75.0	75.0	(75.0)	(75.0)	0.0	0.0	0.0	0.0

**Documentary Stamp Tax Collections and Distributions (Millions)**

**General Revenue Conference March 2017**

Statutory %s	§ Cap	F.S Reference	Description	2015-16*	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
			Total Collection	2276.87	2393.00	2500.60	2603.00	2695.50	2792.40	2893.00	2998.50	3105.70	3210.20	3311.60	3414.20
		201.15	DOR Admin Cost	9.80	9.80	9.80	9.80	9.80	9.80	9.80	9.80	9.80	9.80	9.80	9.80
			Remainder available for distribution	2267.07	2383.20	2490.80	2593.20	2685.70	2782.60	2883.20	2988.70	3095.90	3200.40	3301.80	3404.40
		(1)	Debt Service (deposited to LATF)	<b>170.00</b>	<b>170.19</b>	<b>165.95</b>	<b>166.01</b>	<b>166.16</b>	<b>166.12</b>	<b>144.76</b>	<b>133.86</b>	<b>113.79</b>	<b>113.75</b>	<b>90.44</b>	<b>70.16</b>
			- Florida Forever		145.17	142.82	142.81	142.78	142.78	121.24	110.19	90.00	89.84	72.93	52.51
			- Everglades Restoration Bonds Prior to July 1, 2016		25.02	23.12	23.21	23.38	23.34	23.53	23.67	23.79	23.91	17.51	17.65
		(2)	Land Acquisition Trust Fund (1+2+3+4+5)	<b>576.95</b>	<b>616.27</b>	<b>656.01</b>	<b>689.75</b>	<b>720.12</b>	<b>752.14</b>	<b>806.70</b>	<b>852.41</b>	<b>907.86</b>	<b>942.38</b>	<b>999.15</b>	<b>1053.29</b>
25.00%	200.00	375.041(3)(b)1.	1. Everglades Projects / Comp Everglades Rest Plan		154.07	164.00	172.44	180.03	188.04	200.00	200.00	200.00	200.00	200.00	200.00
		375.041(3)(b)1.	+++ South Florida Water Management District		32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00
76.50%	100.00	375.041(3)(b)1.	+++ Planning, Engineering and Construction		93.38	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
		375.041(3)(b)1.	+++ Remaining Everglades Purposes		28.69	32.00	40.44	48.03	56.04	68.00	68.00	68.00	68.00	100.00	100.00
7.60%	50.00	375.041(3)(b)2.	2. Spring Restoration, Protection & Management		46.84	49.86	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
		375.041(3)(b)3.	3. Lake Apopka / St. Johns Water Management District		5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
		375.041(3)(b)	4. Debt Service / Bonds Post July 1, 2016 [pursuant to 375.041(3)(b)]		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		Residual	5. Uncommitted Cash Based on Statutory Provisions		410.37	437.15	462.31	485.09	509.11	551.70	597.41	652.86	687.38	744.15	803.29
33.00%		(3)	Total to Land Acquisition Trust Fund	<b>746.95</b>	<b>786.46</b>	<b>821.96</b>	<b>855.76</b>	<b>886.28</b>	<b>918.26</b>	<b>951.46</b>	<b>986.27</b>	<b>1021.65</b>	<b>1056.13</b>	<b>1089.59</b>	<b>1123.45</b>
			Remainder	1516.54	1596.74	1668.84	1737.44	1799.42	1864.34	1931.74	2002.43	2074.25	2144.27	2212.21	2280.95
8.00%		215.20(1)	General Revenue Service Charge	122.11	128.52	134.29	139.78	144.74	149.93	155.32	160.98	166.72	172.33	177.76	183.26
		201.15(4)	Net Available for Distribution	1394.43	1468.22	1534.55	1597.66	1654.68	1714.41	1776.42	1841.45	1907.53	1971.94	2034.45	2097.69
	75.00	(a)	State Economic Enhancement and Development Trust Fund (DEO)	75.00	75.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
24.18%	541.75	(a)	State Transportation Trust Fund	262.23	280.08	296.12	311.38	325.17	339.62	354.62	370.34	386.33	401.90	417.02	432.31
0.15%	3.25	(b)	Grants and Donations Trust Fund (DEO)	2.03	2.14	2.23	2.33	2.41	2.50	2.59	2.68	2.78	2.87	2.96	3.05
	35.00	(c)	State Economic Enhancement and Development Trust Fund (DEO)	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00
5.62%		(c)	State Housing Trust Fund	60.87	65.01	68.74	72.29	75.49	78.85	82.33	85.99	89.70	93.32	96.84	100.39
5.62%		(c)	Local Government Housing Trust Fund	60.87	65.01	68.74	72.29	75.49	78.85	82.33	85.99	89.70	93.32	96.84	100.39
	40.00	(d)	State Economic Enhancement and Development Trust Fund (DEO)	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00
1.62%		(d)	State Housing Trust Fund	17.54	18.73	19.80	20.82	21.74	22.71	23.71	24.76	25.83	26.87	27.88	28.90
11.31%		(d)	Local Government Housing Trust Fund	122.76	131.11	138.62	145.76	152.21	158.96	165.98	173.34	180.81	188.10	195.17	202.33
0.02%	0.30	(e)	General Inspection Trust Fund	0.24	0.25	0.26	0.27	0.28	0.29	0.30	0.30	0.30	0.30	0.30	0.30
			Total to Trust Funds (Except LATF)	676.54	712.33	669.51	700.14	727.79	756.78	786.86	818.40	850.45	881.68	912.01	942.67
		(6)	Remainder To General Revenue Fund	744.12	755.89	865.04	897.52	926.89	957.63	989.56	1023.05	1057.08	1090.26	1122.44	1155.02

\* The actual FY 2015-16 distribution numbers do not add up to the total collection receipts due to timing issues related to transfers that occurred at the end of the fiscal year.



## REVENUE ESTIMATING CONFERENCE

**Tax:** Local Taxes and Fees

**Issue:** Prohibits certain types of local government fees related to building inspection services, contractor-related licensure, local permitting, and water connections for a fire sprinkler system.

**Bill Number(s):** CS/CS/HB 1021

**Entire Bill**

**Partial Bill:** (Sections 7, 10, 14, and 15)

**Sponsor(s):** Commerce Committee, Appropriations Committee and Representative Avila

**Month/Year Impact Begins:** July 1, 2017

**Date of Analysis:** June 16, 2017

### Section 1: Narrative

#### a. Current Law:

##### Local Government Fees

Section 553.80, F.S., provides that, except for construction regarding correctional and mental health facilities, elevators, storage facilities, educational institutions, and toll collection facilities, each local government and each legally constituted enforcement district with statutory authority shall regulate building construction. Section 553.80(7), F.S., authorizes local governments to provide a schedule of consistent reasonable fees to be used solely for carrying out the local government's responsibilities in enforcing the Florida Building Code (i.e., the Code). The basis for the fee structure must relate to the level of service provided by the local government.

Local governments have created fee schedules to be submitted by contractors at the time of application for a building permit. These fees include inspection fees, plan examination fees, site examination fees, building permit fees (based on square footage of the building), and various administrative fees including re-permitting fees, time extension fees, re-inspection fees, and licensing fees. Local governments may not require additional fees for: 1) providing proof of licensure pursuant to ch. 489, F.S.; 2) recording or filing a license issued; and 3) providing, recording, or filing evidence of workers' compensation insurance coverage required by ch. 440, F.S.

Private providers are licensed engineers and architects who are able to provide building plans, perform building code inspections within the scope of the provider's license, and prepare certificates of compliance. For purposes of performing inspections for additions and alterations that are limited to 1,000 square feet or less in residential buildings, the term "private provider" also includes building officials, inspectors, and plans examiners. Currently, when an owner or contractor hires a private provider to perform plans examination or inspection services that would otherwise be done by the local jurisdiction's official, the owner or contractor is often required to pay the permitting fee to the local jurisdiction resulting in the owner or contractor paying twice for such inspections.

##### Fire Prevention and Control

Florida's fire prevention and control law, ch. 633, F.S., designates the state's Chief Financial Officer (CFO) as the State Fire Marshal. The State Fire Marshal, through the Division of State Fire Marshal within the Department of Financial Services (DFS), is charged with enforcing the provisions of ch. 633, F.S., and all other applicable laws relating to fire safety and has the responsibility to minimize the loss of life and property in this state due to fire.

One of the duties of the State Fire Marshal is to adopt by rule the Florida Fire Prevention Code (FFPC), which contains all fire safety laws and rules that pertain to the design, construction, erection, alteration, modification, repair, and demolition of public and private buildings, structures, and facilities and the enforcement of such fire safety laws and rules, at ch. 69A-60, F.A.C. The State Fire Marshal adopts a new edition of the FFPC every three years.

State law requires all municipalities, counties, and special districts with fire safety responsibilities to enforce the FFPC as the minimum fire prevention code to operate uniformly among local governments and in conjunction with the Code. These local enforcing authorities may adopt more stringent fire safety standards, subject to certain requirements in s. 633.208, F.S., but may not enact fire safety ordinances which conflict with ch. 633, F.S., or any other state law.

#### b. Proposed Change:

##### Local Government Fees

Section 7 of the bill amends s. 553.791, F.S., to provide that it is the intent of the Legislature that owners and contractors should not be required to pay extra costs by local governments related to building permitting when hiring a private provider for building inspection services. The bill requires a local government to calculate their costs savings when an owner or contractor

## REVENUE ESTIMATING CONFERENCE

**Tax:** Local Taxes and Fees

**Issue:** Prohibits certain types of local government fees related to building inspection services, contractor-related licensure, local permitting, and water connections for a fire sprinkler system.

**Bill Number(s):** CS/CS/HB 1021

hires a private provider to perform building inspection services in lieu of the local government's building official, and to reduce fees accordingly.

Section 10 of the bill amends s. 553.80, F.S., to provide that dependent and independent special districts may not require additional fees at any time for: 1) providing proof of licensure pursuant to ch. 489, F.S.; 2) recording or filing a license issued; or 3) providing, recording, or filing evidence of workers' compensation insurance coverage required by ch. 440, F.S.

Section 15 of the bill prohibits a local government from requiring an owner of a residence to obtain a permit to paint their residence regardless if the owner is a limited liability company.

### **Fire Prevention and Control**

Section 14 of the bill amends s. 633.208, F.S., to prohibit local governments including utility providers from requiring an impact fee or payment for a separate water connection for a fire sprinkler system for a one or two family dwelling if the dwelling's original water connection can meet the needs of the sprinkler system. The separate water connection may only be used for a fire sprinkler system. If it is used for other purposes then full charges may be applied.

Additionally, this section prohibits a local government from charging a water or sewer rate for a larger water meter for a one or two family dwelling because of the installation of a fire sprinkler system above that which is charged to a one-family and two-family dwelling with a base meter. However, if the installation of fire sprinklers in a one-family or two-family dwelling requires the installation of a larger water meter, only the difference in actual cost between the base water meter and the larger water meter may be charged by the water utility provider.

### **Section 2: Description of Data and Sources**

House of Representatives Final Bill Analysis

EDR survey of county and municipal governments

### **Section 3: Methodology (Include Assumptions and Attach Details)**

EDR sent an e-mail survey to county and municipal governments on June 9, 2017, to ask if the local government would be fiscally impacted by Sections 7, 10, 14, and 15 of the bill. PDFs of the legislation and final bill analysis were included with the survey. If a negative fiscal impact was anticipated, the local government was asked to report estimated revenue losses in FY 2017-18 resulting from the relevant section(s) of the bill. Fifteen of 66 county governments, excluding consolidated Jacksonville-Duval County, (i.e., 23%) and 51 of 411 municipal governments, including City of Jacksonville, (i.e., 12%) responded to the EDR survey (see attached summaries).

Those county and municipal governments responding to the survey reported anticipated FY 2017-18 fiscal impacts totaling (\$247,500) and (\$1,025,700), respectively. The anticipated county and municipal FY 2017-18 revenue losses are each projected into the remainder of the forecast period using compound annual growth rates calculated from FY 2009-10 through FY 2014-15 building permit fee revenues reported by county and municipal governments via their Annual Financial Reports (i.e., Revenue Account 322.000). The combined total of the separate county and municipal forecasts resulted in the Low Estimate.

Based on the assumption that the anticipated FY 2017-18 revenue losses provided by the local government survey responders are representative of the county and municipal governments that did not respond to the survey, the FY 2017-18 High Estimate extrapolates the corresponding Low Estimate to a statewide total based on population. The FY 2017-18 Middle Estimate is half of the difference between the corresponding High and Low Estimates added to the Low Estimate. The FY 2017-18 High and Middle Estimates are each projected into the remainder of the forecast period using the same compound annual growth rate methodology described above.

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Local Taxes and Fees

**Issue:** Prohibits certain types of local government fees related to building inspection services, contractor-related licensure, local permitting, and water connections for a fire sprinkler system.

**Bill Number(s):** CS/CS/HB 1021

**Section 4: Proposed Fiscal Impact (Millions \$)**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(9.8)	(9.8)	(5.6)	(5.6)	(1.3)	(1.3)
2018-19	(11.0)	(11.0)	(6.5)	(6.5)	(1.5)	(1.5)
2019-20	(12.3)	(12.3)	(7.6)	(7.6)	(1.7)	(1.7)
2020-21	(13.8)	(13.8)	(8.9)	(8.9)	(2.0)	(2.0)
2021-22	(15.4)	(15.4)	(10.5)	(10.5)	(2.3)	(2.3)

**List of Affected Trust Funds:** Local funds only.

**Section 5: Consensus Estimate (Adopted: 06/16/2017): The Conference adopted the middle estimate.**

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	0.0	0.0	0.0	0.0	(5.6)	(5.6)	(5.6)	(5.6)
2018-19	0.0	0.0	0.0	0.0	(6.5)	(6.5)	(6.5)	(6.5)
2019-20	0.0	0.0	0.0	0.0	(7.6)	(7.6)	(7.6)	(7.6)
2020-21	0.0	0.0	0.0	0.0	(8.9)	(8.9)	(8.9)	(8.9)
2021-22	0.0	0.0	0.0	0.0	(10.5)	(10.5)	(10.5)	(10.5)

	A	B	C	D	E	F	G	H	
1	<b>Fiscal Impact Analysis of CS/CS/HB 1021 - Construction</b>								
2									
3	<b>I. Estimated Revenue Losses in FY 2017-18</b>								
4									
5		<b>County Governments</b>				<b>Municipal Governments</b>			
6	<b>Source</b>	<b>Revenue</b>				<b>Revenue</b>			
7	From Survey	\$ (247,500)				\$ (1,025,700)			
8									
9									
10	<b>II. Permits, Fees, and Special Assessments - Building Permit Fees (Revenue Account # 322.000) Reported by County and Municipal Governments in Annual Financial Reports (AFRs)</b>								
11									
12		<b>County Governments</b>				<b>Municipal Governments</b>			
13	<b>FY</b>	<b>Revenue</b>		<b>% Chg.</b>		<b>Revenue</b>		<b>% Chg.</b>	
14	2004-05	\$ 298,220,550		-		\$ 335,729,367		-	
15	2005-06	\$ 288,465,361		-3.3%		\$ 358,581,943		6.8%	
16	2006-07	\$ 223,053,352		-22.7%		\$ 301,678,179		-15.9%	
17	2007-08	\$ 177,390,453		-20.5%		\$ 242,535,696		-19.6%	
18	2008-09	\$ 136,098,245		-23.3%		\$ 178,016,617		-26.6%	
19	2009-10	\$ 133,206,376		-2.1%		\$ 182,914,104		2.8%	
20	2010-11	\$ 150,189,137		12.7%		\$ 214,111,725		17.1%	
21	2011-12	\$ 166,255,958		10.7%		\$ 261,431,534		22.1%	
22	2012-13	\$ 184,547,187		11.0%		\$ 308,143,275		17.9%	
23	2013-14	\$ 202,353,067		9.6%		\$ 356,098,113		15.6%	
24	2014-15	\$ 232,730,667		15.0%		\$ 403,181,440		13.2%	
25									
26									
27	<b>III. Compound Annual Growth Rate (CAGR) Calculated from Historical Building Permit Fee Collections</b>								
28									
29	<b>CAGR</b>		<b>County Govts</b>			<b>Municipal Govts</b>			
30	2009-10 to 2014-15		11.8%			17.1%			
31									
32									
33	<b>IV. County and Municipal Revenue Losses Projected into the Forecast Period Using the Compound Annual Growth Rate (CAGR) Based on the Historical Building Permit Fee Collections</b>								
34									
35	<b>FY</b>	<b>County Governments</b>				<b>Municipal Governments</b>			
36	2017-18	\$ (247,500)			-	\$ (1,025,700)			
37	2018-19	\$ (276,720)			11.8%	\$ (1,201,354)			
38	2019-20	\$ (309,390)			11.8%	\$ (1,407,089)			
39	2020-21	\$ (345,917)			11.8%	\$ (1,648,057)			
40	2021-22	\$ (386,757)			11.8%	\$ (1,930,292)			
41									
42									
43	<b>V. Estimated Revenue Losses (Millions \$)</b>								
44									
45		<b>High</b>			<b>Middle</b>		<b>Low</b>		
46	<b>Assumption</b>	<i>Low Estimate Survey Responses Extrapolated to Statewide Total Based on Population</i>			<i>Half of the Difference Between the High and Low Estimates Added to the Low Estimate</i>		<i>Sum Total of County and Municipal Survey Responses</i>		
47	<b>FY</b>	<b>Cash</b>		<b>Recurring</b>	<b>Cash</b>		<b>Recurring</b>	<b>Cash</b>	
48	2017-18	(\$9.8)		(\$9.8)	(\$5.6)		(\$5.6)	(\$1.3)	
49	2018-19	(\$11.0)		(\$11.0)	(\$6.5)		(\$6.5)	(\$1.5)	
50	2019-20	(\$12.3)		(\$12.3)	(\$7.6)		(\$7.6)	(\$1.7)	
51	2020-21	(\$13.8)		(\$13.8)	(\$8.9)		(\$8.9)	(\$2.0)	
52	2021-22	(\$15.4)		(\$15.4)	(\$10.5)		(\$10.5)	(\$2.3)	

### County Government Survey Responses to Select Sections of 2017 CS/CS/HB 1021

County	2016 Population	What is the county's estimate of the FY 2017-18 negative fiscal impact, if any, resulting from each of the separate changes identified in the bill sections below?			
		Section 7	Section 10	Section 14	Section 15
Bradford	27,440	No impact	No impact	No impact - county does not provide such utility services.	No impact
Brevard	568,919	Minimal impact	No impact	Pending further review	No impact
Citrus	143,054	No impact	No impact	Minimal impact	No impact
Flagler	103,095	No impact	No impact	No impact	No impact
Hardee	27,637	Indeterminate impact	No impact	Insignificant impact	No impact
Hendry	38,370	Minimal impact	No impact	No impact	No impact
Highlands	101,531	Indeterminate impact	\$ (40,000)	No impact	No impact
Hillsborough	1,352,797	No impact	No impact	No impact	No impact
Leon	287,671	Indeterminate impact	No impact	No impact	No impact
Madison	19,238	No prior use of private providers; however, it could result in revenue losses if practice becomes common.	No impact	No impact	No impact
Marion	345,749	No impact	No impact	Minimal impact	No impact
Orange	1,280,387	No impact	No impact	\$ (200,000)	No impact
Sarasota	399,538	Minimal impact	No impact	Pending further review	No impact
Sumter	118,577	No impact	No impact	No impact	No impact
Volusia	517,411	\$ (7,500)	No impact	No impact	Possible impact but interpretation of provision is unclear.
<b>County Total</b>	<b>5,331,414</b>	<b>\$ (7,500)</b>	<b>\$ (40,000)</b>	<b>\$ (200,000)</b>	<b>\$ -</b>
<b>Statewide Pop.</b>	<b>20,148,654</b>				
<b>% of Statewide</b>	<b>26%</b>				
<b>County Gov't Response Rate</b>	<b>23%</b>				
<b>Low Estimate - Cumulative Fiscal Impact from Survey Responses</b>				<b>\$</b>	<b>(247,500)</b>
<b>High Estimate - Low Estimate Extrapolated to Statewide Total Based on Population</b>				<b>\$</b>	<b>(935,360)</b>
					<b>(\$0.9)</b>
<b>Middle Estimate - Half of the Difference between High and Low Estimates Added to the Low Estimate</b>				<b>\$</b>	<b>(591,430)</b>
					<b>(\$0.6)</b>

Source: EDR's June 2017 e-mail survey of county governments.

## Municipal Government Survey Responses to Select Sections of 2017 CS/CS/HB 1021

Municipality	County	2016 Population	What is the municipality's estimate of the FY 2017-18 negative fiscal impact, if any, resulting from each of the separate changes identified in the bill sections below?			
			Section 7	Section 10	Section 14	Section 15
Altamonte Springs	Seminole	43,905	No impact	No impact	No impact	No impact
Atlantis	Palm Beach	2,001	Minimal impact	No impact	No impact	\$ (4,000)
Belleair Beach	Pinellas	1,563	No impact	No impact	No impact	No impact
Bellevue	Marion	4,874	No impact	No impact	No additional impact fee for additional meter; city bills on usage rather than size of meter.	No impact
Blountstown	Calhoun	2,472	No impact	No impact	No impact	No impact
Bradenton Beach	Manatee	1,183	Minimal impact	No impact	No impact - water service provided by the county.	No impact
Bunnell	Flagler	2,921	Potentially significant impact	No impact	Pending further review	No impact
Campbellton	Jackson	222	No impact	No impact	No impact	Indeterminate impact
Century	Escambia	1,539	No impact	No impact	No impact	\$ (100)
Clearwater	Pinellas	112,387	City provides such applicants with a 33% discount.	No impact	No response provided	No impact
Coral Gables	Miami-Dade	49,449	No impact	No impact	Negligible impact	\$ (150,000)
Coral Springs	Broward	126,264	No impact	No impact	No impact	No impact
DeLand	Volusia	31,792	Indeterminate impact	No impact	No impact	No impact
Dunnellon	Marion	1,768	\$ (4,800)	No impact	No impact	No impact
Estero	Lee	30,565	\$ (200,000)	Minimal impact	No impact	No impact
Glen Ridge	Palm Beach	218	No impact	No impact	No impact	No impact
Golf	Palm Beach	256	City contracts with a private firm to do these inspections so any impacts would be passed along to property owner.	No impact	No impact	No impact
Gulfport	Pinellas	12,315	Minimal impact	No impact	No impact	No impact
Hampton	Bradford	485	No impact - county handles building permits.	No impact	No impact	No impact
Havana	Gadsden	1,752	No impact	No impact	Negative impact of \$250 per installation. Currently, not aware of any such systems for a one or two family dwelling.	No impact
Highland Beach	Palm Beach	3,600	No impact	No impact	No impact	No impact
Indian Harbour Beach	Brevard	8,446	Potential loss of 50-75% of permit revenue if all permits utilize a private provider.	No impact	No impact - the City of Melbourne supplies our water.	No impact
Kissimmee	Osceola	68,401	\$ (350,000)	No impact	No impact	Service provided by separate utility - no impact
Lady Lake	Lake	14,687	\$ (82,000)	\$ (9,700)	No impact	No impact
Lake Park	Palm Beach	8,640	\$ (180,000)	\$ (2,500)	No impact	No impact
Lauderhill	Broward	70,677	Anticipated 25% decrease in building permit revenue.	\$ (1,000)	No impact	No impact
Longwood	Seminole	14,897	Minimal impact	No impact	No impact	Pending further review
Maccleddy	Baker	6,450	No impact	No impact	No impact	No impact
Moore Haven	Glades	1,672	No impact	No impact	No impact	No impact
Mount Dora	Lake	13,949	No impact	No impact	No impact	No impact
Niceville	Okaloosa	14,122	No impact	No impact	No impact	No impact
North Bay Village	Miami-Dade	8,949	Indeterminate impact	No impact	No response provided	No response provided
Orange Park	Clay	8,606	No impact	No impact	\$ (600)	No impact
Otter Creek	Levy	122	No impact	No impact	No impact	No impact
Pensacola	Escambia	53,690	No impact	No impact	No impact	No impact
Pierson	Volusia	1,694	No impact	No impact	No impact	No impact
Pinellas Park	Pinellas	52,497	No impact	No impact	No impact	No impact
Port St. Lucie	St. Lucie	178,091	No impact	No impact	Indeterminate impact	No impact
Punta Gorda	Charlotte	18,368	Insignificant impact	Insignificant impact	Insignificant impact	Insignificant impact

**Municipal Government Survey Responses to Select Sections of 2017 CS/CS/HB 1021**

Municipality	County	2016 Population	What is the municipality's estimate of the FY 2017-18 negative fiscal impact, if any, resulting from each of the separate changes identified in the bill sections below?			
			Section 7	Section 10	Section 14	Section 15
Redington Beach	Pinellas	1,448	Indeterminate impact	No impact	No impact	Indeterminate impact
Rockledge	Brevard	26,303	\$ (41,000)	No impact	No impact	No impact
Safety Harbor	Pinellas	17,269	Indeterminate impact	No impact	No impact	No impact
San Antonio	Pasco	1,236	No anticipated impact	Small to modest impact	Small to modest impact	No anticipated impact
Sebastian	Indian River	23,732	No impact	No impact	No impact	No impact
Seminole	Pinellas	18,440	Indeterminate impact	No impact	No impact	No impact
Sopchoppy	Wakulla	466	No impact	No impact	No impact	No impact
South Bay	Palm Beach	5,293	No impact	No impact	No impact	No impact
Temple Terrace	Hillsborough	25,820	Inspection fee is calculated within permit fee itself. If bill passes, we will need to reconfigure.	No impact	No	No prior experience with this type of water connection request.
Tequesta	Palm Beach	5,699	No impact	No impact	No response provided	No impact
Treasure Island	Pinellas	6,805	Contractual firm performs such services; unclear what fiscal impact might be.	No impact	No measurable impact	Negligible impact
Weston	Broward	66,526	Indeterminate impact	No impact	No impact	No impact
<b>Municipal Total</b>		<b>1,174,526</b>	<b>\$ (857,800)</b>	<b>\$ (13,200)</b>	<b>\$ (600)</b>	<b>\$ (154,100)</b>
<b>Statewide Municipal Pop.</b>		<b>10,203,629</b>				
<b>% of Statewide Municipal Pop.</b>		<b>12%</b>				
<b>Municipal Gov't Response Rate</b>		<b>12%</b>				
<b>Low Impact - Cumulative Fiscal Impact from Survey Responses</b>						<b>\$ (1,025,700)</b>
<b>High Estimate - Low Estimate Extrapolated to Statewide Total Based on Population</b>						<b>\$ (8,910,711)</b> <b>(\$8.9)</b>
<b>Middle Estimate - Half of the Difference between High and Low Estimates Added to the Low Estimate</b>						<b>\$ (4,968,206)</b> <b>(\$5.0)</b>
Source: EDR's June 2017 e-mail survey of municipal governments.						

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Other Taxes and Fees

**Issue:** Cosmetic Product Registration

**Bill Number(s):** CS/HB 211 (enrolled)

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Latvala

**Month/Year Impact Begins:** July 1, 2017

**Date of Analysis:** June 6, 2017

**Section 1: Narrative**

- a. Current Law:** The DBPR Division of Drugs, Devices, and Cosmetics administers ch. 499, F.S., the Florida Drug and Cosmetic Act, which regulates cosmetics that are manufactured and repackaged in Florida. Applicants for a cosmetic manufacturer permit must complete and submit an application and pay a fee of \$800 for a biennial permit and a \$150 pre-inspection fee. (Section 499.041(1)(c), F.S., provides that the cosmetic manufacturer permit may not be less than \$250 or more than \$400 annually). Cosmetics manufactured, packaged, or repackaged in Florida must be registered, and the registration fee is \$30. Registrations must be renewed every 2 years. The division also will issue, upon request by a manufacturer, a Certificate of Free Sale (COFS), a document that verifies that products being exported are freely marketed without restriction and are approved for sale in the United States and Florida. These certificates are also available from Enterprise Florida or the federal FDA.
- b. Proposed Change:** The bill removes the requirement that cosmetic manufacturers register cosmetics with the division, and deletes the range of fees required for cosmetic manufacturers. Cosmetic manufacturers will continue to be regulated, and the Division may assess a fee sufficient to cover the costs of administering the cosmetic manufacturer program. It also removes the Division’s authority to issue COFSs.

**Section 2: Description of Data and Sources**

The House of Representatives Final bill Analysis for CS/HB 211

DBPR, Division of Drugs, Devices, and Cosmetics, data on Product Registrations and Revenue and COFS Revenue

**Section 3: Methodology (Include Assumptions and Attach Details)**

From FY 2012-13 through FY 2015-16 Cosmetic Product Registrations revenue grew from \$103,320 to \$128,280. Assuming that future revenues would continue to grow at the same compound growth rate (7.48%), the fiscal impact of repealing registration fees is (\$0.2) million throughout the forecast period. COFS revenue fell during that period, but the division assumed it would continue at the same level as FY 2015-16 (\$2,778) which does not affect the estimate.

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18			(\$0.2)	(\$0.2)		
2018-19			(\$0.2)	(\$0.2)		
2019-20			(\$0.2)	(\$0.2)		
2020-21			(\$0.2)	(\$0.2)		
2021-22			(\$0.2)	(\$0.2)		

**List of affected Trust Funds:** Professional Regulation TF, General Revenue Fund (service charge)

**Section 5: Consensus Estimate (Adopted: 06/16/2017): The Conference adopted the proposed estimate.**

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(Insignificant)	(Insignificant)	(0.2)	(0.2)	0.0	0.0	(0.2)	(0.2)
2018-19	(Insignificant)	(Insignificant)	(0.2)	(0.2)	0.0	0.0	(0.2)	(0.2)
2019-20	(Insignificant)	(Insignificant)	(0.2)	(0.2)	0.0	0.0	(0.2)	(0.2)
2020-21	(Insignificant)	(Insignificant)	(0.2)	(0.2)	0.0	0.0	(0.2)	(0.2)
2021-22	(Insignificant)	(Insignificant)	(0.2)	(0.2)	0.0	0.0	(0.2)	(0.2)



## HB 211 Cosmetic Products Registration and Certificates of Free Sale

	FY 2012-13	FY 2013-14	FY2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Cosmetic Products Registration compound growth rate	\$ 103,320	\$ 113,640	\$ 110,415	\$ 128,280	\$ 137,874	\$ 148,187	\$ 159,270	\$ 171,182	\$ 183,985	\$ 197,746
				7.48%						
COFS	\$ 10,862	\$ 7,862	\$ 7,952	\$ 2,778	\$ 2,778	\$ 2,778	\$ 2,778	\$ 2,778	\$ 2,778	\$ 2,778
Total Revenue	\$ 114,182	\$ 121,502	\$ 118,367	\$ 131,058	\$ 140,652	\$ 150,965	\$ 162,048	\$ 173,960	\$ 186,763	\$ 200,524

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Other Taxes and Fees

**Issue:** Fee Waiver for Birth Certificates Issued to Certain Juvenile Offenders

**Bill Number(s):** CS/CS/HB 7059

**Entire Bill**

**Partial Bill:** Section 1

**Sponsor(s):** Grant, J.

**Month/Year Impact Begins:** October 1, 2017

**Date of Analysis:** June 9, 2017

**Section 1: Narrative**

**a. Current Law:**

DOH shall waive all fees required for a certified copy of a birth certificate issued for purposes of an adult inmate acquiring a state identification card before release.

DJJ has a memorandum of Understanding with the DOH Office of Vital Statistics that allows DJJ to assist in securing a birth certificate to obtain a state identification card for a reduced fee of \$9.

**b. Proposed Change:**

The fee waiver is extended to include juveniles in the custody or under supervision of the Department of Juvenile Justice and receiving services under s. 985.461, F.S. – Transition to Adulthood.

**Section 2: Description of Data and Sources**

Emails from Department of Health

Department of Health, 2017 Legislative Bill Analysis for “Secure No-Cost Birth Certificates for DJJ Youth,” March 28, 2017

**Section 3: Methodology (Include Assumptions and Attach Details)**

DOH and DJJ estimate that the fiscal impact will be less than \$5,000.

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18			(*)	(*)		
2018-19			(*)	(*)		
2019-20			(*)	(*)		
2020-21			(*)	(*)		
2021-22			(*)	(*)		

**List of affected Trust Funds:**

**Section 5: Consensus Estimate (Adopted: 06/16/2017): The Conference adopted the proposed estimate.**

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	0.0	0.0	(Insignificant)	(Insignificant)
2018-19	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	0.0	0.0	(Insignificant)	(Insignificant)
2019-20	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	0.0	0.0	(Insignificant)	(Insignificant)
2020-21	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	0.0	0.0	(Insignificant)	(Insignificant)
2021-22	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	0.0	0.0	(Insignificant)	(Insignificant)

## REVENUE ESTIMATING CONFERENCE

**Tax:** Fines

**Issue:** Vessels

**Bill Number(s):** CS/CS/ HB 7043

**Entire Bill**

**Partial Bill:** Sections 4, 6, 11 and 14

**Sponsor(s):** Government Accountability Committee, Raschein and others

**Month/Year Impact Begins:** July 1, 2017

**Date of Analysis:** 06/13/2017

### Section 1: Narrative

#### Section 4 Derelict Vessels

##### **Current Law:**

Pursuant to s. 327.4107, F.S.(2), a derelict vessel is one that has taken on water, has interior portions exposed to the elements, has or is in danger of breaking loose from its anchor, or is aground in such that it cannot get underway. A person who anchors or moors a vessel at risk of becoming derelict or allows such a vessel to occupy state waters commits a non-criminal infraction punishable by a fine ranging from \$50 for a first-time offense to \$250 for a third or subsequent offense occurring within 30 days. Receipts from these fines are deposited into the Marine Resources Conservation Trust Fund within the Fish and Wildlife Conservation Commission (FWC).

##### **Proposed Change:**

The bill broadens the definition of “derelict vessel” by adding vessels which do not have an effective means of propulsion within 72 hours after the owner or operator receives notice stating such from an officer. Vessel owners may toll the 72-hour period by providing documentation showing the parts needed for repair have been ordered.

#### Section 6 Anchoring and Mooring

**Current Law:** Section. 327.44, F.S. prohibits persons from anchoring or mooring in any manner which unreasonably poses a hazard to navigation or interferes with another vessel. Penalties for violating this provision in a manner the does not cause death or injury range from \$250 for the first offense to \$1,000 for a third or subsequent offense.

##### **Proposed Change:**

The bill creates s. 327.4109, F.S., which specifies circumstances where anchoring or mooring, are prohibited. Such circumstances include:

- Within 150 feet of a marina or other boat launching facility;
- Within 300 feet of facilities that service yachts with a waterline of 120 feet or more;
- Within 100 feet outward from the marked boundary of a public mooring field;
- Within a public mooring field unless the owner or operator has a contractual right to do so;
- Mooring to an object affixed to sub-surface lands such as a navigational device.

The penalty for violating this provisions ranges from \$50 for the first offense to \$250 for a third or subsequent offense. Receipts from these fines are deposited into the Marine Resources Conservation Trust Fund within FWC.

#### Expired Registration

##### **Current Law:**

Operating a vessel with expired registration is a non-criminal infraction punishable by \$50 fine. Receipts from these fines are deposited into the Marine Resources Conservation Trust Fund within FWC.

##### **Proposed Change:**

The bill creates a tiered fine system applicable to persons operating a vessel with expired registration. The maximum fine for operating a vessel with a registration less than 6-months expired is \$50. Operators of vessels with registration that expired six months ago or more are subject to maximum fines of \$250 for a first offense and \$500 for any subsequent offense.

### Section 2: Description of Data and Sources

The Fish and Wildlife Conservation Commission (FWC) provided all information used to calculate impact estimates.

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Fines

**Issue:** Vessels

**Bill Number(s):** CS/CS/ HB 7043

**Section 3: Methodology (Include Assumptions and Attach Details)**

**Section 4: Proposed Fiscal Impact**

**Derelict Vessels**

There is no way to know how many vessel owners will undertake measures to repair derelict vessels. Consequently, a positive/indeterminate impact for this section of the bill is recommended.

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18			Indeterminate	Indeterminate		
2018-19			Indeterminate	Indeterminate		
2019-20			Indeterminate	Indeterminate		
2020-21			Indeterminate	Indeterminate		
2021-22			Indeterminate	Indeterminate		

**Anchoring and Mooring**

The new prohibitions are just more specific iterations of the prohibition against anchoring and mooring in a way that poses a hazard to navigations or otherwise interferes with another vessel. Consequently, a zero impact for this section of the bill is recommended.

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18			0	0		
2018-19			0	0		
2019-20			0	0		
2020-21			0	0		
2021-22			0	0		

**Expired Registration**

During the past five years, the number of citations issued for expired registration grew by an average annual rate of approximately 4.4%. The proposed impact assumes the annual growth rate remains unchanged and all persons caught with a registration more than six months expired pay a \$250 fine. The high estimate assumes 30% of expired registrations fall into the 6-months or more overdue category. The middle and low estimates assume 6-month or more expired rates of 20% and 10%, respectively.

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	\$45,977.76	\$45,977.76	\$ 30,651.84	\$30,651.84	\$15,325.92	\$15,325.92
2018-19	\$48,000.78	\$48,000.78	\$ 32,000.52	\$32,000.52	\$16,000.26	\$16,000.26
2019-20	\$50,112.82	\$50,112.82	\$ 33,408.54	\$33,408.54	\$16,704.27	\$16,704.27
2020-21	\$52,317.78	\$52,317.78	\$ 34,878.52	\$34,878.52	\$17,439.26	\$17,439.26
2021-22	\$54,619.76	\$54,619.76	\$ 36,413.17	\$36,413.17	\$18,206.59	\$18,206.59

**List of affected Trust Funds:**

Marine Resources Conservation Trust Fund

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Fines

**Issue:** Vessels

**Bill Number(s):** CS/CS/ HB 7043

**Section 5: Consensus Estimate (Adopted: 06/16/2017): The Conference adopted a positive indeterminate impact.**

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	**	**	**	**	0.0	0.0	**	**
2018-19	**	**	**	**	0.0	0.0	**	**
2019-20	**	**	**	**	0.0	0.0	**	**
2020-21	**	**	**	**	0.0	0.0	**	**
2021-22	**	**	**	**	0.0	0.0	**	**

**CS/SC/HB 7043 Expired Vessel Registration Fee Increase Methodology**

Expired Vessel Registration Citations	
Year	Number of Citations
2012	601
2013	585
2014	642
2015	779
2016	734
2017 (YTD)	334
<b>Total</b>	<b>3675</b>
5-year growth rate	22%

Estimated Expired Vessel Registration	
Fiscal Year	Number of Citations
17-18	766
18-19	800
19-20	835
20-21	872
21-22	910
<b>Total</b>	<b>4184</b>

Citations Issued For Registrations Expired By 6 Months or More			
Fiscal Year	High (30%)	Middle (20%)	Low (10%)
17-18	230	153	77
18-19	240	160	80
19-20	251	167	84
20-21	262	174	87
21-22	273	182	91

The proposed estimates assume all citations for registrations expired by 6 months or more result in a fine of \$250.

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	\$ 45,978	\$ 45,978	\$ 30,652	\$ 30,652	\$ 15,326	\$ 15,326
2018-19	\$ 48,001	\$ 48,001	\$ 32,001	\$ 32,001	\$ 16,000	\$ 16,000
2019-20	\$ 50,113	\$ 50,113	\$ 33,409	\$ 33,409	\$ 16,704	\$ 16,704
2020-21	\$ 52,318	\$ 52,318	\$ 34,879	\$ 34,879	\$ 17,439	\$ 17,439
2021-22	\$ 54,620	\$ 54,620	\$ 36,413	\$ 36,413	\$ 18,207	\$ 18,207

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Other Taxes and Fees

**Issue:** Licensure Fees

**Bill Number(s):** HB6021

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Rommel

**Month/Year Impact Begins:** July 1, 2017

**Date of Analysis:** 6/12/2017

**Section 1: Narrative**

- a. **Current Law:** In 2008, the legislature passed section 400.471(7), F.S., which states: “the agency [Agency for Health Care Administration] may not issue an **initial** license to an applicant for a home health agency license if the applicant shares common controlling interest with another licensed home health agency that is located within 10 miles of the applicant and is in the same county.”
- b. **Proposed Change:** House Bill 6021 deletes subsection 400.471(7), F.S.

**Section 2: Description of Data and Sources**

House Staff Analysis, HB6021  
Conversation with AHCA

**Section 3: Methodology (Include Assumptions and Attach Details)**

Currently, there are 1,948 licensed home health care agencies in Florida. An agency may provide skilled or non-skilled services to patients. The license fee is \$1,705 biennium.

The Centers for Medicare and Medicaid Services (CMS) extended a moratorium, with certain waiver exceptions, barring home health agencies enrollment into the Medicare, Medicaid, and Chip programs. The extension is for six months and was effective January 29, 2017. CMS can extend this moratorium in six-month increments.

Fiscal Impact: Low: zero: this legislation does not affect the number of license applications.

Middle: insignificant throughout the forecast period [at the current licensing fee]: assumes that fewer than 10 agencies apply each year for an initial license that is within a 10 mile radius of another agency that shares a common controlling interest. Both agencies must be located in the same county.

	New	Renew	Renew	Total Licenses	\$1,705
17-18	9			9	\$15,345
18-19	9			9	\$15,345
19-20	9	9		18	\$30,690
20-21	9	9		18	\$30,690
21-22	9	9	9	27	\$46,035

High: Indeterminate throughout the forecast period [at the current licensing fee]: assumes that more than 30 agencies apply each year for an initial license that is within a 10 mile radius of another agency that shares a common controlling interest. Both agencies must be located in the same county.

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	**	**	*	*	\$0	\$0
2018-19	**	**	*	*	\$0	\$0
2019-20	**	**	*	*	\$0	\$0
2020-21	**	**	*	*	\$0	\$0
2021-22	**	**	*	*	\$0	\$0

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Other Taxes and Fees

**Issue:** Licensure Fees

**Bill Number(s):** HB6021

**List of affected Trust Funds:**

Health Care Trust Fund

**Section 5: Consensus Estimate (Adopted: 06/16/2017): The Conference adopted the middle impact.**

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	0.0	0.0	(Insignificant)	(Insignificant)
2018-19	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	0.0	0.0	(Insignificant)	(Insignificant)
2019-20	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	0.0	0.0	(Insignificant)	(Insignificant)
2020-21	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	0.0	0.0	(Insignificant)	(Insignificant)
2021-22	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	0.0	0.0	(Insignificant)	(Insignificant)



## REVENUE ESTIMATING CONFERENCE

**Tax:** Professional License Fees

**Issues:** Provides waiver for certain professional license application fees and initial license fees for certain veterans, veterans' spouses, active duty military service members' spouses or low-income persons.

**Bill Number(s):** CS/CS/HB 615

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Representative Renner

**Month/Year Impact Begins:** July 1, 2017

### Section 1: Narrative

#### a. Current Law:

##### Issue 1

Section 455.02, F.S., applies to licensees for certain professions who are members of the Armed Forces on active duty who are not practicing their profession or vocation in the private sector for profit. The member/licensee is exempted from all license renewal requirements for the duration of active duty and for a period of six months after discharge. The licensee's license must be or have been in good standing at the time the member began active duty to qualify for the military exemption. The same opportunity may be afforded a spouse as long as they are absent from the state because of their spouse's active duty assignment, depending on each board's rules.

##### Issue 2

Section 455.02, F.S., also provides that DBPR may issue temporary and nonrenewable professional license to spouse of active duty members if the spouse holds a valid license in another state or foreign jurisdiction. The spouse must pay the license application fee.

##### Issue 3

Section 455.213(12), F.S., provides that honorably discharged veterans have the initial licensing fee, the initial application fee, and the initial unlicensed activity fee waived if applied for with 60 months of discharge.

#### b. Proposed Changes:

##### Issue 1

The bill adds surviving spouses to those exempted from all license renewal requirements for the duration of active duty and for a period after discharge. The bill also extends the period for which the exemption applies from 6 months after discharge to 2 years after discharge.

##### Issue 2

The bill removes the current law provision and replaces it with a requirement that DBPR issue a professional license to the following applicants if the applicant provides the following:

- Proof the applicant is an active duty member or was an honorably discharged active duty member, or is married to an active duty member, or was married to an active duty member at the time of the member's death;
- Proof the applicant holds a valid license for the profession issued by any other jurisdiction;
- Proof of bonding or insurance, if applicable; and
- A set of fingerprints to be used for a statewide criminal history background check.

##### Issue 3

The bill waives the initial licensing fee for members who served on active duty, their spouse or surviving spouse who was married during active duty their service, and low income individuals. The bill contains no limitation regarding deadline from end of active duty service nor does it require honorable discharge.

### Section 2: Description of Data and Sources

Information related to initial application fees and initial licensing fees provided by the Department of Business and Professional Regulation.

## REVENUE ESTIMATING CONFERENCE

**Tax:** Professional License Fees

**Issues:** Provides waiver for certain professional license application fees and initial license fees for certain veterans, veterans' spouses, active duty military service members' spouses or low-income persons.

**Bill Number(s):** CS/CS/HB 615

### Florida Population

Demographic Estimating Conference – Florida Demographic Forecast – February 13, 2017

<http://edr.state.fl.us/Content/conferences/population/ConferenceResults.pdf>

### Number of Florida Veterans: Total and Employed in the Labor Force

U.S. Census Bureau, American Factfinder, 2015 American Community Survey 1-Year Estimates

*Veteran Status by Employment Status for the Civilian Population 18 to 64 Years – Table C21005*

[https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_15\\_1YR\\_C21005&prodType=table](https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_1YR_C21005&prodType=table)

### Marital Status of U.S. Veterans

U.S. Department of Veterans Affairs, National Center for Veterans Analysis and Statistics

*Profile of Veterans: 2014 – Data from the American Community Survey – March 2016*

[https://www.va.gov/vetdata/docs/SpecialReports/Profile\\_of\\_Veterans\\_2014.pdf](https://www.va.gov/vetdata/docs/SpecialReports/Profile_of_Veterans_2014.pdf)

### Number of Active Duty Military in Florida

Defense Manpower Data Center

DoD Personnel, Workforce Reports & Publications

*Military and Civilian Personnel by Service/Agency by State/Country - December 2016*

[https://www.dmdc.osd.mil/appj/dwp/dwp\\_reports.jsp](https://www.dmdc.osd.mil/appj/dwp/dwp_reports.jsp)

### Marital Status of Active Duty Members

U.S. Department of Defense

Office of the Deputy Assistant Secretary of Defense for Military Community and Family Policy

*2015 Demographics – Profile of the Military Community* (page 42)

<http://download.militaryonesource.mil/12038/MOS/Reports/2015-Demographics-Report.pdf>

### Number of Florida Low-Income Persons: Total and Employed at 130% and 100% of Federal Poverty Level

EDR compilations of American Community Survey 2015 1-Year IPUMS data.

## **Section 3: Methodology (Include Assumptions and Attach Details)**

For issue 1, there are currently 365 licenses in “military exempt” status. The potential revenue impact comes extending the period after discharge for which license renewal requirements are waived from 6 months to 2 years. All affected licensures have biennial renewals. The biennial renewal fees range from \$5 for building code administrators and inspectors licenses to \$600 for the controlling person of an employee leasing company. If all of the active duty members and spouses in military exempt status were discharged in one year and all had their biennial renewal fees waived under the bill during a single year, the average renewal fee would need to be \$137 for the potential revenue impact to be \$50,000. Because this would be extremely unlikely, the proposed revenue impact for issue 1 is negative insignificant.

For issues 2 and 3 see attached spreadsheet.

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Professional License Fees

**Issues:** Provides waiver for certain professional license application fees and initial license fees for certain veterans, veterans' spouses, active duty military service members' spouses or low-income persons.

**Bill Number(s):** CS/CS/HB 615

**Section 4: Proposed Fiscal Impact (Millions)**

**Issue 1: Members, Spouses and Surviving Spouses exempted from all license renewal requirements for the duration of active duty and for a period of two years after discharge.**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18			(*)	(*)		
2018-19			(*)	(*)		
2019-20			(*)	(*)		
2020-21			(*)	(*)		
2021-22			(*)	(*)		

**Issue 2: Licensure application fee waived for active duty members, honorably discharged members and spouses and surviving spouses that were married during the active duty period and that have licensure in another jurisdiction.**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18			(*)	(*)		
2018-19			(*)	(*)		
2019-20			(*)	(*)		
2020-21			(*)	(*)		
2021-22			(*)	(*)		

**Issue 3: Waives the initial licensing fee for low-income persons, veterans, veterans' spouses, and active duty military service members and their spouses and surviving spouses. (Section 3 of the bill)**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(\$2.4)	(\$2.4)	(\$2.1)	(\$2.1)	(\$0.5)	(\$0.5)
2018-19	(\$2.4)	(\$2.4)	(\$2.1)	(\$2.1)	(\$0.5)	(\$0.5)
2019-20	(\$2.5)	(\$2.5)	(\$2.1)	(\$2.1)	(\$0.5)	(\$0.5)
2020-21	(\$2.5)	(\$2.5)	(\$2.2)	(\$2.2)	(\$0.5)	(\$0.5)
2021-22	(\$2.5)	(\$2.5)	(\$2.2)	(\$2.2)	(\$0.5)	(\$0.5)

**List of Affected Trust Funds:** Professional Regulation Trust Fund.

**Section 5: Consensus Estimate (Adopted: 06/16/2017):** The Conference adopted the proposed estimates for Issues 1 & 2 and the low for Issue 3.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(Insignificant)	(Insignificant)	(0.5)	(0.5)	0.0	0.0	(0.5)	(0.5)
2018-19	(Insignificant)	(Insignificant)	(0.5)	(0.5)	0.0	0.0	(0.5)	(0.5)
2019-20	(Insignificant)	(Insignificant)	(0.5)	(0.5)	0.0	0.0	(0.5)	(0.5)
2020-21	(Insignificant)	(Insignificant)	(0.5)	(0.5)	0.0	0.0	(0.5)	(0.5)
2021-22	(Insignificant)	(Insignificant)	(0.5)	(0.5)	0.0	0.0	(0.5)	(0.5)

	A	B	C	D	E	H	I	V	AI	AX	AY
1	<b>Fiscal Impact Analysis of CS/CS/HB 615 - Professional License Fees</b>										
2											
3	<b>I. Professional License Fee Revenues</b>										
4	Profession	Application Fee	Initial License Fee Full Period	Initial License Fee Half Period	CATEGORY	Total	6-30-2014	6-30-2015	6-30-2016	Three Year Average Application Fees	Three Year Average Initial License Fees
5	Accountancy				000100 - FEES	\$1,130,792	\$365,501	\$373,244	\$392,047	\$376,931	
6	Accountancy If Taking Exam		\$ 50.00		000200 - LICENSES	\$149,475	\$49,950	\$49,965	\$49,560		\$49,825
7	Accountancy Endorsement	\$ 250.00	\$ 50.00								
8	Architecture and Interior Design				000100 - FEES	\$244,245	\$72,520	\$90,373	\$81,353	\$81,415	
9	Architecture NCARB		\$ 85.00								
10	Architecture NCARB Direct		\$ 55.00								
11	Architecture State Endorsement		\$ 195.00								
12	Architecture Direct Endorsement		\$ 195.00								
13	Interior Design		\$ 25.00								
14	Interior Design		\$ 25.00								
15	Barbers				000100 - FEES	\$1,071,765	\$327,311	\$372,408	\$372,046	\$357,255	
16	Barbers Endorsement	\$ 150.00	\$ 100.00	\$50.00	000200 - LICENSES	\$567,498	\$153,020	\$240,361	\$174,117		\$189,166
17	Barbers Restricted Endorsement	\$ 150.00	\$ 100.00	\$50.00							
18	Barbers Exam		\$100.00	\$50.00							
19	Barbers Restricted Exam		\$100.00	\$50.00							
20	Home Inspection	\$125.00			000100 - FEES	\$226,125	\$64,625	\$72,747	\$88,753	\$75,375	
21	Home Inspection		\$ 100.00		000200 - LICENSES	\$191,650	\$57,350	\$61,025	\$73,275		\$63,883
22	Cosmetology	\$ 50.00			000100 - FEES	\$2,543,002	\$832,993	\$851,019	\$858,991	\$847,667	
23	Cosmetology Endorsement		\$ 40.00		000200 - LICENSES	\$3,527,873	\$1,269,397	\$1,213,124	\$1,045,352		\$1,175,958
24	Cosmetology Exam		\$ 40.00								
25	Cosmetology Full Specialist	\$ 30.00	\$ 40.00								
26	Cosmetology Facial Specialist	\$ 30.00	\$ 40.00								
27	Cosmetology Nail Specialist	\$ 30.00	\$ 40.00								
28	Cosmetology Hair Braider	\$ 20.00									
29	Cosmetology Hair Wrapper	\$ 20.00									
30	Cosmetology Body Wrapper	\$ 20.00									
31	Construction Industry Licensing Board				000100 - FEES	\$654,477	\$186,150	\$212,451	\$255,876	\$218,159	
32	Construction Industry Licensing Board				000200 - LICENSES	\$1,690,981	\$439,962	\$714,769	\$536,250		\$563,660
33	Construction Industry Licensing Board Certified		\$ 200.00	\$ 100.00							
34	Construction Industry Licensing Board Registered	\$ 100.00	\$ 200.00	\$ 100.00							
35	Mold Assessment	\$ 125.00			000100 - FEES	\$57,300	\$11,800	\$16,387	\$29,114	\$19,100	
36	Mold Assessment		\$ 100.00		000200 - LICENSES	\$48,870	\$10,445	\$14,308	\$24,117		\$16,290
37	Electrical Contractors Licensing Board				000100 - FEES	\$1,403,675	\$472,006	\$445,134	\$486,536	\$467,892	
38	Electrical Contractors Licensing Board				000200 - LICENSES	\$536,197	\$152,707	\$195,803	\$187,688		\$178,732
39	Electrical Contractors Licensing Board Certified	\$ 200.00	\$ 300.00								
40	Electrical Contractors Licensing Board Registered		\$ 150.00								
41	Electrical Contractors Licensing Board Endorsement	\$ 200.00	\$ 300.00								
42	Engineers	\$125.00			000100 - FEES	\$1,307,170	\$395,947	\$458,769	\$452,455	\$435,723	
43	Engineers		\$ 100.00		000200 - LICENSES	\$787,815	\$230,165	\$264,875	\$292,775		\$262,605
44	Landscape Architecture				000100 - FEES	\$125,234	\$42,054	\$40,915	\$42,265	\$41,745	
45	Landscape Architecture Exam		\$ 225.00	\$ 112.50	000200 - LICENSES	\$31,412	\$12,540	\$6,959	\$11,913		\$10,471
46	Landscape Architecture Endorsement	\$ 150.00	\$ 225.00	\$ 112.50	744						
47	Pilot Commissioners				000100 - FEES	\$41,950	\$11,000	\$18,750	\$12,200	\$13,983	

	A	B	C	D	E	H	I	V	AI	AX	AY
48	Pilot Commissioners				000200 - LICENSES	\$2,800	\$1,200	\$1,000	\$600		\$933
49	Pilot Commissioners Deputy Pilot	\$ 200.00	\$ 95.00	\$ 45.00							
50	Pilot Commissioners State Pilot	\$ 200.00	\$ 195.00	\$ 95.00							
51	Real Estate Commission	\$ 14.75			000100 - FEES	\$3,185,053	\$1,001,756	\$1,081,047	\$1,102,250	\$1,061,684	
52	Real Estate Commission Sales		\$ 64.00		000200 - LICENSES	\$9,362,356	\$3,267,681	\$3,008,799	\$3,085,876		\$3,120,785
53	Real Estate Commission Broker	\$ 14.75	\$ 72.00								
54	Veterinary Medicine Exam		\$ 100.00		000100 - FEES	\$764,801	\$251,366	\$261,165	\$252,270	\$254,934	
55	Veterinary Medicine				000200 - LICENSES	\$214,635	\$67,470	\$75,935	\$71,230		\$71,545
56	Veterinary Medicine Endorsement	\$ 500.00	\$ 100.00								
58	Community Association Managers	\$ 50.00			000100 - FEES	\$1,107,988	\$362,443	\$374,777	\$370,768	\$369,329	
59	Community Association Managers		\$ 100.00		000200 - LICENSES	\$883,445	\$291,164	\$294,155	\$298,126		\$294,482
60	Auctioneers				000100 - FEES	\$72,413	\$22,937	\$25,488	\$23,988	\$24,138	
61	Auctioneers				000200 - LICENSES	\$94,200	\$30,300	\$32,850	\$31,050		\$31,400
62	Auctioneers Apprentice	\$ 50.00	\$ 150.00								
63	Auctioneers Exam	\$ 50.00	\$ 150.00								
64	Auctioneers Reciprocity	\$ 75.00	\$ 150.00								
65	Talent Agents	\$ 300.00			000100 - FEES	\$44,895	\$12,930	\$18,810	\$13,155	\$14,965	
66	Talent Agents		\$ 400.00	\$ 200.00	000200 - LICENSES	\$71,595	\$21,995	\$23,200	\$26,400		\$23,865
67	Building Code				000100 - FEES	\$76,024	\$21,830	\$24,945	\$29,249	\$25,341	
68	Building Code				000200 - LICENSES	\$21,350	\$6,033	\$7,222	\$8,095		\$7,117
69	Building Code Administrator If State Employee		\$ 5.00								
70	Building Code Plans Examiner If State Employee		\$ 5.00								
71	Building Code Administrator Inspector State Employee		\$ 5.00								
72	Building Code Administrator Non State Employee	\$ 25.00	\$ 25.00								
73	Building Code Plans Examiner Non State Employee	\$ 25.00	\$ 25.00								
74	Building Code Administrator Inspector Non State Employee	\$ 25.00	\$ 25.00								
75	Geologists	\$ 150.00			000100 - FEES	\$92,465	\$31,495	\$29,875	\$31,095	\$30,822	
76	Geologists		\$ 100.00		000200 - LICENSES	\$11,725	\$4,185	\$3,905	\$3,635		\$3,908
77	Asbestos	\$ 300.00			000100 - FEES	\$43,404	\$13,243	\$16,998	\$13,163	\$14,468	
78	Asbestos		\$ 250.00		000200 - LICENSES	\$26,100	\$11,600	\$9,500	\$5,000		\$8,700
79	Athletic Agents	\$ 500.00			000100 - FEES	\$76,418	\$20,268	\$30,150	\$26,000	\$25,473	
80	Athletic Agents		\$ 375.00		000200 - LICENSES	\$71,625	\$26,779	\$26,097	\$18,750		\$23,875
81	Employee Leasing	\$ 106.75			000100 - FEES	\$98,367	\$26,263	\$29,163	\$42,941	\$32,789	
82	Employee Leasing		\$ 595.00	\$ 295.00	000200 - LICENSES	\$129,775	\$39,862	\$53,965	\$35,948		\$43,258
83	Real Estate Appraisal				000100 - FEES	\$92,938	\$34,525	\$29,865	\$28,548	\$30,979	
84	Real Estate Appraisal				000200 - LICENSES	\$201,109	\$76,425	\$62,890	\$61,794		\$67,036
85	Real Estate Appraisal Trainee	\$ 50.00	\$ 175.00								
86	Real Estate Appraisal Residential	\$ 91.00	\$ 175.00								
87	Real Estate Appraisal General	\$ 91.00	\$ 175.00								
88						\$33,344,910	\$10,801,192	\$11,235,183	\$11,046,613	\$4,820,167	\$6,207,496
89											
90											
91											
92											
93											
94											
95											
96											
97											
98											

	A	B	C	D	E	H	I	V	AI	AX	AY
<b>99</b>	<b>III. Calculation of License Application Fee Revenue Per Labor Force Member</b>										
<b>100</b>	Veterans Status by Employment Status for the Civilian Population 18 to 64 Years (U.S. Census Bureau, American Fact Finder)										
<b>102</b>	Individuals in the Labor Force - 2015										
<b>103</b>											
<b>104</b>			<b>Veterans</b>	<b>Nonveterans</b>	<b>Total</b>						
<b>105</b>	Total in the Labor Force		491,387	8,512,792	9,004,179						
<b>106</b>	Employed in the Labor Force		460,733	7,917,347	8,378,080						
<b>107</b>											
			<b>Application</b>								
		<b>Projected</b>	<b>Revenues Per</b>								
	<b>State FY</b>	<b>Application</b>	<b>Labor Force</b>								
		<b>Revenues</b>	<b>Member</b>								
<b>108</b>	2017-18	\$ 4,820,167	\$ 0.54								
<b>109</b>	2018-19	\$ 4,820,167	\$ 0.54								
<b>110</b>	2019-20	\$ 4,820,167	\$ 0.54								
<b>111</b>	2020-21	\$ 4,820,167	\$ 0.54								
<b>112</b>	2021-22	\$ 4,820,167	\$ 0.54								
<b>113</b>											
<b>114</b>											
<b>115</b>											
<b>116</b>	<b>IV. Calculation of Initial License Fee Revenue Per Labor Force Member</b>										
<b>117</b>	Veterans Status by Employment Status for the Civilian Population 18 to 64 Years (U.S. Census Bureau, American Fact Finder)										
<b>118</b>	Individuals in the Labor Force - 2015										
<b>119</b>											
<b>120</b>			<b>Veterans</b>	<b>Nonveterans</b>	<b>Total</b>						
<b>121</b>	Total in the Labor Force		491,387	8,512,792	9,004,179						
<b>122</b>	Employed in the Labor Force		460,733	7,917,347	8,378,080						
<b>123</b>											
			<b>Projected</b>								
		<b>Projected</b>	<b>Initial License</b>								
	<b>State FY</b>	<b>Initial License</b>	<b>Revenues Per</b>								
		<b>Revenues</b>	<b>Labor Force</b>								
			<b>Member</b>								
<b>124</b>	2017-18	\$ 6,207,496	\$ 0.69								
<b>125</b>	2018-19	\$ 6,207,496	\$ 0.69								
<b>126</b>	2019-20	\$ 6,207,496	\$ 0.69								
<b>127</b>	2020-21	\$ 6,207,496	\$ 0.69								
<b>128</b>	2021-22	\$ 6,207,496	\$ 0.69								
<b>129</b>											
<b>130</b>											
<b>131</b>											
<b>132</b>	<b>V. Number of Persons Eligible for License Fee Waivers</b>										
<b>133</b>	Florida Population (Feb. 2017 FDEC)										
<b>134</b>											
<b>135</b>	State FY	<b>3rd Q</b>	<b>4th Q</b>	<b>1st Q</b>	<b>2nd Q</b>	<b>Average</b>					
<b>136</b>	2016-17	20,271,900	20,353,200	20,434,300	20,515,200	20,393,650					
<b>137</b>	2017-18	20,596,300	20,677,300	20,758,300	20,839,200	20,717,775					
<b>138</b>	2018-19	20,919,800	21,000,300	21,080,500	21,160,500	21,040,275					
<b>139</b>	2019-20	21,240,300	21,319,800	21,399,100	21,478,200	21,359,350					
<b>140</b>	2020-21	21,557,100	21,635,700	21,714,000	21,791,900	21,674,675					
<b>141</b>	2021-22	21,869,400	21,946,500	22,023,300	22,099,700	21,984,725					

	A	B	C	D	E	H	I	V	AI	AX	AY	
142	Total # of Veterans in the Labor Force in 2015					491,387						
143	# of Employed Veterans in the Labor Force in 2015					460,733						
144												
145	% of Veterans Who Are Married in 2014					64.2%						
146												
147	# of Active Duty Military in FL as of 12/31/2016					54,232						
148	% of FL Population Who Are Active Duty Military					0.3%						
149												
150	% of Active Duty Military Who Are Married in 2015					54.3%						
151												
152	Total # of Low-Income Persons (130% of FPL) in the Labor Force in 2015					2,588,870						
153	# of Employed Low-Income Persons (130% of FPL) in the Labor Force in 2015					2,161,860						
154	# of Employed Low-Income Persons (100% to 130% of FPL) in the Labor Force in 2015					242,735						
155												
156	# of Eligible Persons - Basis for the High Estimate- Initial License Fees											
		Total										
		Veterans in	Spouses of	Spouses of	Low-Income							
		the Labor	Such Veterans	Active Duty	Persons in the	Total Number of						
157	State FY	Force	Such Veterans	Military	Labor Force	Eligible Persons						
158	2017-18	499,197	320,484	29,916	2,630,016	3,479,613						
159	2018-19	506,967	325,473	30,382	2,670,956	3,533,778						
160	2019-20	514,656	330,409	30,842	2,711,461	3,587,368						
161	2020-21	522,253	335,287	31,298	2,751,490	3,640,327						
162	2021-22	529,724	340,083	31,745	2,790,849	3,692,401						
163												
164	# of Eligible Persons - Basis for the Middle Estimate- Initial License Fees											
		Employed										
		Veterans in the	Spouses of	Spouses of	Employed Low-							
		Labor Force	Such Veterans	Active Duty	Income Persons	Total Number of						
165	State FY			Military	in the Labor Force	Eligible Persons						
166	2017-18	468,056	300,492	29,916	2,196,219	2,994,683						
167	2018-19	475,342	305,169	30,382	2,230,406	3,041,299						
168	2019-20	482,550	309,797	30,842	2,264,231	3,087,420						
169	2020-21	489,674	314,371	31,298	2,297,657	3,132,999						
170	2021-22	496,679	318,868	31,745	2,330,524	3,177,816						
171												
172	# of Eligible Persons - Basis for the Low Estimate- Initial License Fees											
		Employed										
		Veterans in the	Spouses of	Spouses of	Employed Low-							
		Labor Force -	Such Veterans-	Active Duty	Income Persons	Total Number of						
		Half of Middle	Half of Middle	Military	in the Labor Force	Eligible Persons						
173	State FY											
174	2017-18	234,028	150,246	29,916	246,593	660,783						
175	2018-19	234,028	150,246	30,382	250,431	665,087						
176	2019-20	234,028	150,246	30,842	254,229	669,345						
177	2020-21	234,028	150,246	31,298	257,982	673,554						
178	2021-22	234,028	150,246	31,745	261,673	677,692						
179												
180												
181												
182												
183												
184												
185												
186												
187												

	A	B	C	D	E	H	I	V	AI	AX	AY
<b>188</b>											
<b>189</b>	Total # of Veterans in the Labor Force in 2015					491,387					
<b>190</b>	# of Employed Veterans in the Labor Force in 2015					460,733					
<b>191</b>											
<b>192</b>	% of Veterans Who Are Married in 2014					64.2%					
<b>193</b>											
<b>194</b>	# of Active Duty Military in FL as of 12/31/2016					54,232					
<b>195</b>	% of FL Population Who Are Active Duty Military					0.3%					
<b>196</b>											
<b>197</b>	% of Active Duty Military Who Are Married in 2015					54.3%					
<b>198</b>											
<b>199</b>	Total # of Low-Income Persons (130% of FPL) in the Labor Force in 2015					2,588,870					
<b>200</b>	# of Employed Low-Income Persons (130% of FPL) in the Labor Force in 2015					2,161,860					
<b>201</b>	# of Employed Low-Income Persons (100% to 130% of FPL) in the Labor Force in 2015					242,735					
<b>202</b>											
<b>203</b>	# of Eligible Persons - Basis for the High Estimate- Application Fees										
		Total		Spouses of	Low-Income				5% with		
		Veterans in		Active Duty	Persons in the	Total Number of			Professional		
		the Labor	Spouses of	Military	Labor Force	Eligible Persons			License in		
		Force	Such Veterans						Another		
<b>204</b>	State FY								Jurisdiction		
<b>205</b>	2017-18	499,197	320,484	29,916	-	849,597			42,480		
<b>206</b>	2018-19	506,967	325,473	30,382	-	862,822			43,141		
<b>207</b>	2019-20	514,656	330,409	30,842	-	875,907			43,795		
<b>208</b>	2020-21	522,253	335,287	31,298	-	888,838			44,442		
<b>209</b>	2021-22	529,724	340,083	31,745	-	901,552			45,078		
<b>210</b>											
<b>211</b>	# of Eligible Persons - Basis for the Middle Estimate- Application Fees										
		Employed		Spouses of	Employed Low-				5% with		
		Veterans in the		Active Duty	Income Persons	Total Number of			Professional		
		Labor Force	Spouses of	Military	in the Labor Force	Eligible Persons			License in		
			Such Veterans						Another		
									Jurisdiction		
<b>212</b>	State FY										
<b>213</b>	2017-18	468,056	300,492	29,916	-	798,464			39,923		
<b>214</b>	2018-19	475,342	305,169	30,382	-	810,893			40,545		
<b>215</b>	2019-20	482,550	309,797	30,842	-	823,189			41,159		
<b>216</b>	2020-21	489,674	314,371	31,298	-	835,343			41,767		
<b>217</b>	2021-22	496,679	318,868	31,745	-	847,292			42,365		
<b>218</b>											
<b>219</b>											
<b>220</b>	# of Eligible Persons - Basis for the Low Estimate- Application Fees										
		Employed		Spouses of	Employed Low-				5% with		
		Veterans in the		Active Duty	Income Persons	Total Number of			Professional		
		Labor Force -	Spouses of	Military	in the Labor Force	Eligible Persons			License in		
		Half of Middle	Such Veterans-						Another		
			Half of Middle						Jurisdiction		
<b>221</b>	State FY										
<b>222</b>	2017-18	234,028	150,246	29,916	-	414,190			20,710		
<b>223</b>	2018-19	234,028	150,246	30,382	-	414,656			20,733		
<b>224</b>	2019-20	234,028	150,246	30,842	-	415,116			20,756		
<b>225</b>	2020-21	234,028	150,246	31,298		415,572			20,779		
<b>226</b>	2021-22	234,028	150,246	31,745	748	416,019			20,801		



	A	B	C	D	E	H	I	V	AI	AX	AY
<b>227</b>											
<b>228</b>	VI. Proposed Fiscal Impact (Millions \$)										
<b>229</b>	License Application Fee (Issue 2)										
<b>230</b>											
<b>231</b>	State FY	High		Middle		Low					
<b>232</b>	2017-18	Cash	Recurring	Cash	Recurring	Cash	Recurring				
<b>233</b>	2018-19	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.01)	(\$0.01)				
<b>234</b>	2019-20	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.01)	(\$0.01)				
<b>235</b>	2020-21	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.01)	(\$0.01)				
<b>236</b>	2021-22	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.01)	(\$0.01)				
<b>237</b>											
<b>238</b>	VII. Proposed Fiscal Impact (Millions \$)										
<b>239</b>	Initial License Fee (Issue 3)										
<b>240</b>											
<b>241</b>	State FY	High		Middle		Low					
<b>242</b>	2017-18	Cash	Recurring	Cash	Recurring	Cash	Recurring				
<b>243</b>	2018-19	(\$2.4)	(\$2.4)	(\$2.1)	(\$2.1)	(\$0.5)	(\$0.5)				
<b>244</b>	2019-20	(\$2.5)	(\$2.5)	(\$2.1)	(\$2.1)	(\$0.5)	(\$0.5)				
<b>245</b>	2020-21	(\$2.5)	(\$2.5)	(\$2.2)	(\$2.2)	(\$0.5)	(\$0.5)				
<b>246</b>	2021-22	(\$2.5)	(\$2.5)	(\$2.2)	(\$2.2)	(\$0.5)	(\$0.5)				

## REVENUE ESTIMATING CONFERENCE

**Tax:** Sales and Use Tax  
**Issue:** Admissions Resales  
**Bill Number(s):** HB 7109

**Entire Bill**  
 **Partial Bill:** Section 22

**Sponsor(s):** Representative Boyd  
**Month/Year Impact Begins:** January 1, 2018  
**Date of Analysis:** June 16, 2017

### Section 1: Narrative

- a. Current Law:** 220.04, F.S. (c) The provisions of this chapter that authorize a tax-exempt sale for resale do not apply to sales of admissions.
- b. Proposed Change:** 212.04 (1) 2.a. If a purchaser resells an admission to an entity that is exempt from sales and use tax under this chapter for any reason other than sale for resale, the purchaser may seek a refund or credit from the department for the amount of the tax it paid on its purchase.
- b. For a refund, the purchaser shall provide proof of the exempt entity's qualification for the exemption, as prescribed by rules of the department, and a copy of the ticket, invoice, or other documentation that provides evidence of the tax it paid on the admission with its refund application, whereupon the department shall issue a refund to the purchaser.
- c. For a credit, the purchaser shall retain proof of the exempt entity's qualification for the exemption, as prescribed by rules of the department, and a copy of the ticket, invoice, or other documentation that provides evidence of the tax it paid on the admission as long as required under s. 212.13. d. The department shall look solely to the entity that provided exemption documentation for recovery of tax, if it determines that the entity was not entitled to the exemption.
- 3.a. If a purchaser of an admission from a related dealer who is a member of the same controlled group of corporations for federal income tax purposes as the purchaser resells such admission to an entity that is exempt from sales and use tax under this chapter for any reason other than sale for resale, the purchaser may seek a refund or credit for the amount of tax it paid on its purchase from the related dealer if it provides that related dealer with proof of the exempt entity's qualification for the exemption, as prescribed by rules of the department.
- b. Upon the purchaser's request, a related dealer receiving the exempt entity's documentation shall refund or credit the tax paid by the purchaser. If the related dealer has already remitted such tax to the department, it may then seek a refund or credit of the tax from the department. If the related dealer has not yet remitted such tax to the department, the related dealer may not seek a refund or credit of such tax, but may retain the exemption documentation in lieu of remitting the tax to the department.
- c. The department shall look solely to the entity that provided exemption documentation for recovery of tax if it determines that the entity was not entitled to the exemption.

### Section 2: Description of Data and Sources

DOR Monthly Sales File  
REC General Revenue Tourism & Rec. growth rates – March 2017

### Section 3: Methodology (Include Assumptions and Attach Details)

The following methodology was used to generate the analysis for the initial proposed language. The language in HB 7109 has changed, but all the changes are administrative in nature, with the exception of the effective date starting January 1, 2018. This results in an adjustment in the first year to each scenario with 5/12ths of the recurring as the cash value.

The original model used the DOR Monthly sales file data for kind code 59 (Admissions, amusement & recreation services) as the starting point. The Sales Tax Collections for 14-15 were used for kind code 59 is then grown by Tourism and Recreation non-durables from March 2017 GR. The amount of collections attributed from resellers is then assumed at 10, 5 and 2.5 percent level for the high, middle and low estimates. The four-year average for non-taxable (exempt) activity is applied to the assumed collections calculated in the previous step.

The previously adopted model replaced the 4-year average non-taxable (exempt) percentage with a 2% assumed non-taxable percentage to indicate what portion of the return population's calculated exemptions was related to sale of admissions to exempt entities. Using these adjustments, the Sales Tax Collections for 15-16 for kind code 59 were added and then the Tourism and Recreation non-durables growth percentage from December GR were updated. This model adjustment is applied and used as the middle for this analysis. The high assumes a 3% non-taxable percentage, while the low assumes a 1%.

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Sales and Use Tax  
**Issue:** Admissions Resales  
**Bill Number(s):** HB 7109

There is a one month lag to collections, and the first-year cash is equal to five/twelfths of the recurring.

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	\$(1.1 M)	\$(2.7 M)	\$(0.75 M)	\$(1.8 M)	\$(0.38 M)	\$(0.9 M)
2018-19	\$(2.8 M)	\$(2.8 M)	\$(1.9 M)	\$(1.9 M)	\$(0.9 M)	\$(0.9 M)
2019-20	\$(3.0 M)	\$(3.0 M)	\$(2.0 M)	\$(2.0 M)	\$(1.0 M)	\$(1.0 M)
2020-21	\$(3.1 M)	\$(3.1 M)	\$(2.1 M)	\$(2.1 M)	\$(1.0 M)	\$(1.0 M)
2021-22	\$(3.2 M)	\$(3.2 M)	\$(2.2 M)	\$(2.2 M)	\$(1.1 M)	\$(1.1 M)

**List of affected Trust Funds:** General Revenue

**Section 5: Consensus Estimate (Adopted: 06/16/2017): The Conference adopted the high estimate.**

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(1.0)	(2.4)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.2)
2018-19	(2.5)	(2.5)	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.2)	(0.2)
2019-20	(2.6)	(2.6)	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.3)	(0.3)
2020-21	(2.7)	(2.7)	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.3)	(0.3)
2021-22	(2.9)	(2.9)	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.3)	(0.3)

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(0.1)	(0.3)	(0.2)	(0.6)	(1.2)	(3.0)
2018-19	(0.3)	(0.3)	(0.6)	(0.6)	(3.1)	(3.1)
2019-20	(0.3)	(0.3)	(0.7)	(0.7)	(3.3)	(3.3)
2020-21	(0.3)	(0.3)	(0.7)	(0.7)	(3.4)	(3.4)
2021-22	(0.4)	(0.4)	(0.7)	(0.7)	(3.6)	(3.6)

Proposed Language - Admissions Resellers

	A	B	C	D	E	F	G	H	I	J
1	kcode	Year	Gross Sales	Exempt Sales	Taxable Sales	Sales Tax Collections				
2	59	2010	\$11,338,310,150	\$1,771,305,324	\$9,572,219,257	\$521,662,014				
3	59	2011	\$12,596,935,158	\$2,191,491,957	\$10,411,168,693	\$566,769,061				
4	59	2012	\$13,436,160,256	\$2,079,158,266	\$11,365,704,107	\$617,798,957				
5	59	2013	\$14,776,375,928	\$2,787,046,204	\$11,996,858,464	\$658,576,902				
6	59	2014	\$15,956,574,964	\$3,069,721,335	\$12,894,967,455	\$719,131,617				
7	59	2015	\$17,500,262,259	\$3,390,370,783	\$14,115,794,178	\$794,592,980				
8	59	2016	\$18,531,874,044	\$3,722,915,812	\$14,817,944,336	\$838,822,497				
9										
10				Fiscal Year Collections	Tourism & Rec. Growth					
11										
12		2015-16		816,707,739	6.0%					
13		2016-17		857,543,126	5.0%					
14		<b>2017-18</b>		896,132,566	4.5%					
15		<b>2018-19</b>		940,043,062	4.9%					
16		<b>2019-20</b>		985,165,129	4.8%					
17		<b>2020-21</b>		1,030,482,725	4.6%					
18		<b>2021-22</b>		1,077,884,930	4.6%					
19										
20										
21	Assumed % of collections that are attributed from resellers									
22										
23				10.0%						
24		<b>2017-18</b>		89,613,257						
25		<b>2018-19</b>		94,004,306						
26		<b>2019-20</b>		98,516,513						
27		<b>2020-21</b>		103,048,272						
28		<b>2021-22</b>		107,788,493						
29										
47	Previously Adopted Non-taxable Percentage:				2%					
48										
49				3.0%		2.0%		1.0%		
50										
51				High		Middle		Low		
52				Cash	Recurring	Cash	Recurring	Cash	Recurring	
53		2017-18		\$ (2.5 M)	\$ (2.7 M)	\$ (1.6 M)	\$ (1.8 M)	\$ (0.8 M)	\$ (0.9 M)	
54		2018-19		\$ (2.8 M)	\$ (2.8 M)	\$ (1.9 M)	\$ (1.9 M)	\$ (0.9 M)	\$ (0.9 M)	
55		2019-20		\$ (3.0 M)	\$ (3.0 M)	\$ (2.0 M)	\$ (2.0 M)	\$ (1.0 M)	\$ (1.0 M)	
56		2020-21		\$ (3.1 M)	\$ (3.1 M)	\$ (2.1 M)	\$ (2.1 M)	\$ (1.0 M)	\$ (1.0 M)	
57		2021-22		\$ (3.2 M)	\$ (3.2 M)	\$ (2.2 M)	\$ (2.2 M)	\$ (1.1 M)	\$ (1.1 M)	
58										

	A	B	C	D	E	F	G	H	I	J	K
1											
2											
3	Exempt Tiers	Percent of Exempt Sales Tier	N	Total Gross Sales	Total Exempt sales	Total Taxable Sales	% EXEMPT	Cumulative Gross	Cumulative Exempt	Cumulative exempt %	Percent of total Taxable Sales
4	0 0 to 0.5		5336	\$4,702,687,155	\$84,721,748	\$4,617,965,407	1.80%	\$4,702,687,155	\$84,721,748	1.80%	32.5%
5	1 1 to 5		946	\$2,843,118,293	\$76,584,729	\$2,766,533,564	2.69%	\$7,545,805,447	\$161,306,477	2.14%	19.5%
6	2 6 to 10		305	\$519,396,798	\$40,779,507	\$478,617,291	7.85%	\$8,065,202,245	\$202,085,984	2.51%	3.4%
7	3 11 to 15		204	\$276,714,733	\$35,804,914	\$240,909,819	12.94%	\$8,341,916,978	\$237,890,898	2.85%	1.7%
8	59 16 to 20		147	\$203,136,970	\$36,705,544	\$166,431,426	18.07%	\$8,545,053,948	\$274,596,443	3.21%	1.2%
9	5 21 to 25		153	\$209,753,612	\$48,282,853	\$161,470,759	23.02%	\$8,754,807,560	\$322,879,295	3.69%	1.1%
10	6 26 to 30		95	\$7,006,627,266	\$1,805,319,486	\$5,201,307,780	25.77%	\$15,761,434,826	\$2,128,198,782	13.50%	36.7%
11	7 31 to 35		90	\$126,308,615	\$41,754,521	\$84,554,094	33.06%	\$15,887,743,441	\$2,169,953,303	13.66%	0.6%
12	8 35 to 40		84	\$103,177,972	\$38,529,175	\$64,648,797	37.34%	\$15,990,921,413	\$2,208,482,477	13.81%	0.5%
13	9 41 to 45		80	\$65,410,175	\$27,713,534	\$37,696,642	42.37%	\$16,056,331,589	\$2,236,196,011	13.93%	0.3%
14	10 46 to 50		59	\$44,201,132	\$21,262,559	\$22,938,573	48.10%	\$16,100,532,720	\$2,257,458,570	14.02%	0.2%
15	11 51 to 55		62	\$170,585,847	\$88,644,043	\$81,941,804	51.96%	\$16,271,118,567	\$2,346,102,613	14.42%	0.6%
16	12 56 to 60		52	\$194,565,089	\$112,864,991	\$81,700,098	58.01%	\$16,465,683,656	\$2,458,967,605	14.93%	0.6%
17	13 61 to 65		45	\$47,863,351	\$30,192,058	\$17,671,293	63.08%	\$16,513,547,007	\$2,489,159,662	15.07%	0.1%
18	14 66 to 70		63	\$58,005,747	\$39,052,014	\$18,953,734	67.32%	\$16,571,552,755	\$2,528,211,676	15.26%	0.1%
19	15 71 to 75		77	\$120,172,800	\$88,132,891	\$32,039,910	73.34%	\$16,691,725,555	\$2,616,344,567	15.67%	0.2%
20	16 76 to 80		81	\$51,921,000	\$40,683,529	\$11,237,470	78.36%	\$16,743,646,555	\$2,657,028,096	15.87%	0.1%
21	17 81 to 85		95	\$460,813,082	\$378,136,623	\$82,676,459	82.06%	\$17,204,459,637	\$3,035,164,719	17.64%	0.6%
22	18 86 to 90		96	\$62,886,704	\$55,449,955	\$7,436,749	88.17%	\$17,267,346,341	\$3,090,614,674	17.90%	0.1%
23	19 91 to 95		164	\$100,245,326	\$93,426,201	\$6,819,125	93.20%	\$17,367,591,667	\$3,184,040,875	18.33%	0.0%
24	20 96 to 100		527	\$374,724,230	\$368,901,264	\$5,822,966	98.45%	\$17,742,315,897	\$3,552,942,139	20.03%	0.0%
25	Total		8761	\$17,742,315,897	\$3,552,942,139	\$14,189,373,758					
26											
27											

## REVENUE ESTIMATING CONFERENCE

**Tax:** Sales and Use Tax

**Issue:** School Sales Tax Holiday, 3 Days, \$60 Clothing/\$15 Supplies/\$750 or Less Computers

**Bill Number(s):** HB 7109 (Ch. 2017-36, L.O.F.)

**Entire Bill**

**Partial Bill:** Section 52

**Sponsor(s):** Ways and Means Committee

**Month/Year Impact Begins:** The sales tax holiday will affect August 2017 activity and, subsequently, September collections.

**Date of Analysis:** June 16, 2017

### Section 1: Narrative

#### a. Current Law:

Under current law in Ch. 212, F.S., clothing, school supplies, and computers and related accessories are subject to the 6% Sales and Use Tax.

#### b. Proposed Change:

**Clothing:** The legislation exempts sales of “clothing, wallets, or bags, including handbags, backpacks, fanny packs, and diaper bags, but excluding briefcases, suitcases, and other garment bags” from the Sales and Use Tax for a three-day period beginning on Friday, August 4, and ending on Sunday, August 6, 2017, as long as the sales price of the item does not exceed \$60. Clothing is defined as “any article of wearing apparel intended to be worn on or about the human body, excluding watches, watchbands, jewelry, umbrellas, and handkerchiefs,” and including all footwear except for “skis, swim fins, roller blades, and skates.”

**School Supplies:** During this same period, sales of school supplies having a sales price of \$15 or less per item are exempt from the Sales and Use Tax. School supplies are defined as “pens, pencils, erasers, crayons, notebooks, notebook filler paper, legal pads, binders, lunch boxes, construction paper, markers, folders, poster board, composition books, poster paper, scissors, cellophane tape, glue or paste, rulers, computer disks, protractors, compasses, and calculators.”

**Computers:** Also exempt during the three-day period are “personal computers or personal computer-related accessories purchased for noncommercial home or personal use and having a sales price of \$750 or less per item.” Exempted items include “electronic book readers, laptops, desktops, handhelds, tablets, or tower computers” and related accessories including “keyboards, mice, personal digital assistants, monitors (not including devices with a television tuner), other peripheral devices, modems, routers, and nonrecreational software.” The exemption does not apply to “cellular telephones, video game consoles, digital media receivers, or devices that are not primarily designed to process data.” Related accessories do not include “furniture or systems, devices, software, or peripherals designed or intended primarily for recreational use.”

The tax exemptions do not apply to sales within a theme park or entertainment complex, within a public lodging establishment, or within an airport.

The legislation allows a dealer to “opt out” of the sales tax holiday if “less than five percent of the dealer’s gross sales of tangible personal property in the prior calendar year are comprised of items that would be exempt” under the legislation. If the qualifying dealer chooses not to participate in the tax holiday, the dealer must notify the Department of Revenue in writing and post a copy of that notice in a prominent location at the place of business.

### Section 2: Description of Data and Sources

- Clothing and Shoes expenditures forecast, FEB 2017 National Economic Estimating Conference.
- Consumer Computer expenditures forecast, FEB 2017 National Economic Estimating Conference.
- U.S. Population (total and 65+), 3rd Quarter estimates, FEB 2017 National Economic Estimating Conference.
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**REVENUE ESTIMATING CONFERENCE**

**Tax:** Sales and Use Tax

**Issue:** School Sales Tax Holiday, 3 Days, \$60 Clothing/\$15 Supplies/\$750 or Less Computers

**Bill Number(s):** HB 7109 (Ch. 2017-36, L.O.F.)

**Section 3: Methodology (Include Assumptions and Attach Details)**

Clothing/Shoes/Backpacks: Florida expenditures for clothing and shoes are derived from total national expenditures for clothing and shoes using Florida population (adjusted for ages 65+), and adjusted for an assumed percentage of non-taxed mail order items. The total Florida expenditures are converted to a 10-day amount, with assumptions made for the percentage of expenditures that would be under the \$60 limit (High = 71%; Middle = 66%; and Low = 58.5%). The middle factor of 66% is derived from prior REC impacts for a \$50 limit and a \$75 limit and was the percentage adopted by the REC for the 2016 holiday. The high and low estimates include plus or minus 5 percentage points. Each of the assumed percentages is decreased by 2.5 percentage points to reflect the dealer opt out provision. For backpacks, assumptions are made for the percentage of students who would purchase a backpack (High = 30%; Middle = 20%; Low = 10%), and each backpack is assumed to cost \$25. These percentages are decreased by 2.5 percentage points to reflect the dealer opt out provision. Using the base 10-day matrix (which is derived from a 14-day matrix developed to estimate the impact for a prior hurricane sales tax holiday) to spread expenditures levels by each day of the forecast period, the level of spending for a 3-day weekend is derived (=62.4% of the 10-day total). The 62.4% factor is applied to the sales tax portion of ten days of spending to estimate the impact for the 3-day holiday.

School Supplies: For school supplies, an amount of expenditure is assumed per student, by grade level, for ten days, which is multiplied by the estimated number of students enrolled in public or private elementary and secondary schools, Florida Colleges, State Universities, career centers, and private colleges/universities. The estimated total expenditure by students is increased by a factor of 25% for business spending. An assumption is made for the percentage of expenditures that would be under the \$15 limit (High = 85%; Middle = 75%; and Low = 65%). Each of these percentages is decreased by 2.5 percentage points to reflect the dealer opt out provision. The 62.4% factor is applied to the sales tax portion of ten days of spending to estimate the impact for the 3-day holiday.

Computers: Florida expenditures are derived from total national expenditures for computers and peripherals using Florida population (adjusted for ages 65+), and adjusted for an assumed percentage of non-taxed online order items. The total Florida expenditures are adjusted for the percentage of expenditures assumed to occur during the third quarter of calendar year 2017 (=23%) and for the percentage of total expenditures assumed to be exempt (High = 54%; Middle and Low = 44%). The percentages of expenditures assumed to be exempt are based on a review of prices for computers and related accessories. These assumed percentages are decreased by 2.5 percentage points to reflect the dealer opt out provision. An assumption is also made for the percentage of quarterly purchases that are expected to occur during the 10-day holiday period. The low estimate assumes 25% of third quarter expenditures would be made during the holiday period, the middle estimate assumes 30%, and the high estimate assumes 55%. The 62.4% factor is applied to the sales tax portion of ten days of spending to estimate the impact for the 3-day holiday.

**Section 4: Proposed Fiscal Impact:** The impact is nonrecurring for FY 2017-18 only.

2017-18	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
Clothing/Shoes/Backpacks	(22.9 M)		(20.9 M)		(18.9 M)	
School Supplies	(5.4 M)		(4.9 M)		(4.5 M)	
Computers	<u>(9.0 M)</u>		<u>(4.0 M)</u>		<u>(3.3 M)</u>	
<b>Total</b>	<b>(37.3 M)</b>		<b>(29.8 M)</b>		<b>(26.7 M)</b>	

**List of affected Trust Funds:** Sales and Use Tax Grouping

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Sales and Use Tax

**Issue:** School Sales Tax Holiday, 3 Days, \$60 Clothing/\$15 Supplies/\$750 or Less Computers

**Bill Number(s):** HB 7109 (Ch. 2017-36, L.O.F.)

**Section 5: Consensus Estimate (Adopted: 06/16/2017): The Conference adopted the middle estimate.**

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(26.4)	0.0	(Insignificant)	0.0	(0.9)	0.0	(2.5)	0.0
2018-19	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2019-20	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2020-21	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2021-22	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(3.4)	0.0	(6.8)	0.0	(33.2)	0.0
2018-19	0.0	0.0	0.0	0.0	0.0	0.0
2019-20	0.0	0.0	0.0	0.0	0.0	0.0
2020-21	0.0	0.0	0.0	0.0	0.0	0.0
2021-22	0.0	0.0	0.0	0.0	0.0	0.0



**HB 7109****Sales Tax Holiday - Clothing, School Supplies, Personal Computers****3 Days, August 4-6, 2017**

(NONRECURRING)

		<b>2017-18</b>		
<b>Expenditure Type</b>		<b>HIGH</b>	<b>MIDDLE</b>	<b>LOW</b>
1	Clothing & Shoes - \$60 or Less	\$ (22.9)	\$ (20.9)	\$ (18.9)
2	School Supplies - \$15 or Less	\$ (5.4)	\$ (4.9)	\$ (4.5)
3	Personal Computers and Related Accessories - \$750 or Less	\$ (9.0)	\$ (4.0)	\$ (3.3)
4	<b>Total Impact</b>	<b>\$ (37.3)</b>	<b>\$ (29.8)</b>	<b>\$ (26.7)</b>

*\*Estimates in millions of dollars*

**HB 7109**

**SALES TAX HOLIDAY - CLOTHING**

**3 Days  
\$60 Limit**

<b>2017-18</b>	<b><u>High</u></b>	<b><u>Middle</u></b>	<b><u>Low</u></b>
1 National Personal Expenditure on Clothing and Shoes	382,603.5	382,603.5	382,603.5
2 Florida Share based on Population Forecast	24,087.8	24,087.8	24,087.8
3 Florida Expenditures on Apparel & Shoes (adjusted for 65+)	22,979.5	22,979.5	22,979.5
4 Est. Florida-based Sales of Apparel & Shoes (10% mail order adj.)	20,681.6	20,681.6	20,681.6
5 Sales Tax at 6%	1,240.9	1,240.9	1,240.9
6 Exempted Amount (68.5% - 63.5% - 58.5%)	850.0	788.0	725.9
7 Preliminary 10-day Fiscal Impact in Florida	(23.3)	(21.6)	(19.9)
8 Seasonal Factor set to <b>1 (no seasonal factor)</b>	1.0	1.0	1.0
9 Behavioral Factor based on New York History and Florida Experience	1.5	1.5	1.5
10 Adjusted 10-day Fiscal Impact in Florida	(34.9)	(32.4)	(29.8)
11 Backpacks (27.5% - 17.5% - 7.5% x Number of Students x \$25/backpack))	(1.7)	(1.1)	(0.5)
12 <b>Total Impact 3 Day (62.4% Adjustment)</b>	<b>(\$22.9)</b>	<b>(\$20.9)</b>	<b>(\$18.9)</b>

**HB 7109  
SALES TAX HOLIDAY - SCHOOL SUPPLIES**

**3 Days  
\$15 Limit**

**2017-18**

<b>Grade Level</b>	<b>Expenditures per Student</b>	<b>Number of Students</b>	<b>Total Expenditures</b>
PreK	20.00	68,906	1.4
KG	20.00	229,985	4.6
1	20.00	235,295	4.7
2	20.00	236,475	4.7
3	25.00	259,906	6.5
4	27.00	246,993	6.7
5	27.00	240,763	6.5
6	32.00	248,433	7.9
7	32.00	239,343	7.7
8	32.00	239,897	7.7
9	35.00	245,338	8.6
10	35.00	239,146	8.4
11	35.00	233,620	8.2
12	35.00	220,509	7.7
<b>Total PK-12</b>		<b>3,184,609</b>	<b>91.2</b>
<b>Total HigherEd</b>	<b>36.00</b>	<b>1,026,358</b>	<b>36.9</b>
<b>Total All Students</b>		<b>4,210,967</b>	<b>128.2</b>

**Advantage Buying by Business, General Public  
25% Factor + 10% for Expanded List**

44.9

	<u>High</u>	<u>Middle</u>	<u>Low</u>
Total Sales Tax for 10 Days ({82.5% - 72.5% - 62.5%} x 95.9%)	(8.7)	(7.9)	(7.2)

<b>Total Impact 3 Day (62.4% Adjustment)</b>	<b>(\$5.4)</b>	<b>(\$4.9)</b>	<b>(\$4.5)</b>
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**HB 7109**  
**SALES TAX HOLIDAY - COMPUTERS**

**3 Days**  
**\$750 or Less**

<b>2017-18</b>	<b>High</b>	<b>Middle</b>	<b>Low</b>
1 National Consumer Expenditures on Computers	66,097.6	66,097.6	66,097.6
2 Florida Share based on Population Forecast	4,161.3	4,161.3	4,161.3
3 Florida Expenditures on Computers (adjusted for 65+)	3,969.9	3,969.9	3,969.9
4 Estimated Florida-based Sales of Computers (7% e-commerce adj.)	3,692.0	3,692.0	3,692.0
5 Annual Sales Tax at 6%	221.5	221.5	221.5
6 CY Q1 Estimate (27.80%)	61.6	61.6	61.6
7 CY Q2 Estimate (23.41%)	51.9	51.9	51.9
8 CY Q3 Estimate (23.04%)	51.0	51.0	51.0
9 CY Q4 Estimate (25.74%)	57.0	57.0	57.0
10 Exempted Amount (51.5% - 41.5% - 41.5%)	26.3	21.2	21.2
Assumption (54% - 44% - 44% minus 2.5% opt out)	0.515	0.415	0.415
11 Q3 Purchases Made During 10-Day Holiday (55% - 30% - 25%)	14.5	6.4	5.3
12 <b>Total Impact 3 Day (62.4% Adjustment)</b>	<b>(\$9.0)</b>	<b>(\$4.0)</b>	<b>(\$3.3)</b>

**SALES TAX HOLIDAY - COMPUTER PRICING INFORMATION**

Type of Device	Total # Devices	<\$250		\$251-\$500		\$501-\$750		\$751-\$1000		\$1001-\$1250		\$1251-\$1500		\$1501-\$2000		>\$2000	
All-in-One Computers	111	2	1.8%	19	17.1%	31	27.9%	25	22.5%	15	13.5%	2	1.8%	9	8.1%	8	7.2%
Desktop Computer	745	112	15.0%	139	18.7%	167	22.4%	130	17.4%	59	7.9%	37	5.0%	51	6.8%	50	6.7%
Tablet Computer	278	194	69.8%	40	14.4%	29	10.4%	9	3.2%	1	0.4%	1	0.4%	2	0.7%	2	0.7%
Laptop Computer	861	102	11.8%	249	28.9%	109	12.7%	119	13.8%	72	8.4%	73	8.5%	86	10.0%	51	5.9%
E-reader	7	3	42.9%	4	57.1%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
<b>TOTAL Major Devices</b>	<b>2002</b>	<b>413</b>	<b>20.6%</b>	<b>451</b>	<b>22.5%</b>	<b>336</b>	<b>16.8%</b>	<b>283</b>	<b>14.1%</b>	<b>147</b>	<b>7.3%</b>	<b>113</b>	<b>5.6%</b>	<b>148</b>	<b>7.4%</b>	<b>111</b>	<b>5.5%</b>

  

Type of Accessory	Total # Accessories	<\$250		\$251-\$500		\$501-\$750		\$751-\$1000		\$1001-\$1250		\$1251-\$1500		\$1501-\$2000		>\$2000	
Monitors	402	258	64.2%	96	23.9%	25	6.2%	16	4.0%	3	0.7%	3	0.7%	1	0.2%	0	0.0%
Keyboards	126	126	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Mice	201	201	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Operating System Software	50	44	88.0%	3	6.0%	2	4.0%	1	2.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Office Suite Software	57	54	94.7%	3	5.3%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Security Software	109	108	99.1%	1	0.9%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Routers	90	75	83.3%	15	16.7%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
<b>TOTAL Major Accessories</b>	<b>1035</b>	<b>866</b>	<b>83.7%</b>	<b>118</b>	<b>11.4%</b>	<b>27</b>	<b>2.6%</b>	<b>17</b>	<b>1.6%</b>	<b>3</b>	<b>0.3%</b>	<b>3</b>	<b>0.3%</b>	<b>1</b>	<b>0.1%</b>	<b>0</b>	<b>0.0%</b>

  

<b>TOTAL</b>	<b>3037</b>	<b>1279</b>	<b>42%</b>	<b>569</b>	<b>19%</b>	<b>363</b>	<b>12%</b>	<b>300</b>	<b>10%</b>	<b>150</b>	<b>5%</b>	<b>116</b>	<b>4%</b>	<b>149</b>	<b>5%</b>	<b>111</b>	<b>4%</b>
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All	3,037
\$750 or less	2,211
	73%
Middle Assumption for First \$750	60%
73% of Middle Assumption	44% =new middle estimate percentage

Data from bestbuy.com as of 4/5/17

## Back-to-School Daily Factors - based on Hurricane Sales Tax Holiday Analysis

**Assume:**

Depending upon what SET OF DAYS are included, the most impact will come from the weekend.

As long as an ENTIRE WEEKEND is included, the most impact will occur on Friday, Saturday and Sunday.

Weekdays add less to the impact.

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	Calibrate to 12-day holiday	Calibrate to 10-day holiday
<b>Example:</b>	Thursday	Friday	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Monday	Tuesday	Wednesday		
14-Day Holiday	2.0%	5.5%	35.0%	20.0%	1.0%	1.0%	1.0%	1.0%	2.5%	20.0%	10.0%	1.0%	1.0%	1.0%	102.0%	105.2%
13-Day Holiday	2.0%	5.5%	35.0%	20.0%	1.0%	1.0%	1.0%	1.0%	2.5%	20.0%	10.0%	1.0%	1.0%	X	101.0%	104.1%
12-Day Holiday	2.0%	5.5%	35.0%	20.0%	1.0%	1.0%	1.0%	1.0%	2.5%	20.0%	10.0%	1.0%	X	X	100.0%	103.1%
11-Day Holiday	2.0%	5.5%	35.0%	20.0%	1.0%	1.0%	1.0%	1.0%	2.5%	20.0%	10.0%	X	X	X	99.0%	102.1%
10-Day Holiday	X	5.5%	35.0%	20.0%	1.0%	1.0%	1.0%	1.0%	2.5%	20.0%	10.0%	X	X	X	97.0%	100.0%
9-Day Holiday	X	5.5%	35.0%	20.0%	1.0%	1.0%	1.0%	1.0%	2.5%	20.0%	X	X	X	X	87.0%	89.7%
8-Day Holiday	X	X	35.0%	20.0%	1.0%	1.0%	1.0%	1.0%	2.5%	20.0%	X	X	X	X	81.5%	84.0%
7-Day Holiday	X	5.5%	35.0%	20.0%	1.0%	1.0%	1.0%	1.0%	X	X	X	X	X	X	64.5%	66.5%
6-Day Holiday	2.0%	5.5%	35.0%	20.0%	1.0%	1.0%	X	X	X	X	X	X	X	X	64.5%	66.5%
5-Day Holiday	X	5.5%	35.0%	20.0%	1.0%	1.0%	X	X	X	X	X	X	X	X	62.5%	64.4%
4-Day Holiday	2.0%	5.5%	35.0%	20.0%	X	X	X	X	X	X	X	X	X	X	62.5%	64.4%
3-Day Holiday	X	5.5%	35.0%	20.0%	X	X	X	X	X	X	X	X	X	X	60.5%	62.4%
2-Day Holiday	X	X	35.0%	20.0%	X	X	X	X	X	X	X	X	X	X	55.0%	56.7%
1-Day Holiday	X	X	35.0%	X	X	X	X	X	X	X	X	X	X	X	35.0%	36.1%

## REVENUE ESTIMATING CONFERENCE

**Tax:** Sales and Use Tax

**Issue:** 0.2% rate reduction for Commercial Rent

**Bill Number(s):** HB 7109

**Entire Bill**

**Partial Bill:** Section 21

**Sponsor(s):** Rep. Boyd

**Month/Year Impact Begins:** February 2018

**Date of Analysis:** 6/14/2017

### Section 1: Narrative

- a. Current Law:** Section 212.031 Provides for a tax levied in an amount equal to 6% of and on the total rent or license fee charged for the exercise of the taxable privilege of engaging in the business of renting, leasing, letting, or granting a license for the use of any real property unless the property is one of 13 specifically identified types of property.
- b. Proposed Change:** Reduces the tax levied on the taxable privilege of engaging in the business of renting, leasing, letting, or granting a license for the use of any real property from 6% to 5.8% effective January 1, 2018

### Section 2: Description of Data and Sources

DOR Sales Tape for 2013, 2014 and 2015 Calendar Years

DR-15 Line 3.C. (Taxable Commercial Rent) or 4.C. (Tax on Commercial Rent).

DR-15EZ line 3 (Total Taxable Sales) and line 4 (Total Tax Collected)

Instructions for DR-15EZ read in part: "If you only report tax collected for the lease or rental of commercial property, you may file a DR-15EZ return."

### Section 3: Methodology (Include Assumptions and Attach Details)

For 2013, 2014 and 2015, those dealers who either were identified as Kind Code 82 – Lease or Rental of Real Property or as having positive amounts inform DR15 line 3.C. (Taxable Commercial Rent) or 4.C. (Tax on Commercial Rent). Those dealers that indicated Kind Code 82 were further broken into 5 groups:

KindCode 82 - Form DR15 With line 4C > 0

KindCode 82 - Form DR15 with line 4C = 0 multiplied by 50% as directed by REC

Kindcode 82 - Form DR15EZ

Kind Code 82 - No form ID with line 4C > 0

Kind Code 82 - No form ID with line 4C = 0

For 2014 and 2015 the data file contained form information for all sales tax dealers. As a result, the data was broken into three groups:

KindCode 82 - Form DR15 With line 4C > 0

KindCode 82 - Form DR15 with line 4C = 0 multiplied by 50% as directed by REC

Kindcode 82 - Form DR15EZ

Additionally, the amount of taxable commercial rent reported on Form DR-15 line 3c for all sales tax dealers not in kind code 82 was identified for 2013, 2014 and 2015.

For those dealers that were Kind Code 82 and filed using form DR-15, taxable sales amounts for commercial rent were used to calculate the state 6% sales tax on commercial rent where the dealer had reported some amount on line 3.C. For those dealers in Kindcode 82 that either filed form DR-15EZ or filed DR-15 but did not report any tax on line 4.C., line 3 (Taxable Sales/Purchases) or line 3.A. (Taxable Sales) multiplied by the state 6% rate to calculate the state 6% sales tax collected on commercial rent.

For those dealers that were not in Kindcode 82 the amount reported on line 3.C. was multiplied by the state 6% rate to calculate the sales tax on commercial rent.

The growth rates for nonresidential property from the December 2016 Ad Valorem Assessments Estimating Conference were used to grow the 2015 calendar year amount into the forecast period. Calendar year amounts were converted to fiscal year amounts. The amount of tax that would have been generated were the tax rate 5.8% was calculated and converted to a fiscal year basis. The difference between the revenues generated at the 6% rate and those generated at the 5.8% rate was calculated to determine the impact. As the effective date is January 1, 2018, the 2017-18 impact is assumed to be 5/12 of the annualized 2017-18 amount. For the high methodology, the data from the DOR 2015 Sales file was not adjusted. For the middle estimates, the amounts from the DOR sales file were adjusted.

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Sales and Use Tax

**Issue:** 0.2% rate reduction for Commercial Rent

**Bill Number(s):** HB 7109

The reason for the adjustment is that in the processing of the returns, certain amounts reported on the return are recast in an effort to better characterize the data. For dealers in kind code 82 – Lease or Rental of Commercial Real Property that file the DR-15, if they file amounts only on one line and that line is not the commercial rent line, the department recast that return to show the tax remitted as being on the commercial rent line. This is referred to as “As Computed” data. Data that is in the form that was filed by the taxpayer is referred to as “As Filed” data. In order to evaluate the impact of this processing issue, a file consisting of both “As Filed” data and “As Computed” data was created on a monthly basis for Calendar year 2015. This file was analyzed to identify those entities that had reported taxable sales on a single line other than the commercial rent line “as filed” and that had reported sales on the commercial rent line “As Computed”.

Once those amounts that had been recast were identified, they were further examined. In order to evaluate these recast amounts, the department was directed to conduct an analysis of those entities that have a primary kind code of 82 but that have additional kind codes. A data set of those entities with multiple kind codes where 82 was the primary Kindcode was generated. This dataset was merged with the dataset of monthly remittances that was used to identify the recast data. Of 57,102 entities with primary Kindcode 82 that filed on the DR-15, 3233 entities had multiple kindcodes. The match identified that of the 3233 entities with multiple kindcodes, 823 had their return recast as discussed above. The analysis requested was to identify those entities with multiple kindcodes and then compare them to entities with the same multiple kindcodes but who had not had their data recast. For those that had not been recast, the percent that commercial rent represented on the return was calculated. This percent was then applied to those entities that had multiple kindcodes and had been recast to create an amount that is assumed to be commercial rent.

For the low estimate, the entire recast amount was initially assumed not to be commercial rent. The amounts for those recast entities that did not have multiple Kindcode was added to the impact total absent the recast entities’ amounts. Finally, the amount that resulted from the analysis of those entities with multiple kindcodes and the percentage from like entities that had not been recast was added to the impact total.

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(\$25.5 M)	(\$61.2 M)			(\$25.4 M)	(\$61.0 M)
2018-19	(\$64.1 M)	(\$64.1 M)			(\$63.9 M)	(\$63.9 M)
2019-20	(\$66.7 M)	(\$66.7 M)			(\$66.5 M)	(\$66.5 M)
2020-21	(\$69.3 M)	(\$69.3 M)			(\$69.0 M)	(\$69.0 M)
2021-22	(\$71.8 M)	(\$71.8 M)			(\$71.6 M)	(\$71.6 M)

**List of affected Trust Funds:** Sales and Use Tax Group

**Section 5: Consensus Estimate (Adopted: 06/16/2017): The Conference adopted the low estimate.**

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(22.5)	(54.0)	(Insignificant)	(Insignificant)	(0.7)	(1.8)	(2.2)	(5.2)
2018-19	(56.6)	(56.6)	(Insignificant)	(Insignificant)	(1.9)	(1.9)	(5.4)	(5.4)
2019-20	(58.9)	(58.9)	(Insignificant)	(Insignificant)	(2.0)	(2.0)	(5.6)	(5.6)
2020-21	(61.1)	(61.1)	(Insignificant)	(Insignificant)	(2.0)	(2.0)	(5.9)	(5.9)
2021-22	(63.4)	(63.4)	(Insignificant)	(Insignificant)	(2.1)	(2.1)	(6.1)	(6.1)

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	0.0	0.0	(2.9)	(7.0)	(25.4)	(61.0)
2018-19	0.0	0.0	(7.3)	(7.3)	(63.9)	(63.9)
2019-20	0.0	0.0	(7.6)	(7.6)	(66.5)	(66.5)
2020-21	0.0	0.0	(7.9)	(7.9)	(69.0)	(69.0)
2021-22	0.0	0.0	(8.2)	(8.2)	(71.6)	(71.6)



	A	B	C	D	E	F	G
1							
2							
3	Calendar Year 2015	Sales/Services Taxable Sales (Line 3A DR-15 or Line 3 DR-15EZ)	Taxable Sales Reported on line 3C- Commercial Rentals	Sales Tax at 6% rate applied to Taxable Sales (Line 3A DR-15 or Line 3 DR-15EZ)	Sales Tax at 6% rate applied to line 3C- Commercial Rentals	Number of Accounts	
4	KindCode 82 - Form DR15 With line 4C > 0	\$608,264,217	\$14,816,872,568		\$889,012,354	48,689	
5	KindCode 82 - Form DR15 with line 4C = 0	\$276,925,549		\$16,615,533		8,078	
6	Kindcode 82 - Form DR15EZ	\$9,703,296,086		\$582,197,765		87,625	
7	Kind Code 82 - No form ID with line 4C > 0	\$0	\$0	\$0	\$0	0	
8	Kind Code 82 - No form ID with line 4C = 0	\$0	\$0	\$0	\$0	0	
9	Dealers with Commercial rental tax not in kindcode 82	\$25,033,351,388	\$1,424,118,566		\$85,447,114	8,606	
10							
11	Statewide 2015			\$598,813,298	\$974,459,468	152,998	
12							
13							
14							
15	Calendar Year 2014	Sales/Services Taxable Sales (Line 3A DR-15 or Line 3 DR-15EZ)	Taxable Sales Reported on line 3C- Commercial Rentals	Sales Tax at 6% rate applied to Taxable Sales (Line 3A DR-15 or Line 3 DR-15EZ)	Sales Tax at 6% rate applied to line 3C- Commercial Rentals	Number of Accounts	
16	KindCode 82 - Form DR15 With line 4C > 0	\$537,440,074	\$13,075,756,344		\$784,545,381	42,923	
17	KindCode 82 - Form DR15 with line 4C = 0	\$369,105,345		\$22,146,321		6,158	
18	Kindcode 82 - Form DR15EZ	\$9,969,543,929		\$598,172,636		90,846	
19	Kind Code 82 - No form ID with line 4C > 0	\$0	\$0	0	\$0	0	
20	Kind Code 82 - No form ID with line 4C = 0	\$0		\$0		0	
21	Dealers with Commercial rental tax not in kindcode 82	\$23,876,968,994	\$1,147,816,198		\$68,868,972	7,699	
22							
23	Statewide 2014			\$620,318,956	\$853,414,352	147,626	
24							

	A	B	C	D	E	F	G
25							
26	Calendar Year 2013	Sales/Services Taxable Sales (Line 3A DR-15 or Line 3 DR-15EZ)	Taxable Sales Reported on line 3C- Commercial Rentals	Sales Tax at 6% rate applied to Taxable Sales (Line 3A DR-15 or Line 3 DR-15EZ)	Sales Tax at 6% rate applied to line 3C- Commercial Rentals	Number of Accounts	
27	KindCode 82 - Form DR15 With line 4C > 0	\$668,576,684	\$9,187,064,349		\$551,223,861	31,248	
28	KindCode 82 - Form DR15 with line 4C = 0	\$411,980,060		\$24,718,804		2,954	
29	Kindcode 82 - Form DR15EZ	\$10,219,270,436		\$613,156,226		90,719	
30	Kind Code 82 - No form ID with line 4C > 0	\$120,898,245	\$2,626,883,968		\$157,613,038	10,001	
31	Kind Code 82 - No form ID with line 4C = 0	\$84,173,669		\$5,050,420		2,435	
32	Dealers with Commercial rental tax not in kindcode 82	\$20,940,595,250	\$1,166,438,863		\$69,986,332	7,699	
33							
34	Statewide 2013			\$642,925,450	\$778,823,231	145,056	
35							
36							
37	Analysis of Recast Commercial Rent (Low Estimate)		Taxable Amounts				
38			Totals	Amounts to add back			
39	Total Recast Commercial Rent (DR-15 filers only)- 2015		\$4,684,175,711				
40	Total Recast that are only kindcode 82			\$4,481,054,382			
41	Total recast that have multiple kindcodes		\$203,121,329				
42	portion of C41 that is assumed commercial rent by like analysis			\$111,631,023			
43	Total amount (taxable Commercial rent) to add back			\$4,592,685,405			
44	tax amount to add back			\$275,561,124			
45							
46							
47							
48							
49			High Estimate	Middle Estimate			
50			Sales Tax With Cell D32 reduced by half @ Commercial Property Growth Rate	Sales Tax With Cell D32 reduced by half @ Commercial Property Growth Rate - adjusted for low method to adjust for recast commercial rent	Business Investment Growth Rate (GR-REC 8/15)	NonResidential Property Growth Rate - December 23, 2015 Ad Valorem Assessments Estimating Conference	
51	Total Estimated State Sales Tax - Commercial Rent	2013	\$1,408,103,037				
52		2014	\$1,462,660,149				
53		2015	\$1,564,965,000	\$1,559,475,581			
54		2016	\$1,680,615,913	\$1,674,720,827	6.10	7.39	
55		2017	\$1,791,368,502	\$1,785,084,929	5.30	6.59	
56		2018	\$1,883,265,706	\$1,876,659,786	4.80	5.13	
57		2019	\$1,963,304,498	\$1,956,417,827	4.20	4.25	
58		2020	\$2,039,677,043	\$2,032,522,481	3.80	3.89	
59		2021	\$2,116,164,933	\$2,108,742,074	3.60	3.75	
60		2022	\$2,192,135,254	\$2,184,445,914	3.60	3.59	
61							
62							

	A	B	C	D	E	F	G
63			High Estimate	Low Estimate			
64	Estimated Sales tax at new rates - (5.8%)	2016	\$1,624,595,383	\$1,618,896,799			
65		2017	\$1,731,656,218	\$1,725,582,098			
66		2018	\$1,820,490,182	\$1,814,104,460			
67		2019	\$1,897,861,015	\$1,891,203,899			
68		2020	\$1,971,687,809	\$1,964,771,731			
69		2021	\$2,045,626,101	\$2,038,450,671			
70		2022	\$2,119,064,079	\$2,111,631,050			
71							
72	Calendar Year to Fiscal Year conversion - 6%		Recurring Impact				
73		Sales Tax @ 6%					
74		2016-17	\$1,735,992,207	\$1,729,902,878			
75		2017-18	\$1,837,317,104	\$1,830,872,358			
76		2018-19	\$1,923,285,102	\$1,916,538,807			
77		2019-20	\$2,001,490,771	\$1,994,470,154			
78		2020-21	\$2,077,920,988	\$2,070,632,277			
79		2021-22	\$2,154,150,093	\$2,146,593,994			
80							
81	Calendar Year to Fiscal Year conversion - 5.8%	Sales Tax @ New rates					
82		2016-17	\$1,678,125,801	\$1,672,239,449			
83		2017-18	\$1,776,073,200	\$1,769,843,279			
84		2018-19	\$1,859,175,599	\$1,852,654,180			
85		2019-20	\$1,934,774,412	\$1,927,987,815			
86		2020-21	\$2,008,656,955	\$2,001,611,201			
87		2021-22	\$2,082,345,090	\$2,075,040,861			
88							
89			High	Low			
90			Sales Tax With Cell D32 reduced by half @ Commercial Property Growth Rate	Sales Tax With Cell D32 reduced by half @ Commercial Property Growth Rate and utilizing the recast analysis			
91		2017-18 Cash	-\$25,518,293	-\$25,428,783			
92		2017-18	-\$61,243,903	-\$61,029,079			
93		2018-19	-\$64,109,503	-\$63,884,627			
94		2019-20	-\$66,716,359	-\$66,482,338			
95		2020-21	-\$69,264,033	-\$69,021,076			
96		2021-22	-\$71,805,003	-\$71,553,133			

	A	B	C	D	E	F	G
97							
98	NAICS code for those dealers within Kind Code 82						
99	North American Industrial Classification Code	Description		Frequency	Percent		
100	531120	Lessors of Nonresidential Buildings (except Miniwarehouses)		139788	96.9		
101	531190	Lessors of Other Real Estate Property		2511	1.7		
102	531210	Offices of Real estate Agents and Brokers		381	.3		
103	531312	Nonresidential Property Managers		687	.5		
104	531320	Offices of Real Estate Appraisers		4	.0		
105	531390	Other Activities Related to Real Estate		536	.4		
106	561431	Private Mail Centers		100	.1		
107	561920	Convention and Trade Show Organizers		69	.0		
108	711310	Promoters of Performing arts, Sports, and Similar Events with Fac		91	.1		
109	812220	Cemeteries and Crematoriums		3	.0		
110	813990	(except Business,		56	.0		
111	Total			144,226	100.0		

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Data Center Property

Bill Number(s): HB 7109, Section 26 (partial)

Entire Bill

Partial Bill:

Sponsor(s): N/A

Month/Year Impact Begins: July 1, 2017 (with a one-month collection lag)

Date of Analysis: June 15, 2017

Section 1: Narrative

a. **Current Law:** Purchases of Datacenter equipment, electricity, and building materials to construct the facility that houses the datacenter are all subject to sales tax.

b. **Proposed Change:** HB7109 creates a new paragraph (s) of subsection (5) of section 212.08, Florida Statutes that provides:

(s) Data center property.—

1. As used in this paragraph, the term:

a. "Critical IT load" means that portion of electric power capacity, expressed in terms of megawatts, which is reserved solely for owners or tenants of a data center to operate their computer server equipment. The term does not include any ancillary load for cooling, lighting, common areas, or other equipment.

b. "Cumulative capital investment" means the combined total of all expenses incurred by the owners or tenants of a data center after July 1, 2017, in connection with acquiring, constructing, installing, equipping, or expanding the data center. However, the term does not include any expenses incurred in the acquisition of improved real property operating as a data center at the time of acquisition or within 6 months before the acquisition.

c. "Data center" means a facility that:

(I) Consists of one or more contiguous parcels in this state, along with the buildings, substations and other infrastructure, fixtures, and personal property located on the parcels;

(II) Is used exclusively to house and operate equipment that receives, stores, aggregates, manages, processes, transforms, retrieves, researches, or transmits data; or that is necessary for the proper operation of equipment that receives, stores, aggregates, manages, processes, transforms, retrieves, researches, or transmits data;

(III) Has a critical IT load of 15 megawatts or higher, and a critical IT load of 1 megawatt or higher dedicated to each individual owner or tenant within the data center; and

(IV) Is constructed on or after July 1, 2017.

d. "Data center property" means property used exclusively at a data center to construct, outfit, operate, support, power, cool, dehumidify, secure, or protect a data center and any contiguous dedicated substations. The term includes, but is not limited to, construction materials, component parts, machinery, equipment, computers, servers, installations, redundancies, and operating or enabling software, including any replacements, updates and new versions, and upgrades to or for such property, regardless of whether the property is a fixture or is otherwise affixed to or incorporated into real property. The term also includes electricity used exclusively at a data center.

2. Data center property is exempt from the tax imposed by this chapter, except for the tax imposed by s. 212.031. To be eligible for the exemption provided by this paragraph, the data center's owners and tenants must make a cumulative capital investment of \$150 million or more for the data center and the data center must have a critical IT load of 15 megawatts or higher and a critical IT load of 1 megawatt or higher dedicated to each individual owner or tenant within the data center. Each of these requirements must be satisfied no later than 5 years after the commencement of construction of the data center.

3.a. To receive the exemption provided by this paragraph, the person seeking the exemption must apply to the department for a temporary tax exemption certificate. The application must state that a qualifying data center designation is being sought and provide information that the requirements of subparagraph 2. will be met. Upon a tentative determination by the department that the data center will meet the requirements of subparagraph 2., the department must issue the certificate.

b.(I) The certificateholder shall maintain all necessary books and records to support the exemption provided by this paragraph. Upon satisfaction of all requirements of subparagraph 2., the certificateholder must deliver the temporary tax certificate to the department together with documentation sufficient to show the satisfaction of the requirements. Such documentation must include written declarations, pursuant to s. 92.525, from:

(A) A professional engineer, licensed pursuant to chapter 471, certifying that the critical IT load requirement set forth in subparagraph 2. has been satisfied at the data center; and (B) A Florida certified public accountant, as defined in s.

## REVENUE ESTIMATING CONFERENCE

**Tax:** Sales and Use Tax

**Issue:** Data Center Property

**Bill Number(s):** HB 7109, Section 26 (partial)

473.302, certifying that the cumulative capital investment requirement set forth in subparagraph 2. has been satisfied for the data center.

The professional engineer and the Florida certified public accountant may not be professionally related with the data center's owners, tenants, or contractors, except that they may be retained by a data center owner to certify that the requirements of subparagraph 2. have been met.

(II) If the department determines that the subparagraph 2. requirements have been satisfied, the department must issue a permanent tax exemption certificate.

(III) Notwithstanding s. 212.084(4), the permanent tax exemption certificate remains valid and effective for as long as the data center described in the exemption application continues to operate as a data center as defined in subparagraph 1., with review by the department every 5 years to ensure compliance. As part of the review, the certificate holder shall, within 3 months before the end of any 5-year period, submit a written declaration, pursuant to s. 92.525, certifying that the critical IT load of 15 megawatts or higher and the critical IT load of 1 megawatt or higher dedicated to each individual owner or tenant within the data center required by subparagraph 2. continues to be met. All owners, tenants, contractors, and others purchasing exempt data center property shall maintain all necessary books and records to support the exemption as to those purchases.

(IV) Notwithstanding s. 213.053, the department may share information concerning a temporary or permanent data center exemption certificate among all owners, tenants, contractors, and others purchasing exempt data center property pursuant to such certificate.

c. If, in an audit conducted by the department, it is determined that the certificate holder or any owners, tenants, contractors, or others purchasing, renting, or leasing data center property do not meet the criteria of this paragraph, the amount of taxes exempted at the time of purchase, rental, or lease is immediately due and payable to the department from the purchaser, renter, or lessee of those particular items, together with the appropriate interest and penalty computed from the date of purchase in the manner prescribed by this chapter. Notwithstanding s. 95.091(3)(a), any tax due as provided in this sub-subparagraph may be assessed by the department within 6 years after the date the data center property was purchased.

d. Purchasers, lessees, and renters of data center property who qualify for the exemption provided by this paragraph shall obtain from the data center a copy of the tax exemption certificate issued pursuant to sub-subparagraph a. or sub-subparagraph b. Before or at the time of purchase of the item or items eligible for exemption, the purchaser, lessee, or renter shall provide to the seller a copy of the tax exemption certificate and a signed certificate of entitlement. Purchasers, lessees, and renters with self-accrual authority shall maintain all documentation necessary to prove the exempt status of purchases.

e. For any purchase, lease, or rental of property that is exempt pursuant to this paragraph, the possession of a copy of a tax exemption certificate issued pursuant to sub-subparagraph a. or sub-subparagraph b. and a signed certificate of entitlement relieves the seller of the responsibility of collecting the tax on the sale, lease, or rental of such property, and the department must look solely to the purchaser, renter, or lessee for recovery of the tax if it determines that the purchase, rental, or lease was not entitled to the exemption.

4. After June 30, 2022, the department may not issue a temporary tax exemption certificate pursuant to this paragraph.

The effective date of the bill is July 1, 2017.

### Section 2: Description of Data and Sources

Industry research and Discussion

EIA data for Commercial electrical \$/kW

### Section 3: Methodology (Include Assumptions and Attach Details)

The low estimate assumes that there is one data center that meets the minimum requirements applying on July 1, 2017. They begin construction in 2017-18 and complete construction in 2018-19. Based on industry information spending on acquisition costs are matched on a dollar-for-dollar basis in purchases of data center equipment. It is assumed that half of the constructions costs are due to the construction materials. It is assumed that the smaller facility faces A higher price for construction on a per MW basis. The construction spending is tied to the planned MW schedule which assumes that the facilities reach their total MW capacity within the 5-year window. After construction completes about 5% of total revenue is spent on maintenance. Average revenue per MW is \$1.8 M, so for a 15 MW data center annual revenue equals \$27 M or \$1.35 M per year for maintenance. Data centers pre-lease between

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Sales and Use Tax

**Issue:** Data Center Property

**Bill Number(s):** HB 7109, Section 26 (partial)

25% and 50% of total capacity. All estimates assume that construction follows lease expectations, and that the total MW capacity will be leased within the 5-year window. The electrical exemption is calculated based on 15 MW x 8,760 hours x \$9.05 MWh, and begins and phases-in with the planned MW schedule.

The High estimate assumes the data center is twice the size of the minimum, and the middle is the average of the low and the high.

Based on the conference’s request the estimate has been taken out until the impacts stabilize in fiscal year 2025-26. These stabilized values are used for the recurring values.

**Section 4: Proposed Fiscal Impact**

**Sales Tax Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	\$(1.3 M)	\$(3.7 M)	\$(1.1 M)	\$(3.1 M)	\$(0.8 M)	\$(2.3 M)
2018-19	\$(2.1 M)	\$(3.7 M)	\$(1.8 M)	\$(3.1 M)	\$(1.3 M)	\$(2.3 M)
2019-20	\$(2.9 M)	\$(3.7 M)	\$(2.5 M)	\$(3.1 M)	\$(1.8 M)	\$(2.3 M)
2020-21	\$(2.9 M)	\$(3.7 M)	\$(2.5 M)	\$(3.1 M)	\$(1.8 M)	\$(2.3 M)
2021-22	\$(2.9 M)	\$(3.7 M)	\$(2.5 M)	\$(3.1 M)	\$(1.8 M)	\$(2.3 M)

**Gross Receipts Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	\$-	\$(0.06 M)	\$-	\$(0.05 M)	\$-	\$(0.03 M)
2018-19	\$(0.02 M)	\$(0.06 M)	\$(0.02 M)	\$(0.05 M)	\$(0.01 M)	\$(0.03 M)
2019-20	\$(0.04 M)	\$(0.06 M)	\$(0.03 M)	\$(0.05 M)	\$(0.02 M)	\$(0.03 M)
2020-21	\$(0.05 M)	\$(0.06 M)	\$(0.04 M)	\$(0.05 M)	\$(0.02 M)	\$(0.03 M)
2021-22	\$(0.06 M)	\$(0.06 M)	\$(0.05 M)	\$(0.05 M)	\$(0.03 M)	\$(0.03 M)

**List of affected Trust Funds:**

Sales Tax Group  
PECO

**Section 5: Consensus Estimate (Adopted: 06/16/2017): The Conference adopted the low as an at least number.**

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(0.7)	(2.1)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.2)
2018-19	(1.1)	(2.1)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.2)
2019-20	(1.6)	(2.1)	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.2)	(0.2)
2020-21	(1.6)	(2.1)	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.2)	(0.2)
2021-22	(1.6)	(2.1)	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.2)	(0.2)

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(0.1)	(0.3)	(0.2)	(0.5)	(0.9)	(2.6)
2018-19	(0.1)	(0.3)	(0.3)	(0.5)	(1.4)	(2.6)
2019-20	(0.2)	(0.3)	(0.4)	(0.5)	(2.0)	(2.6)
2020-21	(0.2)	(0.3)	(0.4)	(0.5)	(2.0)	(2.6)
2021-22	(0.2)	(0.3)	(0.4)	(0.5)	(2.0)	(2.6)

Proposed Language  
Data Centers

	A	B	C	D	E	F	G
1							
2	<b>Base line assumptions</b>						
3			<b>High</b>	<b>Middle</b>	<b>Low</b>		
4	Construction Expense		\$ 240.0 M	\$ 202.5 M	\$ 150.0 M		
5	Construction \$/MW		\$ 8.0 M	\$ 9.0 M	\$ 10.0 M		
6	MW Capacity		30	23	15		
7	Revenue per MW		\$ 1.8 M	\$ 1.8 M	\$ 1.8 M		
8	MWH \$		\$ 9.05	\$ 9.05	\$ 9.05		
9							
10	<b>Planned MW Schedule</b>						
11	<b>% MW/Year</b>	<b>Year</b>	<b>High</b>	<b>Middle</b>	<b>Low</b>		
12		2017-18	-	-	-		
13	40%	2018-19	12.0 MW	9.0 MW	6.0 MW		
14	20%	2019-20	6.0 MW	4.5 MW	3.0 MW		
15	20%	2020-21	6.0 MW	4.5 MW	3.0 MW		
16	20%	2021-22	6.0 MW	4.5 MW	3.0 MW		
17							
18	<b>Construction Expense Phase-in</b>						
19	Construction Material %				50%		
20		<b>Year</b>	<b>High</b>	<b>Middle</b>	<b>Low</b>		
21		2017-18	\$ 24.0 M	\$ 20.3 M	\$ 15.0 M		
22		2018-19	\$ 36.0 M	\$ 30.4 M	\$ 22.5 M		
23		2019-20	\$ 24.0 M	\$ 20.3 M	\$ 15.0 M		
24		2020-21	\$ 24.0 M	\$ 20.3 M	\$ 15.0 M		
25		2021-22	\$ 12.0 M	\$ 10.1 M	\$ 7.5 M		
26							
27							
28	Maintenance expense 5% of revenue				5%		
29		<b>Year</b>	<b>High</b>	<b>Middle</b>	<b>Low</b>		
30		2017-18	\$ -	\$ -	\$ -		
31		2018-19	\$ 1.1 M	\$ 0.8 M	\$ 0.5 M		
32		2019-20	\$ 1.6 M	\$ 1.2 M	\$ 0.8 M		
33		2020-21	\$ 2.2 M	\$ 1.6 M	\$ 1.1 M		
34		2021-22	\$ 2.7 M	\$ 2.0 M	\$ 1.4 M		



Proposed Language  
Data Centers

	A	B	C	D	E	F	G
35							
36	Customer IT Gear						
37		<b>Year</b>	<b>High</b>	<b>Middle</b>	<b>Low</b>		
38		2017-18					
39	40%	2018-19	\$ 96.0 M	\$ 81.0 M	\$ 60.0 M		
40	20%	2019-20	\$ 48.0 M	\$ 40.5 M	\$ 30.0 M		
41	20%	2020-21	\$ 48.0 M	\$ 40.5 M	\$ 30.0 M		
42	20%	2021-22	\$ 48.0 M	\$ 40.5 M	\$ 30.0 M		
43	25%	2022-23	\$ 24.0 M	\$ 20.3 M	\$ 15.0 M		
44	25%	2023-24	\$ 36.0 M	\$ 30.4 M	\$ 22.5 M		
45	25%	2024-25	\$ 48.0 M	\$ 40.5 M	\$ 30.0 M		
46	25%	2025-26	\$ 60.0 M	\$ 50.6 M	\$ 37.5 M		
47							
48	Total expense per year (excluding Electricity)						
49		<b>Year</b>	<b>High</b>	<b>Middle</b>	<b>Low</b>		
50		2017-18	\$ 24.0 M	\$ 20.3 M	\$ 15.0 M		
51	40%	2018-19	\$ 36.0 M	\$ 30.4 M	\$ 22.5 M		
52	20%	2019-20	\$ 49.6 M	\$ 41.7 M	\$ 30.8 M		
53	20%	2020-21	\$ 50.2 M	\$ 42.1 M	\$ 31.1 M		
54	20%	2021-22	\$ 50.7 M	\$ 42.5 M	\$ 31.4 M		
55	25%	2022-23	\$ 26.7 M	\$ 22.3 M	\$ 16.4 M		
56	25%	2023-24	\$ 38.7 M	\$ 32.4 M	\$ 23.9 M		
57	25%	2024-25	\$ 50.7 M	\$ 42.5 M	\$ 31.4 M		
58	25%	2025-26	\$ 62.7 M	\$ 52.7 M	\$ 38.9 M		
59							
60	Tax Due on Total expense per year (excluding Electricity)						
61		<b>Year</b>	<b>High</b>	<b>Middle</b>	<b>Low</b>		
62		2017-18	\$ 1.4 M	\$ 1.2 M	\$ 0.9 M		
63		2018-19	\$ 2.2 M	\$ 1.8 M	\$ 1.4 M		
64		2019-20	\$ 3.0 M	\$ 2.5 M	\$ 1.8 M		
65		2020-21	\$ 3.0 M	\$ 2.5 M	\$ 1.9 M		
66		2021-22	\$ 3.0 M	\$ 2.6 M	\$ 1.9 M		
67		2022-23	\$ 1.6 M	\$ 1.3 M	\$ 1.0 M		
68		2023-24	\$ 2.3 M	\$ 1.9 M	\$ 1.4 M		
69		2024-25	\$ 3.0 M	\$ 2.6 M	\$ 1.9 M		
70		2025-26	\$ 3.8 M	\$ 3.2 M	\$ 2.3 M		

Proposed Language  
Data Centers

	A	B	C	D	E	F	G
71							
72	Electricity spending						
73		<b>Year</b>	<b>High</b>	<b>Middle</b>	<b>Low</b>		
74		2017-18	\$ -	\$ -	\$ -		
75		2018-19	\$ 1.0 M	\$ 0.7 M	\$ 0.5 M		
76		2019-20	\$ 1.4 M	\$ 1.1 M	\$ 0.7 M		
77		2020-21	\$ 1.9 M	\$ 1.4 M	\$ 1.0 M		
78		2021-22	\$ 2.4 M	\$ 1.8 M	\$ 1.2 M		
79							
80	Sales Tax Due on Electricity						
81		<b>Year</b>	<b>High</b>	<b>Middle</b>	<b>Low</b>		
82		2017-18	\$ -	\$ -	\$ -		
83		2018-19	\$ 0.04 M	\$ 0.03 M	\$ 0.02 M		
84		2019-20	\$ 0.06 M	\$ 0.05 M	\$ 0.03 M		
85		2020-21	\$ 0.08 M	\$ 0.06 M	\$ 0.04 M		
86		2021-22	\$ 0.10 M	\$ 0.08 M	\$ 0.05 M		
87							
88	Gross Receipts Tax Due on Electricity						
89		<b>Year</b>	<b>High</b>	<b>Middle</b>	<b>Low</b>		
90		2017-18	\$ -	\$ -	\$ -		
91		2018-19	\$ 0.02 M	\$ 0.02 M	\$ 0.01 M		
92		2019-20	\$ 0.04 M	\$ 0.03 M	\$ 0.02 M		
93		2020-21	\$ 0.05 M	\$ 0.04 M	\$ 0.02 M		
94		2021-22	\$ 0.06 M	\$ 0.05 M	\$ 0.03 M		
95							
96	Sales Tax Impact						
97		<b>High</b>		<b>Middle</b>		<b>Low</b>	
98	<b>Year</b>	<b>Cash</b>	<b>Recurring</b>	<b>Cash</b>	<b>Recurring</b>	<b>Cash</b>	<b>Recurring</b>
99	2017-18	\$ (1.3 M)	\$ (1.4 M)	\$ (1.1 M)	\$ (1.2 M)	\$ (0.8 M)	\$ (0.9 M)
100	2018-19	\$ (2.1 M)	\$ (2.1 M)	\$ (1.8 M)	\$ (1.8 M)	\$ (1.3 M)	\$ (1.3 M)
101	2019-20	\$ (2.9 M)	\$ (2.9 M)	\$ (2.5 M)	\$ (2.5 M)	\$ (1.8 M)	\$ (1.8 M)
102	2020-21	\$ (2.9 M)	\$ (2.9 M)	\$ (2.5 M)	\$ (2.5 M)	\$ (1.8 M)	\$ (1.8 M)
103	2021-22	\$ (2.9 M)	\$ (2.9 M)	\$ (2.5 M)	\$ (2.5 M)	\$ (1.8 M)	\$ (1.8 M)
104	2025-26	\$ (3.7 M)	\$ (3.7 M)	\$ (3.1 M)	\$ (3.1 M)	\$ (2.3 M)	\$ (2.3 M)
105							
106	Gross Receipts Tax Impact						
107		<b>High</b>		<b>Middle</b>		<b>Low</b>	
108	<b>Year</b>	<b>Cash</b>	<b>Recurring</b>	<b>Cash</b>	<b>Recurring</b>	<b>Cash</b>	<b>Recurring</b>
109	2017-18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
110	2018-19	\$ (0.02 M)	\$ (0.02 M)	\$ (0.02 M)	\$ (0.02 M)	\$ (0.01 M)	\$ (0.01 M)
111	2019-20	\$ (0.04 M)	\$ (0.04 M)	\$ (0.03 M)	\$ (0.03 M)	\$ (0.02 M)	\$ (0.02 M)
112	2020-21	\$ (0.05 M)	\$ (0.05 M)	\$ (0.04 M)	\$ (0.04 M)	\$ (0.02 M)	\$ (0.02 M)
113	2021-22	\$ (0.06 M)	\$ (0.06 M)	\$ (0.05 M)	\$ (0.05 M)	\$ (0.03 M)	\$ (0.03 M)
114	2025-26	\$ (0.06 M)	\$ (0.06 M)	\$ (0.05 M)	\$ (0.05 M)	\$ (0.03 M)	\$ (0.03 M)

## REVENUE ESTIMATING CONFERENCE

**Tax:** Sales and Use Tax

**Issue:** Disaster Preparedness Holiday, 3 Days

**Bill Number(s):** HB 7109 (Ch. 2017-36, L.O.F.)

**Entire Bill**

**Partial Bill:** Section 53

**Sponsor(s):** Ways and Means Committee

**Month/Year Impact Begins:** This section of the bill is effective upon becoming law/ impact begins June 2, 2017 (affecting the 2017-18 fiscal year because of the one-month collection lag).

**Date of Analysis:** June 16, 2017

### Section 1: Narrative

- a. Current Law:** Under current law in Ch. 212, all but one of the items listed in the bill are subject to the 6% Sales and Use Tax when purchased. First-aid kits are currently exempt from the Sales and Use Tax under the authorized exemption for common household remedies provided in s. 212.08(2)(a), F.S.
- b. Proposed Change:** The bill provides an exemption from sales tax for the items listed below that are purchased during the time period from June 2, 2017, through June 4, 2017 (3 days, first day on a Friday):

Portable self-powered light source	\$ 20 or less
Portable self-powered radio, two-way radio or weather band radio	\$ 50 or less
Tarpaulin or other flexible waterproof sheeting	\$ 50 or less
Self-contained first-aid kit	\$ 30 or less
Ground anchor system or tie-down kit	\$ 50 or less
Gas or diesel fuel tank	\$ 25 or less
Package of AA-cell, C-cell, D-cell, 6-volt or 9-volt batteries, excluding automobile and boat batteries	\$ 30 or less
Non-electric food storage cooler	\$ 30 or less
Portable generator	\$ 750 or less
Reusable ice	\$ 10 or less

The tax exemption does not apply to sales within a theme park or entertainment complex, within a public lodging establishment, or within an airport.

### Section 2: Description of Data and Sources

- Final Report on Hurricane Claims from Florida Office of Insurance Regulation (August 2006) for reported claims and total loss claims from 2004 Hurricanes Charley, Frances, Ivan, and Jeanne and 2005 Hurricanes Dennis, Katrina, Rita, and Wilma and October 20, 2008 Tropical Storm Fay Report at <http://www.floir.com/office/hurricane/seasonsinfo.aspx>.
- Submitted claims as of January 2017 for 2016 Hurricanes Hermine and Matthew at <http://floir.com/Sections/PandC/ProductReview/CatastropheReporting.aspx>.
- Various websites for price comparisons: [www.lowes.com](http://www.lowes.com); [www.walmart.com](http://www.walmart.com); [www.target.com](http://www.target.com); [www.homedepot.com](http://www.homedepot.com);
- U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, 2015.
- U.S. Census Bureau, American Community Survey, 2015.
- Florida Demographic Estimating Conference, February 2017.
- Florida and National Economic Estimating Conferences, February 2017.
- Various news articles on the 2016 hurricanes impact.

### Section 3: Methodology (Include Assumptions and Attach Details) See attached.

**Household Purchases:** The estimated number of Florida households for 2017 is used, along with the average percentage of households reporting losses in the most recent major storms (occurring in 2004, 2005, 2008, and 2016) = 4.3%. The low estimate assumes 4.3% of households would participate in the holiday. The high estimate assumes 8.5% of households would participate based on the highest reported losses in 2005. The middle estimate is an average of the low and high, which is equivalent to 6.4% of households.

An amount of tax-free expenditures is assumed for each household for a 9-day holiday period: High = \$152; Middle = \$114 and Low = \$76. Based on the 2015 Consumer Expenditure Survey, it is estimated that Florida households will spend approximately \$1,820 annually (average of approximately \$152 per month) for miscellaneous household equipment and home maintenance, repairs,

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Sales and Use Tax

**Issue:** Disaster Preparedness Holiday, 3 Days

**Bill Number(s):** HB 7109 (Ch. 2017-36, L.O.F.)

insurance, and other expenses. The high estimate assumes that an amount equivalent to one month’s worth of expenditures would be spent during the holiday. The low estimates assumes that an amount equivalent to two weeks of expenditures would occur during the holiday. The middle estimate is an average of the low and high. Using the Day-by-Day matrix to spread expenditure levels by each day of the holiday period, the level of spending for a 3-day weekend is derived (=66.1% of the 9-day total). The 66.1% factor is applied to the sales tax portion of 9 days of spending to estimate the impact for the 3-day holiday.

**Generators:** It is assumed a certain number of generators will be sold during the tax-free holiday: High = 80,248 and Low = 32,099. The Middle estimate of 56,174 generators is an average of the low and high estimates. These numbers are based on the REC adopted estimate for the 2016 proposed 9-day hurricane holiday, which also exempted generators priced at \$750 or less. The 2016 adopted estimate was equal to 0.4% of Florida households. For this analysis, the same assumption of 0.4% of households was used for the low estimate. The high estimate assumes 1% of households would purchase a tax-exempt generator. The middle is an average of the low and high, which is equivalent to 0.7% of households. Additionally, a price per generator is assumed as follows: High = \$750; Middle = \$750; and Low = \$600. The 66.1% factor is then applied to the sales tax portion of 9 days of spending to estimate the impact for the 3-day holiday.

**Section 4: Proposed Fiscal Impact:** The impact is nonrecurring for FY 2017-18 only.

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(6.5 M)		(4.0 M)		(1.9 M)	
2018-19						
2019-20						
2020-21						
2021-22						

**List of affected Trust Funds:** Sales and Use Tax Grouping

**Section 5: Consensus Estimate (Adopted: 06/16/2017):** The Conference adopted the middle estimate.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(3.6)	0.0	(Insignificant)	0.0	(0.1)	0.0	(0.3)	0.0
2018-19	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2019-20	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2020-21	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2021-22	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(0.5)	0.0	(0.9)	0.0	(4.5)	0.0
2018-19	0.0	0.0	0.0	0.0	0.0	0.0
2019-20	0.0	0.0	0.0	0.0	0.0	0.0
2020-21	0.0	0.0	0.0	0.0	0.0	0.0
2021-22	0.0	0.0	0.0	0.0	0.0	0.0

**HB 7109**  
**2017 Sales Tax Holiday - Disaster Preparedness**

**3 Days**  
**Friday, June 2 - Sunday, June 4**

<b>1. # HOUSEHOLD PURCHASING ASSUMPTIONS:</b>	
2004 Indices based on FINAL REPORT (4 hurricanes)	
Reported Loss % HHS	3.2%
Total Loss % HHS	2.3%
2005 Indices based on FINAL REPORT (4 hurricanes)	
Reported Loss % HHS	8.5%
Total Loss % HHS	5.8%
2008 Index based on Oct 20 2008 Report for Fay (1 storm)	
Reported Loss % HHS	2.7%
2016 Index based on Claims Data as of Jan 2017 (2 hurricanes)	
Reported Loss % HHS	2.8%

<b>ASSUME: Major hurricanes 2016 will increase participation in the sales tax holiday.</b>	
<b>Average Reported Loss %</b>	<b>4.3%</b>

<b>2. AVAILABLE CASH FOR PURCHASES ASSUMPTIONS:</b>					Methodology for HH Income
<b>Using Florida After-Tax Income per Household (2015 American Community Survey: Florida)</b>		<b>2015</b>	<b>2016</b>	<b>2017</b>	
		<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	
Median Florida Household After-Tax Income		\$46,099	\$48,311	\$50,630	Florida Median HH income is based on the 2015 American Community Survey reported Florida median HH income in the last 12 months (\$57,339). This value is grown by the Feb 2017 Florida Economic Estimating Conference growth in Personal Income. The growth rates are: 2016 4.8% 2017 4.8%
Using average annual expenditures from the 2015 Consumer Expenditure Survey, all consumer units:		Fla \$ per HH	Fla \$ per HH	Fla \$ per HH	
<i>Shares of expenditures:</i>					
Food & alcoholic beverage	13.60%	\$6,269	\$6,570	\$6,886	Ratio of Avg Annual Expenditures to Income Before Taxes, 2015 CES (80.40%) is used to produce after-tax income.
<b>Housing (includes * below)</b>	33.50%	\$15,443	\$16,184	\$16,961	
Apparel & services	2.80%	\$1,291	\$1,353	\$1,418	
Transportation	19.10%	\$8,805	\$9,227	\$9,670	
Health care	8.60%	\$3,965	\$4,155	\$4,354	
Entertainment	4.70%	\$2,167	\$2,271	\$2,380	
All others, including:	17.70%	\$8,160	\$8,551	\$8,962	
<i>Personal care, reading, education, tobacco</i>					
<i>Miscellaneous</i>					
<i>Cash contributions</i>					
<i>Life insurance &amp; other personal insurance</i>					
	100.00%	\$46,099	\$48,311	\$50,630	
<b>*Maintenance, repairs, insurance &amp; other expenses</b>	<b>2.30%</b>	<b>\$1,060</b>	<b>\$1,111</b>	<b>\$1,164</b>	
<b>*Miscellaneous household equipment</b>	<b>1.30%</b>	<b>\$599</b>	<b>\$628</b>	<b>\$658</b>	

<b>3. GENERATOR INFORMATION AND ASSUMPTIONS:</b>	
News story from Miami Herald 6/27/05 reported 28,000 generators sold at Lowes during 2005 hurricane sales tax holiday.	
2016 REC assumed 31,734 generators would be sold during a proposed 2016 hurricane sales tax holiday (which did not occur). This number equates to 0.4% of Florida households. Approximately 12% of households in the U.S. own a portable generator and 3% own a standby generator.	
Various news articles reported surges in generator sales before Hurricane Matthew.	
HIGH = Assume 1% of Florida households purchase a tax-exempt generator.	
MIDDLE = Average of the high and low estimates, or 0.7% of households.	
LOW = Assume 0.4% of Florida households purchase a tax-exempt generator.	

<b>Estimate for 3-Day Holiday</b>			
	<b>Household Purchases</b>		
	<u>High</u>	<u>Middle</u>	<u>Low</u>
TOTAL Amount Purchased/HH	\$152	\$114	\$76
TOTAL Fla Households	8,024,836	8,024,836	8,024,836
TOTAL HHS Purchasing (8.5% / 6.4% / 4.3%)	682,111	513,590	345,068
TOTAL Expenditures (\$M)	\$103.7	\$58.5	\$26.2
<b>Sales Tax for 9-Day Holiday</b>	<b>(\$6.2)</b>	<b>(\$3.5)</b>	<b>(\$1.6)</b>
<b>Sales Tax for 3-Day Holiday (66.1% Adjustment)</b>	<b>(\$4.1)</b>	<b>(\$2.3)</b>	<b>(\$1.1)</b>
	<b>Generators</b>		
	<u>High</u>	<u>Middle</u>	<u>Low</u>
TOTAL Amount Purchased/HH	\$750	\$750	\$600
TOTAL Generators Purchased (1% / 0.7% / 0.4%)	80,248	56,174	32,099
TOTAL Expenditures (\$M)	\$60.19	\$42.13	\$19.26
<b>Sales Tax for 9-Day Holiday</b>	<b>(\$3.6)</b>	<b>(\$2.5)</b>	<b>(\$1.2)</b>
<b>Sales Tax for 3-Day Holiday (66.1% Adjustment)</b>	<b>(\$2.4)</b>	<b>(\$1.7)</b>	<b>(\$0.8)</b>
<b>Total Estimated Impact (3-day)</b>	<b>(\$6.5)</b>	<b>(\$4.0)</b>	<b>(\$1.9)</b>

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Cigarette Tax

**Issue:** Distribution to Moffitt Center

**Bill Number(s):** HB 7109

**Entire Bill**

**Partial Bill:**

**Sponsor(s):**

**Month/Year Impact Begins:**

**Date of Analysis:**

**Section 1: Narrative**

- a. Current Law:** Chapter 210, F.S., governs taxes on tobacco products. Cigarette tax collections received by the Division of Alcoholic Beverages and Tobacco in the DBPR are deposited into the Cigarette Tax Collection Trust Fund. Section 210.20, F.S., provides for the payment of monthly distributions as follows: From the total amount of cigarette tax collections:
- 8.0 percent service charge to the General Revenue Fund; and
  - 0.9 percent to the Alcoholic Beverage and Tobacco Trust Fund.
- From the remaining net collections:
- 2.9 percent to the Revenue Sharing Trust Fund for Counties;
  - 29.3 percent to the Public Medical Assistance Trust Fund;
  - 1.0 percent to the Biomedical Research Trust Fund in the Department of Health (DOH); and
  - 4.04 percent to the H. Lee Moffitt Cancer Center and Research Institute. The funds distributed to the Moffitt Center may not be less than \$15.6 million annually, which is the amount that would have been paid to the Moffitt Center in Fiscal Year 2001-2002 at the 4.04 percent rate. This distribution is scheduled to expire June 30, 2033;
  - After the above distributions are made, the remaining balance of net cigarette tax collections is deposited in the General Revenue Fund.
- b. Proposed Change:** The bill extends the distribution to the Moffitt Center until June 30, 2053.

**Section 2: Description of Data and Sources**

HB 7109, Final Bill Analysis

Revenue Estimating Conference Tobacco Tax and Surcharge Forecast, February 22, 2017

**Section 3: Methodology (Include Assumptions and Attach Details)**

The bill extends to 2053 a distribution of Cigarette Tax revenue to the Moffitt Center that was scheduled to expire in 2033. It has no impact on state revenue in the time frame considered for impact analysis.

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18			0	0		
2018-19			0	0		
2019-20			0	0		
2020-21			0	0		
2021-22			0	0		

**List of affected Trust Funds:**

**Section 5: Consensus Estimate (Adopted: 06/16/2017): The Conference adopted the proposed estimate.**

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2018-19	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2019-20	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2020-21	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2021-22	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Corporate Income Tax / Sales and Use Tax/Insurance Premium Tax

**Issue:** Community Contribution Tax Credits

**Bill Number(s):** HB7109

**Entire Bill**

**Partial Bill:** Section 26b, 30, 31, 48

**Sponsor(s):** Representative Boyd

**Month/Year Impact Begins:** July 1, 2017

**Date of Analysis:** June 16, 2017

**Section 1: Narrative**

- a. **Current Law:** The credit shall be computed as 50 percent of the persons approved annual community contribution. Set to expire June 30, 2018 and any accrued credit carryover that is unused on that date may be used until the expiration of the 3-year carryover period for such credit.
- b. **Proposed Change:** The total amount of tax credits which may be granted for all programs under this paragraph, s. 220.183 and s. 624.5105 is ~~\$18.4 million in the 2015-2016 fiscal year, \$21.4 million in the 2016-2017 fiscal year, and \$21.4 million in the 2017-2018 fiscal year and \$10.5 million in each fiscal year thereafter~~ for projects that provide housing opportunities for persons with special needs or homeownership opportunities for low-income households or very-low-income households and \$3.5 million ~~each fiscal year annually~~ for all other projects. As used in this paragraph, the term "person with special needs" has the same meaning as in s. 420.0004 and the terms "low-income person," "low-income household," "very-low-income person," and "very-low-income household" have the same meanings as in s. 5. ~~Expiration.—This paragraph expires June 30, 2018; however, any accrued credit carryover that is unused on that date may be used until the expiration of the 3-year carryover period for such credit.~~

**Section 2: Description of Data and Sources**

**Section 3: Methodology**

This analysis reflects the addition of the \$14.0 Million added to each fiscal year in the new language.

It is assumed that the tax credit cap will be reached each year.

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	0.0	(\$14.0m)				
2018-19	(\$14.0m)	(\$14.0m)				
2019-20	(\$14.0m)	(\$14.0m)				
2020-21	(\$14.0m)	(\$14.0m)				
2021-22	(\$14.0m)	(\$14.0m)				

**List of affected Trust Funds:** General Revenue, General Sales Grouping

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Corporate Income Tax / Sales and Use Tax/Insurance Premium Tax

**Issue:** Community Contribution Tax Credits

**Bill Number(s):** HB7109

**Section 5: Consensus Estimate (Adopted: 06/16/2017):** The Conference adopted the proposed estimate with 85% of the credit impacting sales tax and 15% against corporate income tax.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	0.0	(12.6)	0.0	(Insignificant)	0.0	(0.4)	0.0	(1.0)
2018-19	(12.6)	(12.6)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.0)	(1.0)
2019-20	(12.6)	(12.6)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.0)	(1.0)
2020-21	(12.6)	(12.6)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.0)	(1.0)
2021-22	(12.6)	(12.6)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.0)	(1.0)

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	0.0	0.0	0.0	(1.4)	0.0	(14.0)
2018-19	0.0	0.0	(1.4)	(1.4)	(14.0)	(14.0)
2019-20	0.0	0.0	(1.4)	(1.4)	(14.0)	(14.0)
2020-21	0.0	0.0	(1.4)	(1.4)	(14.0)	(14.0)
2021-22	0.0	0.0	(1.4)	(1.4)	(14.0)	(14.0)