

REVENUE ESTIMATING CONFERENCE

Tax: Pari-Mutuel Taxes and Fees

Issue: Charity Racing Days

Bill Number(s): [Proposed Language](#)

Entire Bill

Partial Bill:

Sponsor(s):

Month/Year Impact Begins: July 2022

Date of Analysis: February 24, 2022

Section 1: Narrative

a. Current Law:

Section 550.0351 (1), F.S., provides that the division shall upon the request of a permitholder, authorize each horseracing and jai alai permitholder to conduct up to five charity or scholarship days in addition to the regular racing days authorized by law.

Section 550.0351 (4), F.S., provides that all profits derived from the conduct of a charity day performance, including all revenues derived from the conduct of such racing performance, including state taxes that would otherwise be due to the state, shall be disbursed to authorized charities within 120 days after the conclusion of its fiscal year. Additionally, it provides for an exception, that the daily license fee as provided in s. 550.0951 (1), F.S., and the breaks for the promotional trust funds as provided in s. 550.2625, F.S., shall be paid to the division.

In accordance with Section 550.0951(1)(a), F.S., permitholders shall pay to the division the following daily license fees based on permitholder types:

- \$100 for each live horserace conducted.
- \$40 for each live jai alai game conducted.
- Up to \$500 per day for each permitholder that accepts wagers on simulcast races or games, regardless of the number of out-of-state events or locations from which such events are taken.

b. Proposed Change:

Amends Section 550.0351 (1), F.S., providing that the division shall authorize each horseracing and jai alai permitholders to conduct up to ten charity or scholarship days in addition to the regular racing days authorized by law.

Provides that this act shall take effect July 1, 2022.

Section 2: Description of Data and Sources

Fiscal Year 2021/2022 Annual Operating Licenses for horse and jai alai permitholders

January 2022 Revenue Estimating Conference for Pari-Mutuel Wagering

Section 3: Methodology (Include Assumptions and Attach Details)

In Fiscal Year 2021/2022, three Thoroughbred permitholders that hold an operating license to conduct live racing days were also authorized by the division to conduct five charity days each. Additionally, two Jai Alai permitholders were authorized to conduct two charity days in addition to their regular racing days. No other permitholders requested to conduct charity days.

The estimate assumes that while jai alai permitholders would be authorized to request and conduct 10 charity or scholarship days; that it is unlikely they would do so, because they do not conduct the five charity days currently authorized by law. It also assumes that no other permitholders that hold an operating license would request to amend their days from regular to charity, because they have not requested to run any charity days under current law.

Current estimates adopted during the January 2022, Revenue Estimating Conference, accounted for three Thoroughbred permitholders already conducting five charity racing days in addition to their regular racing days for all fiscal years. While those Thoroughbred permitholders may request to amend their schedule changing regular racing days to charity racing days, there would be no net effect to the Daily License Fees, because permitholders would continue to pay those fees to the state regardless of whether they are regular or charity racing days. The loss in revenue is correlated to the pari-mutuel taxes that would now be disbursed to the authorized charities, instead of to the state.

REVENUE ESTIMATING CONFERENCE

Tax: Pari-Mutuel Taxes and Fees

Issue: Charity Racing Days

Bill Number(s): [Proposed Language](#)

Once this law becomes effective:

- High estimates assumes that all three Thoroughbred permitholders would request to amend their Operating License for Fiscal Year 2022/2023, changing five regular racing days to five charity or scholarship days, bringing the total charity days to ten days and reducing their regular days by five days. It also assumes that for the fiscal years out, they would all request on future Operating License applications to conduct ten charity days.
- Medium estimate assumes all three Thoroughbred permitholders would request to amend their Operating License for Fiscal Year 2022/2023, changing three regular racing days to three charity or scholarship days, bringing the total charity days to eight days and reducing their regular days by three days. It also assumes that for the fiscal years out, they would all request on future Operating License applications to conduct eight charity days.
- Low estimate assumes that two Thoroughbred permitholders would request to amend their Operating License for Fiscal Year 2022/2023, changing three regular racing days to three charity or scholarship days, bringing the total charity days to eight days and reducing their regular days by three days. It also assumes that for the fiscal years out, that they would request on future Operating License applications to conduct eight charity days.

Note 1: Should no Thoroughbred Permitholder request to amend their Operating License for Fiscal Year 2022/2023 changing regular days to charity days or they choose not to request additional charity days in the future, there would be no impact to state revenues.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(\$88,453)	(\$88,453)	(\$51,872)	(\$51,872)	(\$46,025)	(\$46,025)
2023-24	(\$87,174)	(\$87,174)	(\$51,104)	(\$51,104)	(\$45,363)	(\$45,363)
2024-25	(\$86,065)	(\$86,065)	(\$50,439)	(\$50,439)	(\$44,790)	(\$44,790)
2025-26	(\$85,102)	(\$85,102)	(\$49,861)	(\$49,861)	(\$44,292)	(\$44,292)
2026-27	(\$84,269)	(\$84,269)	(\$49,361)	(\$49,361)	(\$43,861)	(\$43,861)

List of affected Trust Funds:

Pari-Mutuel Wagering Trust Fund

Section 5: Consensus Estimate (Adopted: 02/25/2022) : The Conference adopted the high estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	0.0	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)
2023-24	0.0	0.0	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)
2024-25	0.0	0.0	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)
2025-26	0.0	0.0	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)
2026-27	0.0	0.0	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)

Adopted January 2022 Revenue Estimating Numbers					
	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
Thoroughbred Taxes & Fees - 3 conducting 5 charity days	\$4,461,469	\$4,403,532	\$4,353,312	\$4,309,773	\$4,272,051
New Revenue Estimating Numbers as a result of Proposed Language					
	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
Thoroughbred Taxes & Fees - 3 conducting 10 charity days	\$4,373,016	\$4,316,358	\$4,267,247	\$4,224,670	\$4,187,782
Thoroughbred Taxes & Fees - 3 conducting 8 charity days	\$4,409,597	\$4,352,427	\$4,302,873	\$4,259,911	\$4,222,690
Thoroughbred Taxes & Fees - 2 conducting 8 charity days	\$4,415,443	\$4,358,168	\$4,308,523	\$4,265,481	\$4,228,190
Net Difference of Adopted Revenue Estimates and Estimate as a result of Proposed Language					
High Estimate	(\$88,453)	(\$87,174)	(\$86,065)	(\$85,102)	(\$84,269)
Medium Estimate	(\$51,872)	(\$51,104)	(\$50,439)	(\$49,861)	(\$49,361)
Low Estimate	(\$46,025)	(\$45,363)	(\$44,790)	(\$44,292)	(\$43,861)

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Exemption for Aircraft and Aircraft Equipment

Bill Number(s): [Proposed Language](#)

Entire Bill

Partial Bill:

Sponsor(s):

Month/Year Impact Begins: July 1, 2022

Date of Analysis: February 22, 2022

Section 1: Narrative

a. Current Law:

Sales and Use Tax

Florida levies a 6 percent sales and use tax on the sale or rental of most tangible personal property, admissions, transient rentals, and a limited number of services. Chapter 212, F.S., contains provisions authorizing the levy and collection of Florida's sales and use tax, as well as the exemptions and credits applicable to certain items or uses under specified circumstances. Sales tax is added to the price of the taxable good or service and collected from the purchaser at the time of sale.

Exemptions Relating to Aircraft Maintenance

Section 212.08(5)(i), F.S., exempts all charges for **aircraft modification services**, including parts and **equipment** furnished or installed in connection with the services, performed under authority of a supplemental type certificate issued by the Federal Aviation Administration.

Section 212.08(7)(ee), F.S., exempts all **labor charges for the repair and maintenance** of qualified aircraft and aircraft of more than 2,000 pounds maximum certified takeoff weight, including rotary wing aircraft. Except as otherwise provided in this chapter, charges for parts and equipment furnished in connection with such labor charges are taxable.

"Qualified aircraft" is defined in s. 212.08(33), F.S., as any aircraft having a maximum certified takeoff weight of less than 10,000 pounds and equipped with twin turbofan engines that meet Stage IV noise requirements that is used by a business operating as an on-demand air carrier under Federal Aviation Administration Regulation Title 14, chapter I, part 135, Code of Federal Regulations, that owns or leases and operates a fleet of at least 25 of such aircraft in this state. Further, section 212.0801, F.S., specifies that to be eligible to receive an exemption as a qualified aircraft under s. 212.08(7), F.S., a purchaser or lessee must offer, in writing, to participate in a flight training and research program with two or more universities based in this state which offer graduate programs in aeronautical or aerospace engineering and offer flight training through a school of aeronautics or college of aviation.

Section 212.08(7)(rr), F.S., exempts replacement engines, parts, and **equipment used in the repair or maintenance** of qualified aircraft and aircraft of more than 2,000 pounds maximum certified takeoff weight, including rotary wing aircraft, if such parts or equipment are installed on such aircraft that is being repaired or maintained in this state.

Exemptions Related to Aircraft Temporarily in the State

Section 212.06(8)(a), F.S., imposes the use tax applies on tangible personal property imported or caused to be imported into the state for use, consumption, distribution, or storage to be used or consumed in this state. It is presumed that the tangible personal property used in another state, territory, or the District of Columbia for 6 months or longer before being imported into this state was not purchased for use in this state. Section 212.06(5)(a)1., F.S., provides that aircraft exported under their own power outside the continental United States are tax exempt when a validated U.S. customs declaration and the canceled U.S. registry of the aircraft are submitted to the DOR.

Section 212.08(7)(fff), F.S., exempts from the use tax aircraft owned by a nonresident if the aircraft enters and remains in Florida for less than a total of 21 days during the 6-month period after the date of purchase, or if the aircraft enters or remains in Florida exclusively for the purposes of **flight training**, repairs, alterations, refitting, or modification.

Additional Related Exemptions

Section 212.08(5)(d), F.S., exempts **industrial machinery and equipment** purchased by an expanding business which manufactures tangible personal property pursuant to federal procurement regulations at fixed locations in this state, provided such items are used to increase the implicit productive output of the expanded business by not less than 10 percent.

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Exemption for Aircraft and Aircraft Equipment

Bill Number(s): [Proposed Language](#)

Section 212.08(5)(j), F.S., exempts **machinery and equipment used in defense technology products**, defined as products that have a military application, including, but not limited to, weapons, weapons systems, guidance systems, surveillance systems, communications or information systems, munitions, **aircraft**, vessels, or boats, or components thereof, which are intended for military use and manufactured in performance of a contract with the United States Department of Defense or the military branch of a recognized foreign government or a subcontract thereunder which relates to matters of national defense.

b. Proposed Change:

Section 1 amends s. 212.08(5), F.S., to exempt from the sales and use tax aircraft equipment used to service, test, operate, upgrade, or configure aircraft for advanced training purposes as part of any contract with the United States Department of Defense or with a military branch of a recognized foreign government in governmental contracts. The equipment specifically includes electric and hydraulic ground power units, jet starter units, oxygen servicing and test equipment, engine trim boxes, and communications and avionics test sets.

Section 1 also amends s. 212.08(7)(fff), F.S., to exempt from the use tax aircraft owned by a nonresident that enters or remains in this state exclusively to be used in service of a contract with the United States Department of Defense or with a military branch of a recognized foreign government.

This provision also specifies that the proposed exemption is in addition to the exemption provided in the preceding subparagraph, and in s. 212.05(1)(a)2., F.S., which provides a sales and use tax exemption on the purchase of an aircraft by a nonresident of the state if the purchaser removes the aircraft from the state within 10 days after the date of purchase or, when the aircraft is repaired or altered, within 20 days after the completion of the repairs or alterations.

Section 2 provides an effective date of July 1, 2022.

Section 2: Description of Data and Sources

Data received from USASpending.gov

Data received from Census.gov

IMPLAN

Data from globalplanesearch.com

Data from silodrome.com

Data from defenseindustrydaily.com

Data received from Federal Aviation Administration on Aircraft Registry

Economic data from the December 20, 2021 Economic Estimating Conference, National Economic

[https://www.gao.gov/products/gao-22-](https://www.gao.gov/products/gao-22-104475#:~:text=Publicly%20Released%3A%20Dec%2021%2C%202021,have%20increased%20since%20FY%202015)

[104475#:~:text=Publicly%20Released%3A%20Dec%2021%2C%202021,have%20increased%20since%20FY%202015](https://www.gao.gov/products/gao-22-104475#:~:text=Publicly%20Released%3A%20Dec%2021%2C%202021,have%20increased%20since%20FY%202015)

Section 3: Methodology (Include Assumptions and Attach Details)

As to the first provision, it is unclear to what extent existing exemptions apply to the equipment listed in this provision.

To estimate the value of taxable expenditures, we selected a subset of DOD contracts for recipients who were known to provide services using aircraft equipment. Part of these services involved maintenance, repair, and/or modification of existing aircraft owned by the contractors. To estimate the contract recipients' expenditures, IMPLAN data on industry output and purchases for Florida was used. The IMPLAN industry data included more than "Support Activities for Transportation." Census data was used to apportion the estimated output reported by IMPLAN to "Support Activities for Transportation." The share of total output accounted for by purchases on "other aircraft and parts and auxiliary equipment" was then calculated, assuming all expenditures reported by IMPLAN on this expenditure category were only made by the "Support Activities for Transportation" sub-industry.

High, medium, and low estimates of training contracts were made based on assuming various percentages of observed totals in 2020 for the recipients known to have received contracts. The percentages allow for both an undercount of all contracts that may have existed in 2020 as well as the potential for growth and new entrants into the market. Contracts for each estimate were grown

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Exemption for Aircraft and Aircraft Equipment

Bill Number(s): [Proposed Language](#)

forward using the December 2021 NEEC forecast for Federal defense consumption expenditures. The share of equipment spending estimated above was then applied to the estimate of the total contracts awarded to derive an estimate of potential expenditures which may be exempted under the proposed language.

The low estimate assumes that all expenditures are currently exempt under current law. The medium assumes 250 percent of the observed contracts in 2020 are exempt. The high assumes 500 percent of the observed contracts in 2020 are exempt.

For the second provision, the names of companies receiving contracts were obtained using a report from the United States Government Accountability Office titled “MILITARY AIR SUPPORT DOD Has Increased Its Use of Contracts to Meet Training Requirements.” FAA registration records were accessed to determine the type and number of aircraft per company, which was used along with values of the airplanes to determine an average price per aircraft.

The low estimate assumes two aircraft per year will be purchased. The middle estimate assumes five aircraft per year will be purchased. The high estimate assumes an expansion of contracts requiring the purchase of twenty aircraft per year.

Section 4: Proposed Fiscal Impact

Taxable Equipment Purchases

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(\$0.021)	(\$0.023)	(\$0.010)	(\$0.011)	\$0.000	\$0.000
2023-24	(\$0.023)	(\$0.023)	(\$0.012)	(\$0.012)	\$0.000	\$0.000
2024-25	(\$0.024)	(\$0.024)	(\$0.012)	(\$0.012)	\$0.000	\$0.000
2025-26	(\$0.025)	(\$0.025)	(\$0.012)	(\$0.012)	\$0.000	\$0.000
2026-27	(\$0.025)	(\$0.025)	(\$0.013)	(\$0.013)	\$0.000	\$0.000

Taxable Aircraft Purchases

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(\$3.1)	(\$3.4)	(\$0.7)	(\$0.8)	(\$0.3)	(\$0.3)
2023-24	(\$3.5)	(\$3.5)	(\$0.9)	(\$0.9)	(\$0.4)	(\$0.4)
2024-25	(\$3.6)	(\$3.6)	(\$0.9)	(\$0.9)	(\$0.4)	(\$0.4)
2025-26	(\$3.8)	(\$3.8)	(\$0.9)	(\$0.9)	(\$0.4)	(\$0.4)
2026-27	(\$3.9)	(\$3.9)	(\$1.0)	(\$1.0)	(\$0.4)	(\$0.4)

List of affected Trust Funds: Sales and Use Tax

Section 5: Consensus Estimate (Adopted: 02/25/2022): The Conference adopted negative insignificant for equipment purchases and a modified aircraft estimate that assumes 10 airplanes for the recurring impact and negative indeterminate for the cash impact.

Aircraft Purchases

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(**)	(1.5)	(**)	(Insignificant)	(**)	(0.1)	(**)	(0.1)
2023-24	(**)	(1.6)	(**)	(Insignificant)	(**)	(0.1)	(**)	(0.1)
2024-25	(**)	(1.6)	(**)	(Insignificant)	(**)	(0.1)	(**)	(0.1)
2025-26	(**)	(1.6)	(**)	(Insignificant)	(**)	(0.1)	(**)	(0.2)
2026-27	(**)	(1.7)	(**)	(Insignificant)	(**)	(0.1)	(**)	(0.2)

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Exemption for Aircraft and Aircraft Equipment

Bill Number(s): [Proposed Language](#)

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(**)	(0.1)	(**)	(0.3)	(**)	(1.8)
2023-24	(**)	(0.1)	(**)	(0.3)	(**)	(1.9)
2024-25	(**)	(0.1)	(**)	(0.3)	(**)	(1.9)
2025-26	(**)	(0.1)	(**)	(0.3)	(**)	(1.9)
2026-27	(**)	(0.1)	(**)	(0.3)	(**)	(2.0)

Equipment Purchases

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2021-22	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
2022-23	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
2023-24	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
2024-25	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
2025-26	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)

NAME	Value of 2020 Federal Contracts in Florida	Percent of Total Contracts	Number of Aircraft	Value of Aircraft Fleet	Sales Tax
AIRBORNE TACTICAL ADVANTAGE COMPANY, LLC	\$ 185,245	3%	2	\$ 3,956,435	\$ 237,386
DRAKEN INTERNATIONAL, INC.	\$ 6,088,197	91%	56	\$ 143,102,141	\$ 8,586,128
TACTICAL AIR SUPPORT, INC.	\$ 426,756	6%	4	\$ 9,114,621	\$ 546,877
TOTAL	\$ 6,700,198	100%	61	\$ 156,173,197	\$ 9,370,392
Sales Tax Per Aircraft					\$ 153,324

Investment Price of Aircraft

Fiscal Year	Index	% chg
20-21	1.0000	1.68%
21-22	1.0438	4.38%
22-23	1.1056	5.92%
23-24	1.1472	3.76%
24-25	1.1871	3.48%
25-26	1.2308	3.68%
26-27	1.2745	3.55%

	High	Middle	Low	Adopted (recurring)
Number of New Planes	20	5	2	10
Fiscal Year				
22-23	\$ 3,390,273	\$ 847,568	\$ 339,027	\$ 1,695,136
23-24	\$ 3,517,747	\$ 879,437	\$ 351,775	\$ 1,758,873
24-25	\$ 3,640,164	\$ 910,041	\$ 364,016	\$ 1,820,082
25-26	\$ 3,774,122	\$ 943,531	\$ 377,412	\$ 1,887,061
26-27	\$ 3,908,104	\$ 977,026	\$ 390,810	\$ 1,954,052

2020 Select DOD Contracts for Training in Florida - Total Value of Awards **\$6,700,198**

Source: USASpending.gov

Other Support Activities for Air Transportation (NAICS 488190)

Expenditures on "Other Aircraft Parts & Auxiliary Equipment" - Share of Output **1.054%**

Source: U.S. Census, 2019 Florida County Business Patterns; 2019 IMPLAN data for Florida

Contracts	High 500%	Medium 250%	Low 125%
2022-23	\$36,074,619	\$18,037,309	\$9,018,655
2023-24	\$36,936,802	\$18,468,401	\$9,234,201
2024-25	\$37,937,789	\$18,968,895	\$9,484,447
2025-26	\$38,890,028	\$19,445,014	\$9,722,507
2026-27	\$39,838,945	\$19,919,472	\$9,959,736

Taxable Expenditures

2022-23	\$380,107	\$190,054	\$0
2023-24	\$389,192	\$194,596	\$0
2024-25	\$399,739	\$199,869	\$0
2025-26	\$409,772	\$204,886	\$0
2026-27	\$419,771	\$209,885	\$0

Lost Sales Taxes

2022-23	-\$22,806	-\$11,403	\$0
2023-24	-\$23,352	-\$11,676	\$0
2024-25	-\$23,984	-\$11,992	\$0
2025-26	-\$24,586	-\$12,293	\$0
2026-27	-\$25,186	-\$12,593	\$0

National Defense Consumption Expenditures Index

	Index	% Chg
2019-20	1.0000	---
2020-21	1.0260	2.60%
2021-22	1.0428	1.64%
2022-23	1.0768	3.26%
2023-24	1.1026	2.39%
2024-25	1.1324	2.71%
2025-26	1.1609	2.51%
2026-27	1.1892	2.44%

Source: December 2021 NEEC Forecast

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Flight Simulator Deemed Owned by Government

Bill Number(s): [Proposed Language](#)

Entire Bill

Partial Bill:

Sponsor(s):

Month/Year Impact Begins: July 2022

Date of Analysis: February 25, 2022

Section 1: Narrative

a. **Current Law:** 196.012(6) indicates that, among other things:

For purposes of determination of "ownership," buildings and other real property improvements which will revert to the airport authority or other governmental unit upon expiration of the term of the lease shall be deemed "owned" by the governmental unit and not the lessee.

b. **Proposed Change:** The following language is added to 196.012(6):

Also, for the purposes of determination of "ownership under this section or s. 196.199(5)," flight training simulators certified by the Federal Aviation Administration, and the equipment and software necessary for the operation of such simulators, which will revert to a governmental unit upon the expiration of the term of the lease shall be deemed "owned" by the governmental unit and not the lessee, provided the governing body of the governmental units has approved the lease.

The language effectively creates a tangible personal property exemption for FAA certified flight simulators that are leased to private entities but revert to a government unit upon the leases expiration, provided the governing body of the receiving unit approved the lease.

Section 2: Description of Data and Sources

2021 Millage and Taxes Levied Report, 2021 Final Data Book published by Property Tax Oversight

2021 Final Tangible Personal Property Rolls, NAP data

Results of the January 6, 2022 Ad Valorem Revenue Estimating Conference

Section 3: Methodology (Include Assumptions and Attach Details)

The TPP roll identifies properties by location and NAICS code. Code 611512 is used for Flight Training (FT) and is defined: "This U.S. industry comprises establishments primarily engaged in offering aviation and flight training. These establishments may offer vocational training, recreational training, or both."

Two specific properties were identified as flight simulators with relevant lease agreements. One had a value less than the \$25k TPP exemption and thus had \$0 taxable value. Its NAICS code is 611699, All Other Miscellaneous Schools and Instruction (OMSI). The other had a remaining taxable value of \$4.4m and a NAICS code of 336411, Aircraft Manufacturing (AM).

The low impact assumes we have identified all (2) relevant parcels in the state. The middle assumes that 5% of the remaining AM code, 100% of the FT code, and 5% of the remaining OMSI code are flight simulators. Of each of those, 5% are assumed to revert to government ownership upon expiration of a lease. This results in the middle indicating 15 total relevant parcels. The high assumes that 10% of the remaining AM code, 100% of the FT code, and 10% of the remaining OMSI code are flight simulators. Of each of those, 10% are assumed to revert to government ownership upon expiration of a lease. This results in the high indicating 40 total relevant parcels.

The 2021 millage rates are applied to the taxable value on the TPP roll to produce school and non-school impacts, which are summed to the total impact of the bill. This value is grown using the County Taxable Value growth rate from the January 6, 2022 Ad Valorem Conference. The bill goes into effect July 1, 2022 and does not indicate to which roll it is to first apply. The common assumption is that it would first impact the 2023 roll and thus Fiscal Year 2023-2024, though there would be time before the 2022 roll is finalized to make the change and as such it could impact Fiscal Year 2022-23 by a cash amount equal to the recurring amount identified.

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Flight Simulator Deemed Owned by Government

Bill Number(s): [Proposed Language](#)

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$0	\$(0.5 M)	\$0	\$(0.3 M)	\$0	\$(0.1 M)
2023-24	\$(0.5 M)	\$(0.5 M)	\$(0.3 M)	\$(0.3 M)	\$(0.1 M)	\$(0.1 M)
2024-25	\$(0.6 M)	\$(0.6 M)	\$(0.3 M)	\$(0.3 M)	\$(0.1 M)	\$(0.1 M)
2025-26	\$(0.6 M)	\$(0.6 M)	\$(0.3 M)	\$(0.3 M)	\$(0.1 M)	\$(0.1 M)
2026-27	\$(0.6 M)	\$(0.6 M)	\$(0.4 M)	\$(0.4 M)	\$(0.1 M)	\$(0.1 M)

List of affected Trust Funds:

Ad Valorem

Section 5: Consensus Estimate (Adopted: 02/25/2022): The Conference adopted 1.5 times the high.

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	(0.3)	0.0	(0.5)	0.0	(0.8)
2023-24	(0.3)	(0.3)	(0.5)	(0.5)	(0.8)	(0.8)
2024-25	(0.3)	(0.3)	(0.5)	(0.5)	(0.8)	(0.8)
2025-26	(0.3)	(0.3)	(0.6)	(0.6)	(0.9)	(0.9)
2026-27	(0.4)	(0.4)	(0.6)	(0.6)	(1.0)	(1.0)

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	0.0	0.0	0.0	0.0	(0.8)	0.0	(0.8)
2023-24	0.0	0.0	0.0	0.0	(0.8)	(0.8)	(0.8)	(0.8)
2024-25	0.0	0.0	0.0	0.0	(0.9)	(0.9)	(0.9)	(0.9)
2025-26	0.0	0.0	0.0	0.0	(0.9)	(0.9)	(0.9)	(0.9)
2026-27	0.0	0.0	0.0	0.0	(1.0)	(1.0)	(1.0)	(1.0)

	A	B	C	D	E	F	G
1	Naics/Category	Count	naics_cd	tax_val			
2	Known Account 042018-8386	1	611699	\$ -			
3	Known Account 0123123000	1	336411	\$ 4,427,480	Naics Description		
4	Remaining Aircraft Manufacturing	92	336411	\$ 163,122,740	This U.S. industry comprises establishments primarily engaged in one or more of the following: (1) manufacturing or assembling complete aircraft; (2) developing and making aircraft prototypes; (3) aircraft conversion (i.e., major modifications to systems); and (4) complete aircraft overhaul and rebuilding (i.e., periodic restoration of aircraft to original design specifications).		
5	Flight Training	155	611512	\$ 216,735,502	This U.S. industry comprises establishments primarily engaged in offering aviation and flight training. These establishments may offer vocational training, recreational training, or both.		
6	Remaining All Other Miscellaneous Schools and Instruction	2,202	611699	\$ 19,290,587	This U.S. industry comprises establishments primarily engaged in offering instruction (except academic schools, colleges, and universities; business, computer, and management instruction; technical and trade instruction; and fine arts, sports, recreation, language, exam preparation, tutoring, and automobile driving instruction).		
7	School TPP Millage:	6.27					
8	Non-School TPP Millage:	10.76					
9							
10	Growth Rates	County Taxable Value					
11	2022	7.88%					
12	2023	6.31%					
13	2024	5.91%					
14	2025	5.47%					
15	2026	5.26%					
16	2027	5.09%					
17							
18		High	Middle	Low	High	Middle	Low
19	Share 1 - Share that are Flight Simulators				Properties Implied by Share 1:		
20	Known Accounts	100%	100%	100%	2	2	2
21	Remaining Aircraft Manufacturing	10%	5%	0%	9	5	0
22	Flight Training	100%	100%	0%	155	155	0
23	Remaining All Other Miscellaneous Schools and Instruction	10%	5%	0%	220	110	0
24	Share 2 - Share that Revert to Government Ownership				Remaining Properties Implied by Share 1 & 2:		
25	Known Accounts	100%	100%	100%	2	2	2
26	Remaining Aircraft Manufacturing	10%	5%	0%	1	0	0
27	Flight Training	10%	5%	0%	16	8	0
28	Remaining All Other Miscellaneous Schools and Instruction	10%	5%	0%	22	6	0
29				Total:	40	15	2
30	Impact						

	A	B	C	D	E	F	G
31	21-22	\$ 475,521	\$ 267,691	\$ 75,393			
32	Maximum Impact:	\$ 6,872,259					
33							
34	Impact on School						
35		High		Middle		Low	
36		Cash	Recurring	Cash	Recurring	Cash	Recurring
37	2022-23	\$0	\$(0.3 M)	\$0	\$(0.1 M)	\$0	\$(0.0 M)
38	2023-24	\$(0.3 M)	\$(0.3 M)	\$(0.2 M)	\$(0.2 M)	\$(0.0 M)	\$(0.0 M)
39	2024-25	\$(0.3 M)	\$(0.3 M)	\$(0.2 M)	\$(0.2 M)	\$(0.0 M)	\$(0.0 M)
40	2025-26	\$(0.3 M)	\$(0.3 M)	\$(0.2 M)	\$(0.2 M)	\$(0.0 M)	\$(0.0 M)
41	2026-27	\$(0.3 M)	\$(0.3 M)	\$(0.2 M)	\$(0.2 M)	\$(0.1 M)	\$(0.1 M)
42							
43	Impact on Non-School						
44		High		Middle		Low	
45		Cash	Recurring	Cash	Recurring	Cash	Recurring
46	2022-23	\$0	\$(0.3 M)	\$0	\$(0.1 M)	\$0	\$(0.0 M)
47	2023-24	\$(0.3 M)	\$(0.3 M)	\$(0.2 M)	\$(0.2 M)	\$(0.0 M)	\$(0.0 M)
48	2024-25	\$(0.3 M)	\$(0.3 M)	\$(0.2 M)	\$(0.2 M)	\$(0.0 M)	\$(0.0 M)
49	2025-26	\$(0.3 M)	\$(0.3 M)	\$(0.2 M)	\$(0.2 M)	\$(0.0 M)	\$(0.0 M)
50	2026-27	\$(0.3 M)	\$(0.3 M)	\$(0.2 M)	\$(0.2 M)	\$(0.1 M)	\$(0.1 M)
51							
52	Total Impact						
53		High		Middle		Low	
54		Cash	Recurring	Cash	Recurring	Cash	Recurring
55	2022-23	\$0	\$(0.5 M)	\$0	\$(0.3 M)	\$0	\$(0.1 M)
56	2023-24	\$(0.5 M)	\$(0.5 M)	\$(0.3 M)	\$(0.3 M)	\$(0.1 M)	\$(0.1 M)
57	2024-25	\$(0.6 M)	\$(0.6 M)	\$(0.3 M)	\$(0.3 M)	\$(0.1 M)	\$(0.1 M)
58	2025-26	\$(0.6 M)	\$(0.6 M)	\$(0.3 M)	\$(0.3 M)	\$(0.1 M)	\$(0.1 M)
59	2026-27	\$(0.6 M)	\$(0.6 M)	\$(0.4 M)	\$(0.4 M)	\$(0.1 M)	\$(0.1 M)

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Affordable Housing

Bill Number(s): [CS/SB1150](#)

Entire Bill

Partial Bill:

Sponsor(s): Senator Rodriguez

Month/Year Impact Begins: July 1, 2022

Date of Analysis: February 25, 2022

Section 1: Narrative

a. Current Law:

No current law

b. Proposed Change:

Section 1. Section 196.1979, Florida Statutes, is created to read:

196.1979 County and municipal affordable housing property exemption. —

(1)(a) Notwithstanding ss. 196.195 and 196.196, the board of county commissioners of a county or the governing authority of a municipality may adopt an ordinance to grant a partial exemption to property used to provide affordable housing to natural persons or families meeting the extremely-low-income, very-low-income, low-income, or moderate-income limits specified in s. 420.0004. Such property is considered property used for a charitable purpose. To be eligible for the exemption, the property must be within a multifamily project containing 50 or more residential units, at least 10 percent of which are used to provide affordable housing meeting the requirements of this subsection and be subject to a recorded land use restriction agreement in favor of the Florida Housing Finance Corporation or any other governmental or quasi-governmental jurisdiction which requires that any units qualifying for the exemption be used for providing affordable housing. Except as provided in paragraph (b), eligible property may receive an ad valorem property tax exemption of up to 75 percent of the assessed value of the residential units used to provide affordable housing. For purposes of this subsection, the term “affordable” has the same meaning as in s. 420.0004.

(b) Property eligible for the exemption pursuant to paragraph (a) may receive an exemption of up to 100 percent of the assessed value if 100 percent of the multifamily project’s residential units are used to provide affordable housing.

(2) An ordinance granting the exemption authorized by this section must:

(a) Be adopted under the procedures for adoption of a nonemergency ordinance by a board of county commissioners specified in chapter 125 or by a municipal governing authority specified in chapter 166.

(b) Require that a taxpayer claiming the exemption submit an application to the property appraiser no later than March 1 of each year. The annual application must be accompanied by an affidavit from the taxpayer certifying that the taxpayer has verified that, at the time of application, each person or family occupying an exempt residential unit meets the household income limitations specified in this section.

(c) Specify that the exemption applies only to taxes levied by the unit of government granting the exemption.

(d) Specify that the property may not receive an exemption authorized by this section after the expiration or repeal of the ordinance.

(e) Identify the percentage of the assessed value that may be exempted, subject to the percentage limitations in paragraphs (1)(a) and (b).

(3) The board of county commissioners or municipal governing authority must deliver a copy of any ordinance adopted under this section to the property appraiser no later than December 1 of the year before the year the exemption will take effect. If the ordinance is repealed, the board of county commissioners or municipal governing authority must notify the property appraiser no later than December 1 of the year before the year the exemption expires.

(4) The property appraiser shall apply the exemption only to those portions of property which are used to provide affordable housing. Units that are vacant must be treated as portions of the affordable housing property exempt under this section if the use of the units is restricted to providing affordable housing to natural persons or families described in paragraph (1)(a) and a reasonable effort is made to lease the units to qualifying persons or families.

(5) If the property appraiser determines that for any year during the immediately previous 10 years a person who was not entitled to an exemption under this section was granted such an exemption, the property appraiser must serve upon the owner a notice of intent to record in the public records of the county a notice of tax lien against any property owned by that person in the county, and that property must be identified in the notice of tax lien. Any property owned by the taxpayer and situated in this state is subject to the taxes exempted by the improper exemption, plus a penalty of 50 percent of the unpaid taxes for each year and interest at a rate of 15 percent per annum. If an exemption is improperly granted as a result of a clerical mistake or an omission by the property appraiser, the property owner improperly receiving the exemption may not be assessed a penalty or interest.

(6) No eligibility criteria other than those specified in paragraph (1)(a) may be applied in determining whether a property qualifies for an exemption under this section.

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem
Issue: Affordable Housing
Bill Number(s): [CS/SB1150](#)

Section 2. The creation by this act of s. 196.1979, Florida Statutes, first applies to the 2023 tax roll.
 Section 3. This act shall take effect July 1, 2022.

Section 2: Description of Data and Sources

- 2021F NAL File
- Ad Valorem Revenue Estimating Conference, August 2021
- EVIEWES table NEEC202107 CPI, Annualized
- [Florida Housing Data Clearinghouse](#), Assisted Housing Inventory, 2020
- [Data USA: Florida Wage Distribution](#), 2019
- [Census Bureau and ACS PUMS 1-Year Estimate](#)

Section 3: Methodology (Include Assumptions and Attach Details)

For the low estimate, it is assumed that all 1,686 entities with at least 50 units listed in Florida Housing Data Clearinghouse’s Assisted Housing Inventory would be eligible for this exemption. These entities already have agreements in place, and thus are the lowest estimate of those that would become additionally exempt. These entities were matched back to the 2021F Real Property Roll using the Florida DOR Parcel variable. Out of the 285,052 units identified, 170,874 (60%) were matched successfully to the NAL Roll. The remaining Taxable Value for both School District (TV_SD) and Non-School District (TV_NSD) was grossed up by the inverse of this proportion (285,052/170,874=166.8%) to find the Taxable Value that would become exempt. These amounts were grown forward using the annual CPI generated from EVIEWES.

For the middle and high estimates, the 2021F NAL Roll was used to identify 5,025 parcels with DOR_UC=3 (Multi-family—10 units or more) and at least 50 units. These parcels comprised 989,248 residential units with remaining TV_SD and TV_NSD of \$112.2B and \$108.0B, respectively. Next, Data USA Wage Distribution information was used to determine that approximately 82% of Floridians qualify as Moderate-Income persons (<120% Area Median Income [\$71,072 in 2020]). It is assumed that all 989,248 units would have an income distribution identical to the state as a whole, and thus 82% of these units could be considered Affordable Housing under the proposed language, resulting in 809,451 units being eligible for the exemption.

The high estimate assumes that the units are grouped in a way that allows parcels to have 100% considered Affordable Housing, and thus would be 100% exempt under the proposed language, eliminating \$91.8B in TV_SD and \$88.4B in TV_NSD from the 2021 NAL Roll.

The middle estimate assumes that the units are grouped in a way that allows parcels to have 75% considered Affordable Housing, as it is likely that ¼ of the eligible pool would be in a housing situation without an Affordable option, and thus 75% of the parcels would be 75% exempt under the proposed language, eliminating \$51.6B in TV_SD and \$49.7B in TV_NSD from the 2021 NAL Roll.

These amounts were multiplied by the 2021F Statewide Millage Rates and grown forward using the Non-Homestead Residential growth rate from the August 2021 Ad Valorem Estimating Conference to determine the impact beginning in the 2023-24 fiscal year.

Section 4: Proposed Fiscal Impact

Year	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$ -	\$(1596.8 M)	\$ -	\$(898.2 M)	\$ -	\$(69.1 M)
2023-24	\$(1648.8 M)	\$(1648.8 M)	\$(927.5 M)	\$(927.5 M)	\$(70.6 M)	\$(70.6 M)
2024-25	\$(1696.0 M)	\$(1696.0 M)	\$(954.0 M)	\$(954.0 M)	\$(72.0 M)	\$(72.0 M)
2025-26	\$(1739.6 M)	\$(1739.6 M)	\$(978.5 M)	\$(978.5 M)	\$(73.6 M)	\$(73.6 M)
2026-27	\$(1782.7 M)	\$(1782.7 M)	\$(1002.8 M)	\$(1002.8 M)	\$(75.2 M)	\$(75.2 M)

List of affected Trust Funds:

Section 5: Consensus Estimate (Adopted: 02/25/2022): Given the lack of specificity in the bill and its permissive nature, the Conference adopted a negative indeterminate impact. For example, it is unclear the extent to which local governments will authorize tax exemptions of less than the specified maxima; whether the exemptions would apply to other taxing jurisdictions other than the county or the municipality authorizing the exemption; and whether all permissible household income levels must

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Affordable Housing

Bill Number(s): [CS/SB1150](#)

be included and addressed equally. The universe of potentially eligible properties have a combined tax liability of approximately \$1.8 billion if all jurisdictions implemented the bills’ provisions to the maximum extent; however, the Conference believes that local governments will not react in this manner.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	0.0	0.0	0.0	0.0	(**)	0.0	(**)
2023-24	0.0	0.0	0.0	0.0	(**)	(**)	(**)	(**)
2024-25	0.0	0.0	0.0	0.0	(**)	(**)	(**)	(**)
2025-26	0.0	0.0	0.0	0.0	(**)	(**)	(**)	(**)
2026-27	0.0	0.0	0.0	0.0	(**)	(**)	(**)	(**)

CS/SB 1150: Affordable Housing - Multifamily

Low Estimate

	A	B	C	D	E
1					
2	Units Eligible Found	170,874			
3	Units Eligible Not Found	114,178			
4	Share Up	166.8%			
5					
6		Impact_TV_SD	Impact_TV_NSD	Preliminary Millages	
7	2021F	\$ (4,093,959,153)	\$ (3,870,759,261)	SD	NSD
8	2021 Statewide Millage Rates	6.27	10.76	6.28	10.80
9	Tax Impact	\$ (25,668,714)	\$ (41,643,564)		
10					
11	Year	NEEC Growth Rate in CPI	Impact_SD	Impact_NSD	
12	2022	2.41%	\$ (26,287,648)	\$ (42,647,688)	
13	2023	2.07%	\$ (26,831,582)	\$ (43,530,138)	
14	2024	2.09%	\$ (27,391,613)	\$ (44,438,704)	
15	2025	2.12%	\$ (27,972,617)	\$ (45,381,292)	
16	2026	2.15%	\$ (28,573,486)	\$ (46,356,112)	
17	2027	2.24%	\$ (29,214,369)	\$ (47,395,846)	
18					
19	School District				
20	Year	Low			
21		Cash	Recurring		
22	22-23	\$0	\$(26.3 M)		
23	23-24	\$(26.8 M)	\$(26.8 M)		
24	24-25	\$(27.4 M)	\$(27.4 M)		
25	25-26	\$(28.0 M)	\$(28.0 M)		
26	26-27	\$(28.6 M)	\$(28.6 M)		
27					
28	Non-School District				
29	Year	Low			
30		Cash	Recurring		
31	22-23	\$0	\$(42.6 M)		
32	23-24	\$(43.5 M)	\$(43.5 M)		
33	24-25	\$(44.4 M)	\$(44.4 M)		
34	25-26	\$(45.4 M)	\$(45.4 M)		
35	26-27	\$(46.4 M)	\$(46.4 M)		
36					
37	Low Estimate Total Impact				
38	Year	Low			
39		Cash	Recurring		
40	22-23	\$0	\$(68.9 M)		
41	23-24	\$(70.4 M)	\$(70.4 M)		
42	24-25	\$(71.8 M)	\$(71.8 M)		
43	25-26	\$(73.4 M)	\$(73.4 M)		
44	26-27	\$(74.9 M)	\$(74.9 M)		

	A	B	C	D	E
1					
2	DOR_UC=3, NO_RES_UNITS>=50				
3		Parcels with Remaining TV	NO_RES_UNITS	TV_SD	TV_NSD
4	2021	5,025	989,248	\$ 112,209,373,413	\$ 107,987,427,249
5	Avg/parcel	1	197	\$ 22,330,224	\$ 21,490,035
6	Avg/unit	0.01	1	\$ 113,429	\$ 109,161
7					
8	Reduction for Units with Avg JV per Unit > \$X				
9		JV Unit Maximum			
10		\$ 1,000,000,000			
11					
12		Parcels with Remaining TV	NO_RES_UNITS	TV_SD	TV_NSD
13		5,025	989,248	\$ 112,209,373,413	107,987,427,249
14					
15	% of Floridians at or below Moderate Income				
16		Florida AMI	\$ 59,227		
17		Moderate Income Threshold <=X%	120%		
18		Moderate Income Max	\$ 71,072		
19					
20		Income Group	% of Employed Pop	Adjusted for Moderate Income Cap	
21		< \$10k	10.37%	10.37%	
22		\$10-20k	14.53%	14.53%	
23		\$20-30k	16.93%	16.93%	
24		\$30-40k	15.17%	15.17%	
25		\$40-50k	11.01%	11.01%	
26		\$50-60k	7.793%	7.79%	
27		\$60-70k	5.962%	5.96%	
28		\$70-80k	4.071%	0.05%	
29		Sum		81.82%	
30					
31	Reduction for Moderate-Income Affordable Housing Pool				
32		Parcels with Remaining TV	NO_RES_UNITS	TV_SD	TV_NSD
33		4,112	809,451	\$ 91,815,233,608	\$ 88,360,629,402
34					
35	Unit Eligibility				
36		High	Middle		
37	% Units Aff Housing	100%	75%		
38	% Exempt	100%	75%		
39					
40	TV_SD	\$ 91,815,233,608	\$ 51,646,068,904		
41	TV_NSD	\$ 88,360,629,402	\$ 49,702,854,038		
42					
43	Year	Non-Homestead Residential Growth Rate			
44	2022	4.30%			
45	2023	3.26%			
46	2024	2.86%			
47	2025	2.57%			
48	2026	2.48%			
49	2027	2.45%			
50	Source: Aug 2021 AV REC				

	A	B	C	D	E
51					
52	2021F Statewide Millage Rates			Preliminary	
53		School	6.2699	6.2797	
54		Nonschool	10.7585	10.8009	
55					
56	School Impact				
57		High	Middle		
58	2022-23	\$ (600,426,244)	\$ (337,739,762)		
59	2023-24	\$ (620,000,139)	\$ (348,750,078)		
60	2024-25	\$ (637,732,143)	\$ (358,724,330)		
61	2025-26	\$ (654,121,859)	\$ (367,943,546)		
62	2026-27	\$ (670,344,081)	\$ (377,068,546)		
63					
64	Non-School Impact				
65		High	Middle		
66	2022-23	\$ (991,504,828)	\$ (557,721,466)		
67	2023-24	\$ (1,023,827,886)	\$ (575,903,186)		
68	2024-25	\$ (1,053,109,363)	\$ (592,374,017)		
69	2025-26	\$ (1,080,174,274)	\$ (607,598,029)		
70	2026-27	\$ (1,106,962,596)	\$ (622,666,460)		
71					
72	Total Impact				
73		High	Middle		
74	2022-23	\$ (1,591,931,072)	\$ (895,461,228)		
75	2023-24	\$ (1,643,828,025)	\$ (924,653,264)		
76	2024-25	\$ (1,690,841,506)	\$ (951,098,347)		
77	2025-26	\$ (1,734,296,133)	\$ (975,541,575)		
78	2026-27	\$ (1,777,306,677)	\$ (999,735,006)		

CS/SB 1150: Affordable Housing - Multifamily
Income Data

	A	B	C	D	E	F	G
1							
2	Wage Bin	ID Year	Total Populati	Total Population M	Record Count	Geography	share
3	< \$10K	2019	984886	23067.7	9070	Florida	10.366%
4	\$10-20k	2019	1380911	26671.9	11586	Florida	14.534%
5	\$20-30k	2019	1608426	28379.2	13067	Florida	16.929%
6	\$30-40k	2019	1441516	27149.0	12180	Florida	15.172%
7	\$40-50k	2019	1046335	23690.5	9650	Florida	11.013%
8	\$50-60k	2019	740404	20285.8	7354	Florida	7.793%
9	\$60-70k	2019	566491	17919.3	5686	Florida	5.962%
10	\$70-80k	2019	386799	14955.2	4077	Florida	4.071%
11	\$80-90k	2019	285734	12924.8	3054	Florida	3.007%
12	\$90-100k	2019	168120	9977.2	1858	Florida	1.770%
13	\$100-110k	2019	198733	10829.8	2159	Florida	2.092%
14	\$110-120k	2019	100338	7735.7	1099	Florida	1.056%
15	\$120-130k	2019	110313	8106.8	1277	Florida	1.161%
16	\$130-140k	2019	61818	6084.4	701	Florida	0.651%
17	\$140-150k	2019	43732	5122.4	523	Florida	0.460%
18	\$150-160k	2019	62910	6137.5	722	Florida	0.662%
19	\$160-170k	2019	28251	4120.5	327	Florida	0.297%
20	\$170-180k	2019	28258	4121.0	331	Florida	0.297%
21	\$180-190k	2019	26749	4009.7	311	Florida	0.282%
22	\$190-200k	2019	13069	2804.8	160	Florida	0.138%
23	\$200k+	2019	217168	11309.7	2663	Florida	2.286%
24	Source: Data USA: Florida Wage Distribution						
25							
26	Income Group	of AMI	Min	Max			
27	Low-Income	<80%	0%	\$ 47,381.60			
28	Moderate-Income	80-120%	\$ 47,381.60	\$ 71,072.40			
29	AMI		\$ 59,227	\$ 59,227			
30	Source: Federal Reserve Key Terms and Definitions						
31	Source: F.S. 420.0004						

CS/SB 1150: Affordable Housing - Multifamily
Impact Summary

	A	B	C	D	E	F	G
1							
2	School Impact						
3		High		Middle		Low	
4	Year	Cash	Recurring	Cash	Recurring	Cash	Recurring
5	2022-23	\$ -	\$(600.4 M)	\$ -	\$(337.7 M)	\$ -	\$(26.3 M)
6	2023-24	\$(620.0 M)	\$(620.0 M)	\$(348.8 M)	\$(348.8 M)	\$(26.8 M)	\$(26.8 M)
7	2024-25	\$(637.7 M)	\$(637.7 M)	\$(358.7 M)	\$(358.7 M)	\$(27.4 M)	\$(27.4 M)
8	2025-26	\$(654.1 M)	\$(654.1 M)	\$(367.9 M)	\$(367.9 M)	\$(28.0 M)	\$(28.0 M)
9	2026-27	\$(670.3 M)	\$(670.3 M)	\$(377.1 M)	\$(377.1 M)	\$(28.6 M)	\$(28.6 M)
10							
11	Non-School Impact						
12		High		Middle		Low	
13	Year	Cash	Recurring	Cash	Recurring	Cash	Recurring
14	2022-23	\$ -	\$(991.5 M)	\$ -	\$(557.7 M)	\$ -	\$(42.6 M)
15	2023-24	\$(1023.8 M)	\$(1023.8 M)	\$(575.9 M)	\$(575.9 M)	\$(43.5 M)	\$(43.5 M)
16	2024-25	\$(1053.1 M)	\$(1053.1 M)	\$(592.4 M)	\$(592.4 M)	\$(44.4 M)	\$(44.4 M)
17	2025-26	\$(1080.2 M)	\$(1080.2 M)	\$(607.6 M)	\$(607.6 M)	\$(45.4 M)	\$(45.4 M)
18	2026-27	\$(1107.0 M)	\$(1107.0 M)	\$(622.7 M)	\$(622.7 M)	\$(46.4 M)	\$(46.4 M)
19							
20	Total Impact						
21		High		Middle		Low	
22	Year	Cash	Recurring	Cash	Recurring	Cash	Recurring
23	2022-23	\$ -	\$(1591.9 M)	\$ -	\$(895.5 M)	\$ -	\$(68.9 M)
24	2023-24	\$(1643.8 M)	\$(1643.8 M)	\$(924.7 M)	\$(924.7 M)	\$(70.4 M)	\$(70.4 M)
25	2024-25	\$(1690.8 M)	\$(1690.8 M)	\$(951.1 M)	\$(951.1 M)	\$(71.8 M)	\$(71.8 M)
26	2025-26	\$(1734.3 M)	\$(1734.3 M)	\$(975.5 M)	\$(975.5 M)	\$(73.4 M)	\$(73.4 M)
27	2026-27	\$(1777.3 M)	\$(1777.3 M)	\$(999.7 M)	\$(999.7 M)	\$(74.9 M)	\$(74.9 M)

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Change of Ownership

Bill Number(s): [Proposed Language](#)

Entire Bill

Partial Bill:

Sponsor(s):

Month/Year Impact Begins: Upon becoming law

Date of Analysis: February 25, 2022

Section 1: Narrative

- a. Current Law:** 193.1554(5) details how nonhomestead residential property that changes ownership or control is to be assessed at just value on the following January 1. There are four paragraphs identifying situations that are not changes of ownership.

Section 193.1555(5) details how nonresidential and residential property not assessed under the homestead or nonhomestead sections that changes ownership or control is to be assessed at just value on the following January 1. Paragraph (b) identifies three situations that are not changes of ownership.

- b. Proposed Change:** The lists of situations that are not changes of ownership in 193.1554(5) and 193.1555(5)(b) are expanded to include:

(e)/4. The transfer is between a natural person and a legal entity, and the natural person owns the legal entity in the same proportion as the natural person owned the property.

(f)/5. The transfer is between legal entities, the ownership of which is identical.

Neither current law nor the proposed language address whether or not the situations identified constitute a change of control.

Section 2: Description of Data and Sources

2019, 2020, 2021 final NAL real property tax roll

2019, 2020, 2021 Sales Data Files (SDF)

Section 3: Methodology (Include Assumptions and Attach Details)

The 2019 and 2020 final real property tax rolls (NAL) were merged and appended with data from the 2020 SDF (sales data file) to identify any transaction that was not an arm's length transaction and was coded 11, 16, 30 or 37.

11. Corrective Deed, Quit Claim Deed, or Tax Deed; deed bearing Florida documentary stamp at the minimum rate prescribed under Chapter 201, F.S.; transfer of ownership in which no documentary stamps were paid

16. Transfer conveying ownership of less than 100% undivided interest

30. Transfer between relatives or between corporate affiliates (including landlord-tenant)

37. Transfer in which property's market exposure was atypical; transfer involving participants who were atypically motivated; transfer involving participants who were not knowledgeable or informed of market conditions or property characteristics

These quit claim or related party transactions were then tested to determine if a 10% cap differential was present in 2019 and was later removed in 2020 after the parcel transfer took place. They were also verified to be \$100 maximum sales to ensure they met the expected transfer types. Data was not tested for name changes because a parcel owner's name may be updated to reflect a sale in the roll year depending on the time of the sale. There exist a number of parcels in Miami-Dade County that are currently under litigation for this issue and it was verified that they are all in the data set.

Once these filters were applied, the final dataset contained 42,091 parcels with changes in ownership between related parties and other quit claims on nonhomestead residential or certain residential non-residential property. The total

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Change of Ownership

Bill Number(s): [Proposed Language](#)

differential on these parcels in 2019 was approximately \$1.1 billion which when added back onto the tax roll in 2020 would have levied roughly \$18 million.

This same procedure was reproduced for 2021, however, the final sales data files are incomplete and as such, the total calculated differential lost is comparable but lower than expected. The 2020 amount grown using the County Taxable Value growth rates from the January 6, 2022 Ad Valorem Conference to produce the new differential lost in future years out to 2027. Further, these differential amounts are put into cohorts and individually grown since the difference in the differential will also grow. Under current law the assessed value shifts up to just value and then is growing at 10 percent, and under the bill the assessed value remains and is growing at 10 percent. Mathematically, the difference between the two is then also growing at 10 percent, thus the cohort differentials grow at 10 percent each year. Values across cohorts are summed to produce yearly impacts on the differential, and the statewide school and non-school rates are applied to determine the impact going back to 2021.

The bill applies retroactively to January 1, 2020. The language effects transfers between persons and entities, thus transfers made on or after January 1, 2020 would potentially be impacted. Changes to differential from January 1, 2020 to December 31, 2020 appear on the 2021 Real Property Roll. The impact below assumes Tax Collectors will issue refunds for repayments of taxes collected for the 2021 roll year and that they will be issued in Fiscal Year 2022-23. Realistically, depending on when the bill is signed into law and how long the tax collectors take to issue refunds, it could impact Fiscal Year 2021-22.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$(62.6 M)	\$(221.5 M)	\$(56.3 M)	\$(199.3 M)	\$(50.0 M)	\$(177.2 M)
2023-24	\$(69.7 M)	\$(221.5 M)	\$(62.8 M)	\$(199.3 M)	\$(55.8 M)	\$(177.2 M)
2024-25	\$(100.6 M)	\$(221.5 M)	\$(90.5 M)	\$(199.3 M)	\$(80.5 M)	\$(177.2 M)
2025-26	\$(135.9 M)	\$(221.5 M)	\$(122.3 M)	\$(199.3 M)	\$(108.7 M)	\$(177.2 M)
2026-27	\$(176.0 M)	\$(221.5 M)	\$(158.4 M)	\$(199.3 M)	\$(140.8 M)	\$(177.2 M)

List of affected Trust Funds:

Ad Valorem

Section 5: Consensus Estimate (Adopted: 02/25/2022): The Conference adopted the high estimate.

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(23.0)	(81.6)	(39.6)	(139.9)	(62.6)	(221.5)
2023-24	(25.7)	(81.6)	(44.0)	(139.9)	(69.7)	(221.5)
2024-25	(37.0)	(81.6)	(63.6)	(139.9)	(100.6)	(221.5)
2025-26	(50.0)	(81.6)	(85.9)	(139.9)	(135.9)	(221.5)
2026-27	(64.8)	(81.6)	(111.2)	(139.9)	(176.0)	(221.5)

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	0.0	0.0	0.0	(62.6)	(221.5)	(62.6)	(221.5)
2023-24	0.0	0.0	0.0	0.0	(69.7)	(221.5)	(69.7)	(221.5)
2024-25	0.0	0.0	0.0	0.0	(100.6)	(221.5)	(100.6)	(221.5)
2025-26	0.0	0.0	0.0	0.0	(135.9)	(221.5)	(135.9)	(221.5)
2026-27	0.0	0.0	0.0	0.0	(176.0)	(221.5)	(176.0)	(221.5)

	A	B	C	D	E	F	G	H	I
1			2020DiffLost			2021DiffLost			
2		County	NonHMSTD	ResNonRes	Parcels	NonHMSTD	ResNonRes	Parcels	
3	11	Alachua	\$ 3,093,149	\$ 4,649,916	289	\$ 2,507,230	\$ 1,632,610	253	
4	12	Baker	\$ 20,462	\$ 10,643	12	\$ 119,193	\$ 35,423	34	
5	13	Bay	\$ 4,366,720	\$ 1,068,011	257	\$ 5,491,233	\$ 9,078,068	405	
6	14	Bradford	\$ 123,395	\$ 80,703	10	\$ -	\$ -	-	
7	15	Brevard	\$ 14,884,990	\$ 2,809,610	1,624	\$ 10,591,510	\$ 6,266,340	1,343	
8	16	Broward	\$ 79,829,990	\$ 32,389,490	3,225	\$ 112,097,780	\$ 16,966,480	2,798	
9	17	Calhoun	\$ 2,409	\$ -	1	\$ 52,157	\$ 14,844	25	
10	18	Charlotte	\$ 6,876,754	\$ 971,406	1,171	\$ 4,760,741	\$ 2,873,020	802	
11	19	Citrus	\$ 2,412,120	\$ 430,004	662	\$ 1,759,784	\$ 268,072	477	
12	20	Clay	\$ 418,922	\$ 217,428	113	\$ 759,082	\$ 51,926	115	
13	21	Collier	\$ 29,970,227	\$ 5,054,305	891	\$ 31,938,572	\$ 7,905,684	821	
14	22	Columbia	\$ 296,679	\$ 247,022	115	\$ -	\$ -	-	
15	23	Miami-Dade	\$ 128,638,379	\$ 166,943,163	3,948	\$ 107,283,266	\$ 111,142,979	2,744	
16	24	DeSoto	\$ -	\$ -	-	\$ 312,781	\$ 7,165	47	
17	25	Dixie	\$ 34,175	\$ -	5	\$ 70,427	\$ 1,050	46	
18	26	Duval	\$ 15,614,875	\$ 12,269,291	1,758	\$ 13,241,699	\$ 20,397,656	1,291	
19	27	Escambia	\$ 4,154,316	\$ 615,924	360	\$ 3,994,869	\$ 753,899	292	
20	28	Flagler	\$ 4,761,429	\$ 972,586	624	\$ 1,555,317	\$ 98,683	253	
21	29	Franklin	\$ 1,281,549	\$ 46,411	71	\$ 850,677	\$ 89,234	81	
22	30	Gadsden	\$ 59,429	\$ 295,571	37	\$ 75,232	\$ 101,193	9	
23	31	Gilchrist	\$ 19,697	\$ 15,797	26	\$ -	\$ -	-	
24	32	Glades	\$ -	\$ -	-	\$ 133,551	\$ 6,525	39	
25	33	Gulf	\$ 1,543,558	\$ 850,698	103	\$ 3,561,265	\$ 364,246	127	
26	34	Hamilton	\$ 29,217	\$ 5,546	18	\$ -	\$ -	-	
27	35	Hardee	\$ 188,868	\$ 82,483	52	\$ -	\$ -	-	
28	36	Hendry	\$ 602,761	\$ -	225	\$ 825,934	\$ 86,324	384	
29	37	Hernando	\$ 3,822,680	\$ 394,891	660	\$ 3,131,325	\$ 1,084,762	704	
30	38	Highlands	\$ 1,619,691	\$ 69,511	386	\$ 1,570,898	\$ 80,725	436	
31	39	Hillsborough	\$ 27,539,108	\$ 19,490,868	1,893	\$ 17,407,704	\$ 4,571,058	1,107	
32	40	Holmes	\$ 21,503	\$ -	3	\$ 5,382	\$ -	3	
33	41	Indian River	\$ 6,433,866	\$ 2,929,372	484	\$ 4,270,458	\$ 1,584,380	305	
34	42	Jackson	\$ 160,684	\$ 132,637	28	\$ 227,373	\$ 28,051	98	
35	43	Jefferson	\$ 109,881	\$ 851	23	\$ 52,266	\$ 1,769	18	
36	44	Lafayette	\$ 6,231	\$ -	10	\$ 4,896	\$ -	2	
37	45	Lake	\$ 8,057,668	\$ 3,652,406	625	\$ 6,366,075	\$ 1,408,958	541	
38	46	Lee	\$ 43,841,082	\$ 30,637,998	4,210	\$ 34,833,619	\$ 28,045,698	2,863	
39	47	Leon	\$ 609,337	\$ 976,263	152	\$ 879,822	\$ 547,832	159	
40	48	Levy	\$ 284,424	\$ 170,487	188	\$ 297,016	\$ 866,910	116	
41	49	Liberty	\$ 14,851	\$ 494	5	\$ 1,583	\$ 305	2	
42	50	Madison	\$ 23,128	\$ 7,099	12	\$ -	\$ -	-	
43	51	Manatee	\$ 8,042,713	\$ 4,738,291	624	\$ 8,180,203	\$ 1,714,117	531	
44	52	Marion	\$ 5,781,373	\$ 2,133,041	1,492	\$ 5,942,180	\$ 1,697,627	1,562	
45	53	Martin	\$ 3,568,792	\$ 1,142,441	241	\$ -	\$ -	-	
46	54	Monroe	\$ 23,907,571	\$ 12,232,923	394	\$ 18,975,854	\$ 3,261,891	299	
47	55	Nassau	\$ 1,706,242	\$ 949,464	136	\$ 3,267,934	\$ 578,992	179	
48	56	Okaloosa	\$ 3,651,868	\$ 1,061,502	210	\$ 3,158,065	\$ 2,089,620	395	
49	57	Okeechobee	\$ -	\$ -	-	\$ 810,169	\$ 120,525	238	
50	58	Orange	\$ 36,345,767	\$ 18,600,916	2,088	\$ 26,575,519	\$ 44,434,204	1,508	
51	59	Osceola	\$ 10,591,840	\$ 17,685,054	642	\$ 5,273,684	\$ 1,220,319	589	
52	60	Palm Beach	\$ 58,556,102	\$ 8,210,121	2,500	\$ 43,589,357	\$ 4,359,597	1,836	
53	61	Pasco	\$ 7,137,588	\$ 1,283,757	831	\$ 8,150,582	\$ 1,935,896	598	
54	62	Pinellas	\$ 35,383,225	\$ 8,335,118	1,972	\$ 29,315,802	\$ 21,519,664	1,553	
55	63	Polk	\$ 10,382,036	\$ 2,613,443	1,024	\$ 12,663,600	\$ 20,744,658	1,128	
56	64	Putnam	\$ 468,580	\$ 200,565	170	\$ 486,404	\$ 349,140	187	
57	65	Saint Johns	\$ 4,053,203	\$ 5,246,371	349	\$ 6,618,229	\$ 2,826,919	389	
58	66	Saint Lucie	\$ 13,937,358	\$ 4,496,549	924	\$ 9,473,142	\$ 1,425,213	686	
59	67	Santa Rosa	\$ 3,112,270	\$ 845,143	301	\$ 2,865,441	\$ 3,176,038	371	
60	68	Sarasota	\$ 15,105,817	\$ 4,893,266	1,200	\$ 9,146,894	\$ 2,767,613	861	
61	69	Seminole	\$ 8,986,382	\$ 5,918,026	799	\$ 4,920,432	\$ 371,065	412	
62	70	Sumter	\$ 2,626,120	\$ 2,042,070	277	\$ 1,739,682	\$ 1,275,140	179	
63	71	Suwannee	\$ 48,220	\$ 18,343	21	\$ 376,543	\$ 30,792	230	
64	72	Taylor	\$ 356,810	\$ -	37	\$ 289,960	\$ 1,130	28	
65	73	Union	\$ 35,892	\$ 20,279	9	\$ -	\$ 136	2	
66	74	Volusia	\$ 16,953,038	\$ 8,418,449	1,227	\$ 10,615,797	\$ 2,844,134	962	
67	75	Wakulla	\$ 401,190	\$ 108,031	87	\$ 259,204	\$ 33,473	43	
68	76	Walton	\$ 18,004,966	\$ 1,953,271	250	\$ 13,189,843	\$ 809,260	205	
69	77	Washington	\$ 2,445	\$ 8,688	10	\$ 52,186	\$ 209,465	21	
70		Statewide	\$ 680,915,612	\$ 401,644,007	42,091	\$ 596,967,423	\$ 336,158,497	33,732	

A	B	C	D	E	F	G	H	I
71	School Millage:	6.27						
72	Non-School Millage:	10.76						
73								
74		Known Differential*	Differential Estimate	AV County Tax Grow	Diff Cap			
75	2020	\$ 1,082,559,619	\$ 1,082,559,619					
76	2021	\$ 933,125,920	\$ 1,155,632,393	6.75%	10%			
77	2022		\$ 1,246,696,226	7.88%	10%			
78	2023		\$ 1,325,362,758	6.31%	10%			
79	2024		\$ 1,403,691,697	5.91%	10%			
80	2025		\$ 1,480,473,633	5.47%	10%			
81	2026		\$ 1,558,346,546	5.26%	10%			
82	2027		\$ 1,637,666,385	5.09%	10%			
83	*The 2021 known is partial, sales file not yet complete							
84								
85		2021	2022	2023	2024	2025	2026	2027
86	2020							
87	2021	\$ 1,155,632,393						
88	2022	\$ 1,271,195,633	\$ 1,246,696,226					
89	2023	\$ 1,398,315,196	\$ 1,371,365,848	\$ 1,325,362,758				
90	2024	\$ 1,538,146,715	\$ 1,508,502,433	\$ 1,457,899,033	\$ 1,403,691,697			
91	2025	\$ 1,691,961,387	\$ 1,659,352,677	\$ 1,603,688,937	\$ 1,544,060,866	\$ 1,480,473,633		
92	2026	\$ 1,861,157,526	\$ 1,825,287,944	\$ 1,764,057,831	\$ 1,698,466,953	\$ 1,628,520,996	\$ 1,558,346,546	
93	2027	\$ 2,047,273,278	\$ 2,007,816,739	\$ 1,940,463,614	\$ 1,868,313,648	\$ 1,791,373,095	\$ 1,714,181,200	\$ 1,637,666,385
94								
95		Total Diff Impact	SD Impact	NSD Impact	Total Tax Impact	Miami SD	Miami NSD	
96	2021	\$ 1,155,632,393	\$ 7,245,700	\$ 12,432,871	\$ 19,678,571	\$ 17,969	\$ 30,833	
97	2022	\$ 2,517,891,858	\$ 15,786,930	\$ 27,088,740	\$ 42,875,670			
98	2023	\$ 4,095,043,802	\$ 25,675,515	\$ 44,056,529	\$ 69,732,044			
99	2024	\$ 5,908,239,879	\$ 37,044,073	\$ 63,563,799	\$ 100,607,872			
100	2025	\$ 7,979,537,499	\$ 50,030,902	\$ 85,847,854	\$ 135,878,756			
101	2026	\$ 10,335,837,795	\$ 64,804,669	\$ 111,198,111	\$ 176,002,780			
102	2027	\$ 13,007,087,959	\$ 81,553,141	\$ 139,936,756	\$ 221,489,897			
103								
104		High	Middle	Low	Issue Refunds? 0=no, 1=yes, 2=Miami Litig. Only			
105	Share	100%	90%	80%	1			
106								
107	Impact on School							
108		High		Middle		Low		
109		Cash	Recurring	Cash	Recurring	Cash	Recurring	
110	2022-23	\$(23.0 M)	\$(81.6 M)	\$(20.7 M)	\$(73.4 M)	\$(18.4 M)	\$(65.2 M)	
111	2023-24	\$(25.7 M)	\$(81.6 M)	\$(23.1 M)	\$(73.4 M)	\$(20.5 M)	\$(65.2 M)	
112	2024-25	\$(37.0 M)	\$(81.6 M)	\$(33.3 M)	\$(73.4 M)	\$(29.6 M)	\$(65.2 M)	
113	2025-26	\$(50.0 M)	\$(81.6 M)	\$(45.0 M)	\$(73.4 M)	\$(40.0 M)	\$(65.2 M)	
114	2026-27	\$(64.8 M)	\$(81.6 M)	\$(58.3 M)	\$(73.4 M)	\$(51.8 M)	\$(65.2 M)	
115								
116	Impact on Non-School							
117		High		Middle		Low		
118		Cash	Recurring	Cash	Recurring	Cash	Recurring	
119	2022-23	\$(39.5 M)	\$(139.9 M)	\$(35.6 M)	\$(125.9 M)	\$(31.6 M)	\$(111.9 M)	
120	2023-24	\$(44.1 M)	\$(139.9 M)	\$(39.7 M)	\$(125.9 M)	\$(35.2 M)	\$(111.9 M)	
121	2024-25	\$(63.6 M)	\$(139.9 M)	\$(57.2 M)	\$(125.9 M)	\$(50.9 M)	\$(111.9 M)	
122	2025-26	\$(85.8 M)	\$(139.9 M)	\$(77.3 M)	\$(125.9 M)	\$(68.7 M)	\$(111.9 M)	
123	2026-27	\$(111.2 M)	\$(139.9 M)	\$(100.1 M)	\$(125.9 M)	\$(89.0 M)	\$(111.9 M)	
124								
125	Total Impact							
126		High		Middle		Low		
127		Cash	Recurring	Cash	Recurring	Cash	Recurring	
128	2022-23	\$(62.6 M)	\$(221.5 M)	\$(56.3 M)	\$(199.3 M)	\$(50.0 M)	\$(177.2 M)	
129	2023-24	\$(69.7 M)	\$(221.5 M)	\$(62.8 M)	\$(199.3 M)	\$(55.8 M)	\$(177.2 M)	
130	2024-25	\$(100.6 M)	\$(221.5 M)	\$(90.5 M)	\$(199.3 M)	\$(80.5 M)	\$(177.2 M)	
131	2025-26	\$(135.9 M)	\$(221.5 M)	\$(122.3 M)	\$(199.3 M)	\$(108.7 M)	\$(177.2 M)	
132	2026-27	\$(176.0 M)	\$(221.5 M)	\$(158.4 M)	\$(199.3 M)	\$(140.8 M)	\$(177.2 M)	

REVENUE ESTIMATING CONFERENCE

Tax: Corporate Income Tax

Issue: Short Line Rail Credit with Transferability

Bill Number(s): Proposed Language

Entire Bill

Partial Bill:

Sponsor(s): N.A.

Month/Year Impact Begins: 01/01/2023

Date of Analysis: 02/25/2022

Section 1: Narrative

a. Current Law: There is currently no state income tax credit for railroad expenditures.

b. Proposed Change: Section 220.1915, F.S. is created to define “qualifying railroad” as a taxpayer that was a Class II or Class III railroad operating in Florida on the last day of the calendar year as set by the United States Surface Transportation Board. “Qualified expenditures” are defined as gross expenditures made in Florida by a qualifying railroad during the preceding calendar year which qualify for a credit per 26 U.S.C. 45G. These expenditures are for maintenance, reconstruction, or replacement of railroad infrastructure including track, roadbed, bridges, industrial leads and siding, and track-related structures which were owned or leased by the railroad. “Qualified expenditures” also includes new construction of industrial leads, switches, spurs, siding and extension of existing siding. For the taxable year beginning on or after January 1, 2023, a qualifying railroad is eligible for a credit against corporate income tax if it has qualified expenditures in Florida during the preceding calendar year and is allowed a qualified railroad track maintenance credit on its federal tax return. The credit against state corporate income tax is equal to fifty percent of a qualified railroad’s qualified expenditures incurred in Florida during the prior calendar year, not exceeding the product of \$3,500 and the number of miles of railroad track owned or leased within the state of Florida. A qualifying railroad must submit to the Department of Revenue any documentation that the department may require to demonstrate eligibility for the credit. If a credit granted pursuant to this section is not fully used one year because of insufficient tax liability, the unused amount may be carried forward for a period not to exceed five years. Credit earned can be transferred anytime within the five year after being earned by the taxpayer to any taxpayer that transports property using the rail facilities of the qualifying railroad or furnishes railroad-related property or service to the qualifying railroad. This transfer agreement has to be filed with the Department of Revenue within 30 days.

Section 2: Description of Data and Sources

List of Class II and Class III Railroads Operating in Florida with Mileage per the FDOT Freight and Rail Office

Confidential Florida CIT Liability Data per FDOR

US Surface Transportation Board website: <https://www.stb.gov/>

Investment Element of the 2010 Florida Rail System Plan as prepared by Cambridge Systematics, Inc.

Section 3: Methodology (Include Assumptions and Attach Details)

According to the US Surface Transportation Board website, the Board categorizes rail carriers into three classes: Class I, Class II, and Class III. The classes are based on the carrier’s annual operating revenues. Current thresholds establish Class I carriers as any carrier earning revenue greater than \$900 million, Class II carriers as those earning revenue between \$40.4 million and \$900 million, and Class III carriers as those earning revenue less than \$40.4 million. The Florida Department of Transportation provided a list of Class II and Class III railroads with each railroad’s owned mileage. The Department does not have access to leased mileage; however, a report prepared for the department in 2010 showed that railroad mileage owned and operated are minimally different. Thus, it is appropriate to use mileage owned for analysis.

The high analysis assumes 75% of the possible credits based upon miles operated times \$3,500 are claimed every fiscal year.

The middle analysis assumes 50% of all possible credits based on miles operated times \$3,500 are claimed every fiscal year.

The low analysis was limited to only entities that had been identified as Florida corporate income tax payers in past five fiscal years.

We assumed the credit will be claimed with their CIT final return. First of which is due on April 1, 2024 for calendar year filers.

REVENUE ESTIMATING CONFERENCE

Tax: Corporate Income Tax

Issue: Short Line Rail Credit with Transferability

Bill Number(s): Proposed Language

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	(5.2)	0.0	(3.5)	0.0	(1.8)
2023-24	(5.2)	(5.2)	(3.5)	(3.5)	(1.8)	(1.8)
2024-25	(5.2)	(5.2)	(3.5)	(3.5)	(1.8)	(1.8)
2025-26	(5.2)	(5.2)	(3.5)	(3.5)	(1.8)	(1.8)
2026-27	(5.2)	(5.2)	(3.5)	(3.5)	(1.8)	(1.8)

List of affected Trust Funds:

General Revenue Fund

Section 5: Consensus Estimate (Adopted: 02/25/2022): The Conference adopted that 100% of the \$6.9m credit would be used.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	(6.9)	0.0	0.0	0.0	0.0	0.0	(6.9)
2023-24	(6.9)	(6.9)	0.0	0.0	0.0	0.0	(6.9)	(6.9)
2024-25	(6.9)	(6.9)	0.0	0.0	0.0	0.0	(6.9)	(6.9)
2025-26	(6.9)	(6.9)	0.0	0.0	0.0	0.0	(6.9)	(6.9)
2026-27	(6.9)	(6.9)	0.0	0.0	0.0	0.0	(6.9)	(6.9)

	A	B	C
1		Miles	
2	Class II		
3	Florida East Coast Railway	562.20	
4	Class III		
5	Alabamba and Gulf Coast Railway	53.57	
6	Apalachicola Northern Railway	114.82	
7	The Bay Line Railroad	96.37	
8	Duke Energy	10.33	
9	Florida Central Railroad	80.73	
10	First Coast Railroad	21.47	
11	Florida Gulf and Atlantic Railroad	407.06	
12	Florida Midland Railroad	33.70	
13	Florida Northern Railroad	96.64	
14	Georgia and Florida Railway	46.36	
15	Georgia Pacific Railway	8.36	
16	Jacksonville Port Authority	6.70	
17	Port of Manatee	2.27	
18	Orlando Utilities Commission	25.27	
19	Port of Palm Beach Terminal	1.66	
20	South Central Florida Express	168.06	
21	Seminole Gulf Railway	113.36	
22	Talleyrand Terminal Railroad	4.91	
23	United States Government	34.65	
24	US Sugar Railroad	60.10	
25	Florida Power and Light Company	21.41	
26	Port Everglades Authority	2.20	
27			
28	Total Miles	1,972.16	
29	Total Available Credit based on miles	\$ (6,902,567)	Adopted
30	High: 75% of Available credit	\$ (5,176,925)	
31	Middle: 50% of Available credit	\$ (3,451,284)	
32	Low: Miles of Entities with Fla CIT Liability in Last 5 Years	\$ (1,793,866)	

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Special Assessments - Preschool

Bill Number(s): [Proposed Language](#)

Entire Bill

Partial Bill:

Sponsor(s):

Month/Year Impact Begins: July 2022

Date of Analysis: February 25 2022

Section 1: Narrative

- a. **Current Law:** 170.201(2) identifies certain properties that are exempt from any special assessment levied by a municipality. These special assessments are to fund capital improvements and municipal services, including, but not limited to, fire protection, emergency medical services, garbage disposal, sewer improvement, street improvement, and parking facilities.
- b. **Proposed Change:** The proposed language adds property owned or occupied by a preschool to the list of properties that are exempt from any special assessment levied by a municipality.

Section 2: Description of Data and Sources

Certified Child Care Providers list provided by the Department of Children and Families

Non-Ad Valorem tax data provided by Tax Collectors

County Population Estimates as of April 1, 2021 from Economic and Demographic Research's Population and Demographic Data – Florida Products

Section 3: Methodology (Include Assumptions and Attach Details)

The Department of Children and Families provided a list of child care providers in the state. The list was filtered to only include private providers that were not part of public schools and that provided care for children from birth to school age. 6,417 providers meet the criteria.

The number of relevant preschools are identified for each county and the municipal non ad valorem fee per parcel in municipalities in each county is estimated using the December 2021 non ad valorem data provided by tax collectors. The fees are filtered to only indicate those that are applied to most municipal parcels for each county. No data is available for the few counties that collect most non ad valorem by other methods.

Unincorporated and total population by county are used to calculate the share of the population in each county that is within a municipality. This is used to proxy the share of preschools in each county that would be in municipalities. This share is then multiplied by the product of the preschool count and municipal non ad valorem fee per parcel to arrive at the middle impact for each county. These are summed to a statewide total. Dividing that sum by the sum of the fees if all preschools were in municipalities provides an average share of 59.4% for the state. This is used for the middle estimate. The high assumes preschools will be more likely to locate within municipalities to be nearer to parents' place of work and increases the share by 15%. The low assumes preschools will be more likely to locate in unincorporated areas, where land is more available and taxes are lower, and decreases the share by 15%.

These assessments are done at the parcel level and are not based on value. As such, applying the normal ad valorem growth rates is inappropriate. Historically the fees increase infrequently and would not grow by more than 1% statewide each year. The high assumes a 1% growth rate each year, the middle assumes a 0.5% growth rate each year, and the low assumes zero growth. The bill goes into effect July 1, 2022 and does not indicate to which roll it is to first apply. The common assumption is that it would first impact the 2023 roll and thus Fiscal Year 2023-2024, though there would be time before the 2022 roll is finalized to make the change and as such it could impact Fiscal Year 2022-23 by a cash amount equal to the recurring amount identified.

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Special Assessments - Preschool

Bill Number(s): [Proposed Language](#)

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$0	\$(3.0 M)	\$0	\$(2.4 M)	\$0	\$(1.8 M)
2023-24	\$(3.1 M)	\$(3.1 M)	\$(2.4 M)	\$(2.4 M)	\$(1.8 M)	\$(1.8 M)
2024-25	\$(3.1 M)	\$(3.1 M)	\$(2.4 M)	\$(2.4 M)	\$(1.8 M)	\$(1.8 M)
2025-26	\$(3.1 M)	\$(3.1 M)	\$(2.5 M)	\$(2.5 M)	\$(1.8 M)	\$(1.8 M)
2026-27	\$(3.2 M)	\$(3.2 M)	\$(2.5 M)	\$(2.5 M)	\$(1.8 M)	\$(1.8 M)

List of affected Trust Funds:

Ad Valorem Special Assessments

Section 5: Consensus Estimate (Adopted: 02/25/2022) The Conference adopted the high estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	0.0	0.0	0.0	0.0	(3.0)	0.0	(3.0)
2023-24	0.0	0.0	0.0	0.0	(3.1)	(3.1)	(3.1)	(3.1)
2024-25	0.0	0.0	0.0	0.0	(3.1)	(3.1)	(3.1)	(3.1)
2025-26	0.0	0.0	0.0	0.0	(3.1)	(3.1)	(3.1)	(3.1)
2026-27	0.0	0.0	0.0	0.0	(3.2)	(3.2)	(3.2)	(3.2)

	A	B	C	D	E	F	G	H
1	County	Count of County	Per parcel estimated Municipal NAV	Impact if All Preschools in Municipalities	County Pop	Uninc Pop	Share in Muni	Impact if Pop Share Preschools in Municipalities
2	Alachua County	91	\$ 270	\$ 24,527	283,538	110,933	61%	\$ 14,931
3	Baker County	11		\$ -	26,359	18,361	30%	\$ -
4	Bay County	57	\$ 502	\$ 28,609	177,162	78,699	56%	\$ 15,900
5	Bradford County	8		\$ -	24,660	17,465	29%	\$ -
6	Brevard County	140	\$ 1,062	\$ 148,615	616,577	226,021	63%	\$ 94,136
7	Broward County	539	\$ 1,670	\$ 900,224	1,954,945	17,035	99%	\$ 892,380
8	Calhoun County	4		\$ -	12,261	9,494	23%	\$ -
9	Charlotte County	37	\$ 676	\$ 24,996	189,604	169,967	10%	\$ 2,589
10	Citrus County	37		\$ -	155,531	144,337	7%	\$ -
11	Clay County	79	\$ 433	\$ 34,184	221,440	200,075	10%	\$ 3,298
12	Collier County	93	\$ -	\$ -	382,666	347,031	9%	\$ -
13	Columbia County	26	\$ 409	\$ 10,643	66,906	54,171	19%	\$ 2,026
14	DeSoto County	12		\$ -	31,772	24,293	24%	\$ -
15	Dixie County	-		\$ -	15,286	13,410	12%	\$ -
16	Duval County	365		\$ -	1,016,403	-	100%	\$ -
17	Escambia County	84	\$ 125	\$ 10,506	322,430	266,232	17%	\$ 1,831
18	Flagler County	22		\$ -	119,662	17,677	85%	\$ -
19	Franklin County	5	\$ 30	\$ 152	11,523	7,446	35%	\$ 54
20	Gadsden County	20		\$ -	41,175	24,357	41%	\$ -
21	Gilchrist County	3	\$ 150	\$ 451	17,411	14,310	18%	\$ 80
22	Glades County	3		\$ -	11,148	9,618	14%	\$ -
23	Gulf County	4		\$ -	13,645	7,974	42%	\$ -
24	Hamilton County	5		\$ -	11,845	7,740	35%	\$ -
25	Hardee County	17		\$ -	23,690	14,689	38%	\$ -
26	Hendry County	18		\$ -	40,540	28,153	31%	\$ -
27	Hernando County	48		\$ -	196,153	186,988	5%	\$ -
28	Highlands County	34	\$ 452	\$ 15,374	102,042	79,060	23%	\$ 3,462
29	Hillsborough County	484	\$ 858	\$ 415,104	1,489,850	1,031,262	31%	\$ 127,772
30	Holmes County	6		\$ -	18,659	14,531	22%	\$ -
31	Indian River County	43	\$ 144	\$ 6,210	161,702	110,240	32%	\$ 1,976
32	Jackson County	15		\$ -	42,224	28,585	32%	\$ -
33	Jefferson County	6		\$ -	13,837	11,214	19%	\$ -
34	Lafayette County	4		\$ -	6,950	5,886	15%	\$ -
35	Lake County	76	\$ 486	\$ 36,926	399,342	190,350	52%	\$ 19,325
36	Lee County	164	\$ 1,107	\$ 181,525	782,435	385,410	51%	\$ 92,110
37	Leon County	111	\$ -	\$ -	294,826	97,550	67%	\$ -
38	Levy County	10		\$ -	43,577	33,499	23%	\$ -
39	Liberty County	-		\$ -	6,320	5,366	15%	\$ -
40	Madison County	12		\$ -	17,022	12,919	24%	\$ -
41	Manatee County	114	\$ 183	\$ 20,913	411,084	333,680	19%	\$ 3,938
42	Marion County	73	\$ 407	\$ 29,703	376,996	304,533	19%	\$ 5,709
43	Martin County	37	\$ 723	\$ 26,738	156,987	129,621	17%	\$ 4,661
44	Miami-Dade County	1,178	\$ 881	\$ 1,038,378	2,723,167	1,191,683	56%	\$ 583,974
45	Monroe County	23		\$ -	83,410	38,689	54%	\$ -
46	Nassau County	26		\$ -	92,992	75,285	19%	\$ -
47	Okaloosa County	61		\$ -	211,961	122,726	42%	\$ -
48	Okeechobee County	10	\$ 276	\$ 2,762	37,177	31,893	14%	\$ 393
49	Orange County	441	\$ 800	\$ 352,739	1,454,937	919,941	37%	\$ 129,706
50	Osceola County	86		\$ -	406,171	264,314	35%	\$ -
51	Palm Beach County	379	\$ 551	\$ 208,816	1,499,708	652,866	56%	\$ 117,912
52	Pasco County	140	\$ 197	\$ 27,515	575,274	526,288	9%	\$ 2,343
53	Pinellas County	243	\$ 133	\$ 32,433	963,703	275,535	71%	\$ 23,160
54	Polk County	209	\$ 468	\$ 97,776	745,439	452,872	39%	\$ 38,375
55	Putnam County	24		\$ -	73,319	58,246	21%	\$ -
56	St. Johns County	69	\$ 390	\$ 26,881	285,406	263,539	8%	\$ 2,060
57	St. Lucie County	86	\$ 905	\$ 77,804	339,948	76,814	77%	\$ 60,223
58	Santa Rosa County	39	\$ 43	\$ 1,676	187,521	170,455	9%	\$ 152
59	Sarasota County	109	\$ 567	\$ 61,809	441,502	277,128	37%	\$ 23,012
60	Seminole County	150	\$ 591	\$ 88,643	477,382	227,840	52%	\$ 46,336
61	Sumter County	18		\$ -	128,024	101,577	21%	\$ -
62	Suwannee County	12		\$ -	42,094	34,576	18%	\$ -
63	Taylor County	7		\$ -	19,712	12,802	35%	\$ -
64	Union County	2		\$ -	11,565	8,912	23%	\$ -
65	Volusia County	159	\$ 743	\$ 118,157	561,625	114,856	80%	\$ 93,993
66	Wakulla County	7		\$ -	31,808	31,095	2%	\$ -
67	Walton County	16		\$ -	76,677	62,887	18%	\$ -
68	Washington County	6		\$ -	23,571	18,267	23%	\$ -
69	Statewide	6,417		\$ 4,050,787				\$ 2,407,818

	A	B	C	D	E	F	G	H
70								
71		High	Middle (pop split)	Low				
72	Growth Rate	1%	0.5%	0%				
73	Share in Municipality	74.4%	59.4%	44.4%				
74								
75	Total Impact							
76		High		Middle		Low		
77		Cash	Recurring	Cash	Recurring	Cash	Recurring	
78	2022-23	\$0	\$(3.0 M)	\$0	\$(2.4 M)	\$0	\$(1.8 M)	
79	2023-24	\$(3.1 M)	\$(3.1 M)	\$(2.4 M)	\$(2.4 M)	\$(1.8 M)	\$(1.8 M)	
80	2024-25	\$(3.1 M)	\$(3.1 M)	\$(2.4 M)	\$(2.4 M)	\$(1.8 M)	\$(1.8 M)	
81	2025-26	\$(3.1 M)	\$(3.1 M)	\$(2.5 M)	\$(2.5 M)	\$(1.8 M)	\$(1.8 M)	
82	2026-27	\$(3.2 M)	\$(3.2 M)	\$(2.5 M)	\$(2.5 M)	\$(1.8 M)	\$(1.8 M)	

REVENUE ESTIMATING CONFERENCE

Tax: Motor Fuel Taxes

Issue: Local Government Fuel Tax Credits and Exemptions

Bill Number(s): [Proposed Language](#)

Entire Bill

Partial Bill:

Sponsor(s):

Month/Year Impact Begins: July 1, 2022

Date of Analysis: February 25, 2022

Section 1: Narrative

- a. **Current Law:** Sections 206.41(1)(g) and s. 206.87(1)(e), F.S., authorize the “fuel sales tax” that is imposed on each net gallon of motor fuel and diesel fuel, respectively. The 2022 fuel sales tax rate for motor and diesel fuels is 15.0 cents per gallon.

Section 206.625(1), F.S., authorizes the return of county fuel tax proceeds, which result from the collection of the tax paid by a municipality or county on motor fuel for use in a motor vehicle operated by it for the construction, reconstruction, and maintenance of roads and streets within the respective municipality or county. The 2022 county fuel tax rate for motor fuel is 1 cent per gallon.

Section 206.625(2), F.S., authorizes the return of county fuel tax proceeds, which result from the collection of the tax paid by a school district, or by a private contractor operating school buses for a school district, on motor fuel for use in a motor vehicle operated by such district or private contractor to be used to fund construction, reconstruction, and maintenance of roads and streets within the school district required as a result of new school construction or renovation of existing schools.

Section 206.86(9), F.S., defines “local government user of diesel fuels” as any county, municipality, or school district licensed by the Department of Revenue to use untaxed diesel fuel in motor vehicles.

Section 206.874(4), F.S., specifies requirements for local government users (i.e., counties, municipalities, or school districts) related to diesel fuel refunds or credits.

- b. **Proposed Change:** Section 1 of the proposed legislation creates s. 206.41(4)(f), F.S., to provide:
The portion of the tax imposed by paragraph 1(g) which results from the collection of such tax paid by a special district on motor fuel or diesel fuel for use in a motor vehicle operated by it shall be returned to the governing body of such special district. A special district, when licensed as a local government user, shall be entitled to take a credit on the monthly diesel fuel tax return not to exceed the tax imposed under paragraphs (1)(b) and (g) on those gallons which would otherwise be eligible for refund.

Section 2 creates s. 206.625(3), F.S., to provide:

The portions of the county fuel tax imposed by s. 206.41(1)(b) which result from the collection of such tax paid by a special district on motor fuel for use in a motor vehicle operated by it shall be returned to the governing body of each such special district according to the administrative procedures in s. 206.41.

Section 3 amends s. 206.86(9), F.S., to expand the definition of “local government user of diesel fuel” to include special districts.

Section 4 amends s. 206.874(4), F.S., to expand the list of local government users of diesel fuel to include special districts.

Section 5 provides an effective date of July 1, 2022.

Section 2: Description of Data and Sources

Section 189.012(6), F.S., defines a special district to mean “... a unit of local government created for a special purpose, as opposed to a general purpose, which has jurisdiction to operate within a limited geographic boundary and is created by general law, special act, local ordinance, or by rule of the Governor and Cabinet.” Special districts are similar to counties and municipalities and have several common characteristics. All three have governing bodies with policy-making powers, provide essential governmental services and facilities, and operate within a limited geographical area.

REVENUE ESTIMATING CONFERENCE

Tax: Motor Fuel Taxes

Issue: Local Government Fuel Tax Credits and Exemptions

Bill Number(s): [Proposed Language](#)

The main differences relates to their purposes and powers. Counties and municipalities provide local general governmental services and have broad powers. Special districts provide local specialized governmental services and have limited, prescribed powers.

Special districts are classified as either *dependent* or *independent*. Dependent special districts are under some control by a single county or municipality and have one or more following characteristics:

1. May have identical governing body members, but always a separate governing body.
2. May appoint all members to the special district's governing body.
3. May remove any member at will during unexpired terms.
4. May approve the special district's budget.
5. May veto the special district's budget.

An independent special district does not have any dependent characteristics.

According to the Florida Department of Revenue, counties or municipalities having dependent special districts, meaning the districts' budgets, financial reports and audits are included with those of their local governing authority (county or municipality), are allowed to include these purchases and usage as part of their fuel tax refund claim. In order to determine the fiscal impact of this proposed legislation, independent special taxing districts would need to be identified.

According to the Department of Economic Opportunity's Special District Accountability Program – [Official List of Special Districts Online](#), there were 1,833 active dependent and independent special districts in Florida as of February 22, 2022. Of that total, 1,218 or 66 percent were independent only. The table below summarizes special district purposes, the most often used statutory authority under which they operate and were created, and the number of active independent special districts with that purpose.

Special District Purposes, Statutory Authority, and Current Number of Active Independent Special Districts		
Purpose	Statutory Authority	#
Affordable Housing	Section 189.02, F.S.	0
Airports / Air Navigation Facilities	Chapter 332, F.S.	10
Aquatic Weed Control	Section 189.031, F.S.	1
Beach and Shore Preservation	Chapter 161, Part II, F.S.	1
Beach Facilities	General Authority	2
Business Improvement	Chapter 170, F.S.	2
Capital Improvements	General Authority	1
Children's Services	Section 125.901, F.S.	10
Civic Facilities / Activities / Services	General Authority	1
Collaborative Client Information Systems	Chapter 163, Part VI, F.S.	1
Common Facilities Maintenance	Section 189.02, F.S.	0
Community Development	Chapter 190, F.S.	808
Community Redevelopment	Chapter 163, Part III, F.S.	0
Conservation	Section 189.031, F.S.	2
County Development	General Authority	6
County Health and Mental Health Care	Section 154.331, F.S.	1
County Road and Bridge	Chapter 336, F.S.	0
County Water and Sewer	Chapter 153, Part II, F.S.	0
Downtown Development / Improvement	General Authority	6
Drainage and/or Water Control	Chapter 298, F.S.	67
Economic Development	General Authority	8
Educational Facilities Benefit	Section 1013.355, F.S.	0
Emergency Medical Services	General Authority	2
Environmental Protection / Management	General Authority	5
Erosion Control	Section 189.02, F.S.	0

REVENUE ESTIMATING CONFERENCE

Tax: Motor Fuel Taxes

Issue: Local Government Fuel Tax Credits and Exemptions

Bill Number(s): [Proposed Language](#)

Expressway and Bridge	Chapter 348, F.S.	5
Fire Control and Rescue	Chapter 191, F.S.	54
Gulf Environmental and Economic Recovery	Chapters 125 and 163, Part I, F.S.	1
Health Care	Section 189.031, F.S.	5
Health Facilities	Chapter 154, Part III, F.S.	0
Higher Educational Facilities Financing	Chapter 243, Part II, F.S.	0
Hospital	Section 189.031, F.S.	20
Hospital – County	Chapter 155, F.S.	1
Hospital – Lease Oversight	Section 189.031, F.S.	1
Housing Authority	Chapter 421, Part I, F.S.	24
Housing Finance	Chapter 159, Part IV, F.S.	0
Human Relations	Section 189.031, F.S.	1
Industrial Development	Chapter 159, Part III, F.S.	0
Infrastructure Development	General Authority	13
Inland Navigation and Waterway	Chapter 374, F.S.	7
Juvenile Welfare	Section 125.901, F.S.	1
Lake and Dam Maintenance	General Authority	0
Land Authority	Section 380.0663, F.S.	0
Library - Law	Chapter 189, F.S.	3
Library – Local	General Authority	5
Library – Regional	Section 257.171, F.S.	6
Licensing and Regulation	Section 189.031, F.S.	1
Mental Health Care	Section 189.02, F.S.	0
Mobile Home Park Recreation	Section 418.30, F.S.	2
Mosquito Control	Section 388.021, F.S.	15
Municipal-Type Services and Improvements	General Authority	9
Natural Gas Distribution and/or Transmission	General Authority	2
Neighborhood Enhancement	Section 189.02, F.S.	0
Neighborhood Improvement – Local Government	Section 163.506, F.S.	0
Neighborhood Improvement – Preserve / Enhance	Section 163.524, F.S.	0
Neighborhood Improvement – Property Owner	Section 163.508, F.S.	0
Neighborhood Improvement – Special	Section 163.511, F.S.	0
Nursing Home	Section 189.02, F.S.	1
Parking Facilities	General Authority	0
Planning – Coordination	General Authority	0
Planning – Land Use and Transportation	General Authority	0
Planning – Regulation	General Authority	0
Port Facilities	Chapter 315, F.S.	6
Qualifying Improvements to Real Property	Section 163.08, F.S.	4
Recreational Facilities / Programs	Section 418.20, F.S., Special Acts, or General Law	15
Regional Transportation	Chapter 343, F.S.	3
Regional Water	General Authority	5
Research and Development	Chapter 159, Part V, F.S.	2
Road Maintenance	General Authority	1
Safety Enhancement	Section 189.02, F.S.	0
Soil and Water Conservation	Chapter 582, F.S.	52
Solid Waste Disposal	General Authority	2
Street Lighting	Section 189.02, F.S.	0
Transportation Systems / Services	General Authority	7
Utility Systems / Services	General Authority	4

REVENUE ESTIMATING CONFERENCE

Tax: Motor Fuel Taxes

Issue: Local Government Fuel Tax Credits and Exemptions

Bill Number(s): [Proposed Language](#)

Water and/or Wastewater Systems	General Authority	16
Water Management	Chapter 373, F.S.	5
Watershed Improvement	General Authority	0
Notes:		
1. General Authority includes Sections 189.02, 189.031, 125.01(5)(a), 163.01, F.S., and Chapter 165, F.S.		
2. Since many special districts have more than one special purpose, adding the numbers of independent special districts by purpose in this table will not match the statewide total previously mentioned.		

According to data the Florida Department of Revenue provided to the Florida Department of Transportation for the Transportation REC and Federal Reporting, the amounts below represent the current-law Municipal/County/School refunds granted.

Municipal/County/School Fuel Tax Refunds History		
	Fuel Sales	1 Cent County
2016-17	\$ 5,090,266	\$ 377,555
2017-18	\$ 5,101,358	\$ 375,544
2018-19	\$ 4,524,734	\$ 325,260
2019-20	\$ 5,407,481	\$ 380,846
2020-21	\$ 4,173,076	\$ 289,716

Section 3: Methodology (Include Assumptions and Attach Details)

On March 15, 2019, the Revenue Estimating Conference (REC) reviewed proposed House language, which is identical to this proposed Senate language. The REC adopted the high estimate as an “at least as” number. At that time, EDR staff contacted the Florida Association of Special Districts (FASD) to ask if it had any data on the number of motor vehicles operated by Florida’s independent special districts, or the total amount of districts’ motor and diesel fuel purchases in FY 2017-18 to operate their motor vehicles. FASD indicated that it did not track such information. However, FASD agreed to survey its member districts, which numbered approximately 100 districts and represented about 9 percent of the total number of active independent special districts.

In addition to the FASD effort, EDR surveyed those districts within several functional categories, which were thought to represent the types of districts that operate motor vehicles. EDR surveyed districts in the following functional categories: airports/air navigation facilities, emergency medical services, expressway and bridge, fire control and rescue, inland navigation and waterways, mosquito control districts, municipal-type services and improvements, port facilities, solid waste disposal, and water management districts. Since there was insufficient time to survey districts for this 2022 analysis, EDR staff chose to use the 2019 survey responses and update the extrapolated figures and the forecast using the latest Transportation REC (see attached spreadsheet).

Section 4: Proposed Fiscal Impact (Millions)

Trust	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(1.2)	(1.4)	(0.6)	(0.7)	(0.2)	(0.3)
2023-24	(1.5)	(1.5)	(0.8)	(0.8)	(0.3)	(0.3)
2024-25	(1.6)	(1.6)	(0.8)	(0.8)	(0.3)	(0.3)
2025-26	(1.7)	(1.7)	(0.9)	(0.9)	(0.3)	(0.3)
2026-27	(1.7)	(1.7)	(0.9)	(0.9)	(0.3)	(0.3)

Local, GR (svc chrg)	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(*)	(*)	(*)	(*)	(*)	(*)
2023-24	(*)	(*)	(*)	(*)	(*)	(*)
2024-25	(*)	(*)	(*)	(*)	(*)	(*)
2025-26	(*)	(*)	(*)	(*)	(*)	(*)
2026-27	(*)	(*)	(*)	(*)	(*)	(*)

REVENUE ESTIMATING CONFERENCE

Tax: Motor Fuel Taxes

Issue: Local Government Fuel Tax Credits and Exemptions

Bill Number(s): [Proposed Language](#)

List of Affected Trust Funds: State Transportation Trust Fund (STTF), Agriculture Emergency Eradication Trust Fund (AEETF), General Revenue Service Charge, and Local Funds

Section 5: Consensus Estimate (Adopted: 02/25/2022) The Conference adopted the high estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(Insignificant)	(Insignificant)	(1.2)	(1.4)	(Insignificant)	(Insignificant)	(1.2)	(1.4)
2023-24	(Insignificant)	(Insignificant)	(1.5)	(1.5)	(Insignificant)	(Insignificant)	(1.5)	(1.5)
2024-25	(Insignificant)	(Insignificant)	(1.6)	(1.6)	(Insignificant)	(Insignificant)	(1.6)	(1.6)
2025-26	(Insignificant)	(Insignificant)	(1.7)	(1.7)	(Insignificant)	(Insignificant)	(1.7)	(1.7)
2026-27	(Insignificant)	(Insignificant)	(1.7)	(1.7)	(Insignificant)	(Insignificant)	(1.7)	(1.7)

Proposed House Language - Fuel Tax Exemption for Special Districts

	A	B	C	D	E	F
1	Municipal/County/School Fuel Tax Refunds History					
2		Fuel Sales	1 Cent County			
3	2016-17	\$ 5,090,266	\$ 377,555			
4	2017-18	\$ 5,101,358	\$ 375,544			
5	2018-19	\$ 4,524,734	\$ 325,260			
6	2019-20	\$ 5,407,481	\$ 380,846			
7	2020-21	\$ 4,173,076	\$ 289,716			
8						
9	Municipal/County/School Fuel Tax Refunds Derived Forecast					
10		Fuel Sales	1 Cent County		Transp. REC Growth Rt	
11	2021-22	\$ 4,620,202	\$ 319,285		10.71%	10.21%
12	2022-23	\$ 4,862,456	\$ 323,375		5.24%	1.28%
13	2023-24	\$ 5,114,908	\$ 327,150		5.19%	1.17%
14	2024-25	\$ 5,279,994	\$ 329,981		3.23%	0.87%
15	2025-26	\$ 5,416,418	\$ 331,553		2.58%	0.48%
16	2026-27	\$ 5,551,463	\$ 332,183		2.49%	0.19%

Proposed House Language - Fuel Tax Exemption for Special Districts

	A	B	C	D	E	F	G	H	I	
1	2022 Proposed Senate Language - Motor and Diesel Fuel Tax Refunds for Special Districts									
2	Survey of Independent Special Districts by EDR and FASD: Motor and Diesel Fuel Purchases in FY 2017-18									
3	Extrapolation Updated to Reflect the Number of Independent Special Districts by Type - February 2022									
4										
5					FY 2017-18 Fuel Purchases			FY 2017-18 Fuel Purchases		
6					Via Survey			Via Extrapolation		
7	District Type and Name				Motor	Diesel		Motor	Diesel	
8										
9	Airports / Air Navigation Facilities (10)							\$ 190,399.38	\$ 109,613	
10	Charlotte County Airport Authority				\$ 31,470	\$ 35,750				
11	Gainesville-Alachua County Regional Airport Authority				\$ 18,375	\$ 8,931				
12	Sarasota Manatee Airport Authority				\$ 66,045	\$ 26,076				
13	St. Augustine-St. Johns County Airport Authority				\$ 11,042	\$ 2,318				
14										
15	Aquatic Weed Control (1)									
16										
17	Beach and Shore Preservation (1)									
18	Captiva Erosion Prevention District				\$ -	\$ -				
19										
20	Beach Facilities (2)							\$ -	\$ -	
21	Greater Boca Raton Beach and Park District				\$ -	\$ -				
22										
23	Community Development (808)							\$ -	\$ -	
24	A.H. at Turnpike South Community Development District				\$ -	\$ -				
25	Arborwood Community Development District				\$ -	\$ -				
26	Avenir Community Development District				\$ -	\$ -				
27	Banyan Cay Community Development District				\$ -	\$ -				
28	Beeline Community Development District				\$ -	\$ -				
29	Blue Lake Community Development District				\$ -	\$ -				
30	Bluewaters Community Development District				\$ -	\$ -				
31	Capron Trail Community Development District				\$ -	\$ -				
32	Caribe Palm Community Development District				\$ -	\$ -				
33	Century Gardens at Tamiami Community Development District				\$ -	\$ -				
34	Century Gardens Community Development District				\$ -	\$ -				
35	Century Gardens Village Community Development District				\$ -	\$ -				
36	Century Parc Community Development District				\$ -	\$ -				
37	Century Park Place Community Development District				\$ -	\$ -				
38	CityPlace Community Development District				\$ -	\$ -				
39	Coco Palms Community Development District				\$ -	\$ -				
40	Coronado Community Development District				\$ -	\$ -				
41	Crestview II Community Development District				\$ -	\$ -				
42	Crestview West Community Development District				\$ -	\$ -				
43	Cutler Bay Community Development District				\$ -	\$ -				
44	Cypress Lakes Community Development District				\$ -	\$ -				
45	Fontainebleau Lakes Community Development District				\$ -	\$ -				
46	Grand Bay at Doral Community Development District				\$ -	\$ -				
47	Groves Community Development District				\$ -	\$ -				
48	Gulfstream Polo Community Development District				\$ -	\$ -				
49	High Ridge / Quantum Community Development District				\$ -	\$ -				
50	Hillcrest Community Development District				\$ -	\$ -				
51	Hypoluxo / Haverhill Community Development District				\$ -	\$ -				
52	Islands at Doral (NE) Community Development District				\$ -	\$ -				
53	Islands at Doral (SW) Community Development District				\$ -	\$ -				
54	Journey's End Community Development District				\$ -	\$ -				
55	Kendall Breeze Community Development District				\$ -	\$ -				
56	Kendall Breeze West Community Development District				\$ -	\$ -				
57	Key Cove Community Development District				\$ -	\$ -				
58	Key Cove II Community Development District				\$ -	\$ -				
59	Keys Edge Community Development District				\$ -	\$ -				
60	Lake Frances Community Development District				\$ -	\$ -				
61	Marsh Harbour Community Development District				\$ -	\$ -				
62	Meadow Pines Harbour Community Development District				\$ -	\$ -				
63	Monterey / Congress Community Development District				\$ -	\$ -				
64	Palm Beach Plantation Community Development District				\$ -	\$ -				
65	Pentathlon Community Development District				\$ -	\$ -				
66	Principal One Community Development District				\$ -	\$ -				
67	Quarry Community Development District				\$ -	\$ -				
68	Renaissance Commons Community Development District				\$ -	\$ -				
69	Riverside Park Community Development District				\$ -	\$ -				

Proposed House Language - Fuel Tax Exemption for Special Districts

	A	B	C	D	E	F	G	H	I
1	2022 Proposed Senate Language - Motor and Diesel Fuel Tax Refunds for Special Districts								
2	Survey of Independent Special Districts by EDR and FASD: Motor and Diesel Fuel Purchases in FY 2017-18								
3	Extrapolation Updated to Reflect the Number of Independent Special Districts by Type - February 2022								
4									
70	Sail Harbour Community Development District				\$ -	\$ -			
71	Sausalito Bay Community Development District				\$ -	\$ -			
72	Silver Palms Community Development District				\$ -	\$ -			
73	Sonoma Bay Community Development District				\$ -	\$ -			
74	South Bay Community Development District				\$ -	\$ -			
75	Southern Grove Community Development District No. 1				\$ -	\$ -			
76	Southern Grove Community Development District No. 2				\$ -	\$ -			
77	Southern Grove Community Development District No. 3				\$ -	\$ -			
78	Southern Grove Community Development District No. 4				\$ -	\$ -			
79	Southern Grove Community Development District No. 5				\$ -	\$ -			
80	Southern Grove Community Development District No. 6				\$ -	\$ -			
81	Summerville Community Development District				\$ -	\$ -			
82	Sunnyland Farms Community Development District				\$ -	\$ -			
83	St. Lucie West Services District				\$ -	\$ -			
84	Terracina Community Development District				\$ -	\$ -			
85	Thousand Oaks Community Development District				\$ -	\$ -			
86	Tradition Community Development District No. 1				\$ -	\$ -			
87	Tradition Community Development District No. 2				\$ -	\$ -			
88	Tradition Community Development District No. 3				\$ -	\$ -			
89	Tradition Community Development District No. 4				\$ -	\$ -			
90	Tradition Community Development District No. 5				\$ -	\$ -			
91	Tradition Community Development District No. 6				\$ -	\$ -			
92	Tradition Community Development District No. 7				\$ -	\$ -			
93	Tradition Community Development District No. 8				\$ -	\$ -			
94	Tradition Community Development District No. 9				\$ -	\$ -			
95	Tradition Community Development District No. 10				\$ -	\$ -			
96	Trails at Monterey Community Development District				\$ -	\$ -			
97	Tree Island Estates Community Development District				\$ -	\$ -			
98	Two Lakes Community Development District				\$ -	\$ -			
99	Valencia Acres Community Development District				\$ -	\$ -			
100	Venetian Isles Community Development District				\$ -	\$ -			
101	Venetian Parc Community Development District				\$ -	\$ -			
102	Veranda Community Development District				\$ -	\$ -			
103	Verona Walk Community Development District				\$ -	\$ -			
104	Villagewalk of Bonita Springs Community Development District				\$ -	\$ -			
105	Vista Community Development District				\$ -	\$ -			
106	Walnut Creek Community Development District				\$ -	\$ -			
107	Winding Cypress Community Development District				\$ -	\$ -			
108	Winston Trails East Community Development District				\$ -	\$ -			
109	Wyndam Park Community Development District				\$ -	\$ -			
110									
111	Drainage / Water Control (67)							\$ 749,002	\$ 645,676
112	Bermont Drainage District				\$ -	\$ -			
113	Central Broward Water Control District				\$ 6,781	\$ 9,062			
114	Coral Springs Improvement District				\$ 86,149	\$ 30,021			
115	Haines City Water Control District				\$ -	\$ -			
116	Hobe St. Lucie Conservancy District				\$ -	\$ -			
117	Indian River Farms Water Control District				\$ 9,972	\$ 30,654			
118	Joshua Water Control District				\$ 8,052	\$ -			
119	Lake Worth Drainage District				\$ 52,362	\$ 108,898			
120	North Springs Improvement District				\$ 66,023	\$ 8,810			
121	North St. Lucie Water Control District				\$ 5,269	\$ -			
122	Northern Palm Beach County Improvement District				\$ 18,000	\$ 6,800			
123	Old Plantation Water Control District				\$ 6,427	\$ 5,326			
124	Pal-Mar Water Control District				\$ -	\$ -			
125	Ranger Drainage District				\$ 1,389	\$ 21,200			
126	San Carlos Estates Water Control District				\$ -	\$ -			
127	Sebastian River Improvement District				\$ -	\$ -			
128	Spring Lake Improvement District				\$ 21,048	\$ 24,661			
129	South Broward Drainage District				\$ 33,374	\$ 7,311			
130	South Florida Conservancy District				\$ 45,107	\$ 455			
131	South Indian River Water Control District				\$ 7,150	\$ 74,185			
132	St. Johns Improvement District				\$ 24,421	\$ 10,129			
133	Vero Lakes Water Control District				\$ -	\$ -			
134	West Villages Improvement District				\$ -	\$ -			

Proposed House Language - Fuel Tax Exemption for Special Districts

	A	B	C	D	E	F	G	H	I	
1	2022 Proposed Senate Language - Motor and Diesel Fuel Tax Refunds for Special Districts									
2	Survey of Independent Special Districts by EDR and FASD: Motor and Diesel Fuel Purchases in FY 2017-18									
3	Extrapolation Updated to Reflect the Number of Independent Special Districts by Type - February 2022									
4										
135										
136	Emergency Medical Services and Fire Control and Rescue (56)							\$ 650,435.37	\$ 2,439,184	
137	Bonita Springs Fire Control and Rescue District				\$ 19,199	\$ 19,303				
138	Captiva Island Fire District				\$ 3,126	\$ 5,153				
139	East Manatee Fire Rescue District				\$ 20,764	\$ 49,780				
140	Fort Myers Beach Fire Control District				\$ 11,269	\$ 28,016				
141	Lealman Fire District				\$ 16,538	\$ 47,649				
142	Midway Fire District				\$ 5,146	\$ 12,144				
143	North Okaloosa Fire District				\$ 3,300	\$ 15,032				
144	Ocean City-Wright Fire Control District				\$ 10,572	\$ 31,715				
145	Pace Fire Rescue District				\$ 11,288	\$ 18,603				
146	Pinellas Suncoast Fire and Rescue District				\$ 10,324	\$ 19,705				
147	San Carlos Park Fire and Rescue District				\$ 21,420	\$ 37,098				
148	Southern Manatee Fire Rescue				\$ 21,350	\$ 43,360				
149	South Trail Fire Rescue				\$ 36,792	\$ 34,361				
150	South Walton Fire District				\$ 33,036	\$ 92,735				
151	St. Lucie County Fire District				\$ 35,000	\$ 500,000				
152	Tice Fire and Rescue District				\$ 1,050	\$ 21,020				
153										
154	Expressway and Bridge (5)							\$ 114,312	\$ -	
155	Central Florida Expressway Authority				\$ 28,578	\$ -				
156										
157	Housing Authority (24)							\$ 381,041	\$ -	
158	Broward County Housing Authority				\$ 29,448	\$ -				
159	North Central Florida Regional Housing Authority				\$ 17,801	\$ -				
160	Pinellas County Housing Authority				\$ 19,249	\$ -				
161	Seminole County Housing Authority				\$ 9,710	\$ -				
162										
163	Infrastructure Development (13)							\$ -	\$ -	
164	Ave Maria Stewardship Community District				\$ -	\$ -				
165										
166	Inland Navigation and Waterways (7)							\$ 2,274.49	\$ 170.25	
167	Sebastian Inlet District				\$ -	\$ -				
168	St. Augustine Port, Waterway and Beach District				\$ -	\$ -				
169	West Coast Inland Navigation District				\$ 1,706	\$ 128				
170										
171	Mobile Home Park Recreation (2)							\$ -	\$ -	
172	Barefoot Bay Recreation District				\$ -	\$ -				
173										
174	Mosquito Control Districts (15)							\$ 223,659	\$ 35,816	
175	Amelia Island Mosquito Control District				\$ 11,944	\$ 820				
176	Anastasia Mosquito Control District				\$ 59,951	\$ -				
177	Beach Mosquito Control District				\$ 17,939	\$ 1,143				
178	Florida Keys Mosquito Control District				\$ 78,533	\$ 9,395				
179	Fort Myers Beach Mosquito Control District				\$ 680	\$ -				
180	Indian River Mosquito Control District				\$ 41,537	\$ 27,233				
181	Manatee County Mosquito Control District				\$ 44,498	\$ 2,342				
182	Moore Haven Mosquito Control District				\$ 528	\$ -				
183										
184	Municipal-Type Services and Improvements (9)							\$ 324,945	\$ 242,433	
185	Cold Springs Improvement District				\$ -	\$ -				
186	Lehigh Acres Municipal Services Improvement District				\$ 18,256	\$ 82,404				
187	Reedy Creek Improvement District				\$ 163,590	\$ 67,032				
188	Sun'n Lake of Sebring Improvement District				\$ 78,110	\$ 44,511				
189										
190	Natural Gas Distribution and/or Transmission (2)							\$ 96,887	\$ 16,858	
191	Okaloosa Gas District				\$ 96,887	\$ 16,858				
192										
193	Port Facilities (6)							\$ 997,616	\$ 118,361.35	
194	Tampa Port Authority				\$ 199,523	\$ 23,672				
195										
196	Qualifying Improvements to Real Property (4)							\$ -	\$ -	
197	Florida Green Finance Authority				\$ -	\$ -				
198										

Proposed House Language - Fuel Tax Exemption for Special Districts

	A	B	C	D	E	F	G	H	I	
1	2022 Proposed Senate Language - Motor and Diesel Fuel Tax Refunds for Special Districts									
2	Survey of Independent Special Districts by EDR and FASD: Motor and Diesel Fuel Purchases in FY 2017-18									
3	Extrapolation Updated to Reflect the Number of Independent Special Districts by Type - February 2022									
4										
199	Soil and Water Conservation (52)							12,906	-	
200	Alachua Soil and Water Conservation District				\$ -	\$ -				
201	Choctawhatchee River Soil and Water Conservation District				\$ -	\$ -				
202	Collier Soil and Water Conservation District				\$ 2,408	\$ -				
203	Gilchrist Soil and Water Conservation District				\$ -	\$ -				
204	Hardee Soil and Water Conservation District				\$ -	\$ -				
205	Hillsborough Soil and Water Conservation District				\$ 689	\$ -				
206	Levy Soil and Water Conservation District				\$ 45	\$ -				
207	Nassau Soil and Water Conservation District				\$ -	\$ -				
208	Osceola Soil and Water Conservation District				\$ -	\$ -				
209	Palm Beach Soil and Water Conservation District				\$ 1,613	\$ -				
210	Peace River Soil and Water Conservation District				\$ -	\$ -				
211	Putnam Soil and Water Conservation District				\$ -	\$ -				
212	South Dade Soil and Water Conservation District				\$ -	\$ -				
213	Wakulla Soil and Water Conservation District				\$ -	\$ -				
214										
215	Solid Waste Disposal (2)							\$ 18,707	\$ 262,684	
216	New River Solid Waste Association				\$ 18,707	\$ 262,684				
217										
218	Water Management Districts (5)							\$ 204,012	\$ 140,318	
219	Northwest Florida Water Management District				\$ 86,034	\$ 9,323				
220	Southwest Florida Water Management District				\$ 391,739	\$ 164,342				
221	St. Johns River Water Management District				\$ 283,348	\$ 387,606				
222	Suwannee River Water Management District				\$ 54,925	\$ -				
223										
224	FY 2017-18 Totals				\$ 2,536,608	\$ 2,485,753		\$ 3,966,197	\$ 4,011,113	
225										
226										
227	Motor Fuel			Diesel Fuel						
228	FY	Gallons (millions)	% Chg.		Gallons (millions)	% Chg.				
229	2017-18	9,256.4	-		1,786.7	-				
230	2018-19	9,399.4	1.54%		1,819.3	1.83%				
231	2019-20	9,026.7	-3.97%		1,844.6	1.39%				
232	2020-21	8,566.3	-5.10%		1,834.5	-0.55%				
233	2021-22	9,459.7	10.43%		1,970.5	7.41%				
234	2022-23	9,602.7	1.51%		1,979.3	0.45%				
235	2023-24	9,727.1	1.30%		1,994.6	0.77%				
236	2024-25	9,798.4	0.73%		2,027.2	1.64%				
237	2025-26	9,830.0	0.32%		2,056.6	1.45%				
238	2026-27	9,836.5	0.07%		2,082.5	1.26%				
239										
240										
241	Estimated Special Districts' Fuel Costs				Estimated Special Districts' Fuel Costs					
242	Via Survey			Via Survey and Extrapolation						
243	FY	Motor	Diesel	Total	Motor	Diesel	Total			
244	2018-19	\$ 2,575,790	\$ 2,531,137	\$ 5,106,927	\$ 6,603,251	\$ 6,615,483	\$ 13,218,734			
245	2019-20	\$ 2,473,659	\$ 2,566,350	\$ 5,040,009	\$ 6,341,429	\$ 6,707,517	\$ 13,048,946			
246	2020-21	\$ 2,347,488	\$ 2,552,243	\$ 4,899,731	\$ 6,017,978	\$ 6,670,647	\$ 12,688,626			
247	2021-22	\$ 2,592,320	\$ 2,741,489	\$ 5,333,810	\$ 6,645,628	\$ 7,165,268	\$ 13,810,896			
248	2022-23	\$ 2,631,492	\$ 2,753,689	\$ 5,385,181	\$ 6,746,048	\$ 7,197,154	\$ 13,943,202			
249	2023-24	\$ 2,665,594	\$ 2,774,919	\$ 5,440,513	\$ 6,833,471	\$ 7,252,641	\$ 14,086,111			
250	2024-25	\$ 2,685,132	\$ 2,820,382	\$ 5,505,514	\$ 6,883,558	\$ 7,371,465	\$ 14,255,023			
251	2025-26	\$ 2,693,789	\$ 2,861,218	\$ 5,555,007	\$ 6,905,750	\$ 7,478,197	\$ 14,383,947			
252	2026-27	\$ 2,695,573	\$ 2,897,209	\$ 5,592,782	\$ 6,910,323	\$ 7,572,265	\$ 14,482,588			
253										
254										

Proposed House Language - Fuel Tax Exemption for Special Districts

	A	B	C	D	E	F	G	H	I
1	2022 Proposed Senate Language - Motor and Diesel Fuel Tax Refunds for Special Districts								
2	Survey of Independent Special Districts by EDR and FASD: Motor and Diesel Fuel Purchases in FY 2017-18								
3	Extrapolation Updated to Reflect the Number of Independent Special Districts by Type - February 2022								
4									
		Fuel Sales Tax, All Fuel, FY Avg.	County Fuel Tax, Motor Fuel, FY Avg.	Florida Pump Price	Fuel Sales Tax as % of FL Pump Price	County Fuel Tax as % of FL Pump Price			
255	FY								
256	2019-20	14.17	1.0	247.79	5.7%	0.4%			
257	2020-21	14.37	1.0	252.28	5.7%	0.4%			
258	2021-22	14.67	1.0	317.85	4.6%	0.3%			
259	2022-23	15.23	1.0	307.28	5.0%	0.3%			
260	2023-24	15.83	1.0	292.87	5.4%	0.3%			
261	2024-25	16.20	1.0	282.86	5.7%	0.4%			
262	2025-26	16.53	1.0	279.76	5.9%	0.4%			
263	2026-27	16.90	1.0	282.44	6.0%	0.4%			
264									
265									
266	LOW IMPACT: Survey only								
267									
268		Fuel Sales Tax Impact	County Fuel Tax Impact	Total Impact					
269	FY								
270	2022-23								
271	State - STTF & AEETF	\$ (266,971)	\$ -	\$ (266,971)					
272	Local - ISD	\$ 266,971	\$ 8,564	\$ 275,535					
273	Local - Cnty	\$ -	\$ (8,564)	\$ (8,564)					
274	2023-24								
275	State - STTF & AEETF	\$ (294,133)	\$ -	\$ (294,133)					
276	Local - ISD	\$ 294,133	\$ 9,102	\$ 303,235					
277	Local - Cnty	\$ -	\$ (9,102)	\$ (9,102)					
278	2024-25								
279	State - STTF & AEETF	\$ (315,315)	\$ -	\$ (315,315)					
280	Local - ISD	\$ 315,315	\$ 9,493	\$ 324,807					
281	Local - Cnty	\$ -	\$ (9,493)	\$ (9,493)					
282	2025-26								
283	State - STTF & AEETF	\$ (328,295)	\$ -	\$ (328,295)					
284	Local - ISD	\$ 328,295	\$ 9,629	\$ 337,924					
285	Local - Cnty	\$ -	\$ (9,629)	\$ (9,629)					
286	2026-27								
287	State - STTF & AEETF	\$ (334,643)	\$ -	\$ (334,643)					
288	Local - ISD	\$ 334,643	\$ 9,544	\$ 344,187					
289	Local - Cnty	\$ -	\$ (9,544)	\$ (9,544)					
290									
291									
292	MIDDLE IMPACT: Sum of Survey and Extrapolation								
293									
294		Fuel Sales Tax Im	County Fuel Tax In	Total Impact					
295	FY	Cash	Cash	Cash					
296	2022-23								
297	State - STTF & AEETF	\$ (691,237)	\$ -	\$ (691,237)					
298	Local - ISD	\$ 691,237	\$ 21,954	\$ 713,191					
299	Local - Cnty	\$ -	\$ (21,954)	\$ (21,954)					
300	2023-24								
301	State - STTF & AEETF	\$ (761,544)	\$ -	\$ (761,544)					
302	Local - ISD	\$ 761,544	\$ 21,954	\$ 783,498					
303	Local - Cnty	\$ -	\$ (21,954)	\$ (21,954)					
304	2024-25								
305	State - STTF & AEETF	\$ (816,421)	\$ -	\$ (816,421)					
306	Local - ISD	\$ 816,421	\$ 24,336	\$ 840,756					
307	Local - Cnty	\$ -	\$ (24,336)	\$ (24,336)					
308	2025-26								
309	State - STTF & AEETF	\$ (850,075)	\$ -	\$ (850,075)					
310	Local - ISD	\$ 850,075	\$ 24,685	\$ 874,759					
311	Local - Cnty	\$ -	\$ (24,685)	\$ (24,685)					
312	2026-27								
313	State - STTF & AEETF	\$ (866,563)	\$ -	\$ (866,563)					
314	Local - ISD	\$ 866,563	\$ 24,466	\$ 891,029					
315	Local - Cnty	\$ -	\$ (24,466)	\$ (24,466)					
316									

Proposed House Language - Fuel Tax Exemption for Special Districts

	A	B	C	D	E	F	G	H	I
1	2022 Proposed Senate Language - Motor and Diesel Fuel Tax Refunds for Special Districts								
2	Survey of Independent Special Districts by EDR and FASD: Motor and Diesel Fuel Purchases in FY 2017-18								
3	Extrapolation Updated to Reflect the Number of Independent Special Districts by Type - February 2022								
4									
317									
318	HIGH IMPACT: Twice the Middle			2					
319									
320		Fuel Sales Tax Im	County Fuel Tax In	Total Impact					
321	FY	Cash	Cash	Cash					
322	2022-23								
323	State - STTF & AEETF	\$ (1,382,474)	\$ -	\$ (1,382,474)					
324	Local - ISD	\$ 1,382,474	\$ 43,909	\$ 1,426,382					
325	Local - Cnty	\$ -	\$ (43,909)	\$ (43,909)					
326	2023-24								
327	State - STTF & AEETF	\$ (1,523,087)	\$ -	\$ (1,523,087)					
328	Local - ISD	\$ 1,523,087	\$ 43,909	\$ 1,566,996					
329	Local - Cnty	\$ -	\$ (43,909)	\$ (43,909)					
330	2024-25								
331	State - STTF & AEETF	\$ (1,632,842)	\$ -	\$ (1,632,842)					
332	Local - ISD	\$ 1,632,842	\$ 48,671	\$ 1,681,513					
333	Local - Cnty	\$ -	\$ (48,671)	\$ (48,671)					
334	2025-26								
335	State - STTF & AEETF	\$ (1,700,149)	\$ -	\$ (1,700,149)					
336	Local - ISD	\$ 1,700,149	\$ 49,370	\$ 1,749,519					
337	Local - Cnty	\$ -	\$ (49,370)	\$ (49,370)					
338	2026-27								
339	State - STTF & AEETF	\$ (1,733,125)	\$ -	\$ (1,733,125)					
340	Local - ISD	\$ 1,733,125	\$ 48,932	\$ 1,782,058					
341	Local - Cnty	\$ -	\$ (48,932)	\$ (48,932)					
342									
343	SUMMARIZED IMPACT (millions)								
344									
345	Low								
346		Trust (STTF, AEETF)		GR (srvc chrg)		Local			
347		Cash	Recurring	Cash	Recurring	Cash	Recurring		
348	2022-23	\$ (0.2)	\$ (0.3)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)		
349	2023-24	\$ (0.3)	\$ (0.3)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)		
350	2024-25	\$ (0.3)	\$ (0.3)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)		
351	2025-26	\$ (0.3)	\$ (0.3)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)		
352	2026-27	\$ (0.3)	\$ (0.3)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)		
353									
354	Middle								
355		Trust (STTF, AEETF)		GR (srvc chrg)		Local			
356		Cash	Recurring	Cash	Recurring	Cash	Recurring		
357	2022-23	\$ (0.6)	\$ (0.7)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)		
358	2023-24	\$ (0.8)	\$ (0.8)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)		
359	2024-25	\$ (0.8)	\$ (0.8)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)		
360	2025-26	\$ (0.9)	\$ (0.9)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)		
361	2026-27	\$ (0.9)	\$ (0.9)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)		
362									
363	High								
364		Trust (STTF, AEETF)		GR (srvc chrg)		Local			
365		Cash	Recurring	Cash	Recurring	Cash	Recurring		
366	2022-23	\$ (1.2)	\$ (1.4)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)		
367	2023-24	\$ (1.5)	\$ (1.5)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)		
368	2024-25	\$ (1.6)	\$ (1.6)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)		
369	2025-26	\$ (1.7)	\$ (1.7)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)		
370	2026-27	\$ (1.7)	\$ (1.7)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)		

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Aquaculture

Bill Number(s): [CS/SB 404](#)

Entire Bill

Partial Bill:

Sponsor(s): Senator Rodriguez, Representative Tuck

Month/Year Impact Begins: July 1, 2022

Date of Analysis: 11/3/2021

Section 1: Narrative

a. Current Law:

Section 1. No current law

Section 2.

Section 3. Paragraph (a) of subsection (1) of section 597.003, Florida Statutes, currently reads:

597.003 Powers and duties of Department of Agriculture and Consumer Services. —

(1) The department is hereby designated as the lead agency in encouraging development of aquaculture in the state and shall have and exercise the following functions, powers, and duties with regard to aquaculture:

(a) Issue or deny any aquaculture certificates that identify aquaculture producers and aquaculture products, and collect all related fees. The department may revoke an aquaculture certificate of registration issued pursuant to s. 597.004 upon a finding that aquaculture is not the primary purpose of the certified entity's operation.

b. Proposed Change:

Section 1. Section 193.4611, Florida Statutes, is created to read:

193.4611 Agricultural lands; aquaculture assessment. —

(1) For purposes of this section, the terms "aquaculture" and "aquaculture products" have the same meaning as in s. 597.0015.

(2) (a) When proper application for agricultural assessment has been made and granted pursuant to s. 193.461, and the property owner requests assessment pursuant to this section, the assessment of land used in the production of aquaculture products shall be based solely on its agricultural use, consistent with the use factors specified in s. 193.461 (6) (a), and assessed pursuant to paragraph (c).

(b) Notwithstanding any provision relating to annual assessment found in 192.042, the property appraiser shall rely on 5-year moving average data when using the income methodology approach in an assessment of property pursuant to this section.

(c) For purposes of the income methodology approach to the assessment of land used in the production of aquaculture products, structures and equipment located on the property used for producing aquaculture products are considered a part of the average yield per acre and have no separately assessable contributory value.

(d) Once a request for assessment under this section is granted, the property must be assessed as provided in this section for 10 years unless the ownership or use or the property changes. The property appraiser may not require annual application. The property appraiser may require the property owner to annually submit audited financial statements.

(e) When proper application for agricultural assessment has not been made, the land shall be assessed as provided in s. 193.011.

Section 2. Section 193.4611, Florida Statutes, as created by this act, applies to assessments made on or after January 1, 2023.

Section 3. Paragraph (a) of subsection (1) of section 597.003, Florida Statutes, is amended to read:

597.003 Powers and duties of Department of Agriculture and Consumer Services. —

(1) The department is hereby designated as the lead agency in encouraging development of aquaculture in the state and shall have and exercise the following functions, powers, and duties with regard to aquaculture:

(a) Issue or deny any aquaculture certificates that identify aquaculture producers and aquaculture products, and collect all related fees. The department may revoke an aquaculture certificate of registration issued pursuant to s. 597.004 upon a finding that aquaculture is not the primary purpose of the certified facility's ~~entity's~~ operation.

Section 4. This act shall take effect January 1, 2023.

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Aquaculture

Bill Number(s): [CS/SB 404](#)

Section 2: Description of Data and Sources

Aquaculture market research

Previous aquaculture impact analysis

2021P Real Property and Tangible Personal Property tax rolls for NAICS code group 1125

Section 3: Methodology (Include Assumptions and Attach Details)

The changes proposed by the bill have no impact on the Property Appraisers current process of creating an agricultural assessment based on the income methodology. Also, the changes proposed by the bill do not change how Property Appraisers assess non-agricultural property. The impact is broken down into three components.

The first component is Tangible Personal Property. Accounts were identified by North American Industrial Classification System (NAICS) code 1125. The total value for both Furniture Fixtures & Equipment (FFE) and Leasehold Improvements could be subject to the changes made by the bill. The starting point for the valuation of either equipment or structures in the case would most likely be the cost of replacement. The language does not appear to exclude any structure or equipment that is not used in the production of aquaculture products, but may be interpreted to exclude post-harvest structures and equipment. Agricultural production stops at the point of harvest. The estimate uses an array of assumptions to remove the portion of structures or equipment that is used for post-harvest activities. The millage rates are applied, and the cash and recurring impact values are equal in each year.

The second component is based on new investment in aquaculture. In 2020, aquaculture as a whole had \$8.7m in taxable value (TV) on the TPP tax roll. Market research indicated that a specific large entity planned to invest between \$337m and \$585m over the next three years, which would be additional TV for the state. In 2021, that entity had added \$55.7m to the TPP roll, accounting for 71% of the state’s \$75m aquaculture TV. The low estimate assumes that the entity will invest the same amount (\$55.7) each year (2022 and 2023). The middle estimate assumes that they will ramp up their spending to reach their low total target of \$337m (investing \$140m in both 2022 and 2023). The high estimate assumes they will ramp up their spending even more to reach their high total target of \$586m (investing \$265m in both 2022 and 2023). The low, middle, and high estimates assume that the percent of this investment used for production is 85%, 90%, and 95%, respectively. These additions to the tax roll are then discounted to account for TPP’s schedule of depreciation. These values are added to the 2021 TV in future years and the 2021P millage rates are applied. The recurring impact is equal to the fifth-year cash value for this piece.

The third component is the Real Property. The accounts found in the TPP data were matched back to parcels from the 2021P Real Property roll. The non-residential and certain residential value was used as the value that would be impacted by this change. The just value was used for the school impact and the assessed value was used for the non-school impact. The millage rates are applied, and the impact is held constant throughout the estimate window. The cash and recurring values are equal in each year.

The impact for this bill assumes that the structures and equipment would have no separate value outside of the agricultural yield per acre income valuation. This would, effectively, drop the roll value for all structures and equipment used in aquaculture production to zero.

Section 4: Proposed Fiscal Impact

Year	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$ -	\$ (7.5 M)	\$ -	\$ (3.5 M)	\$ -	\$ (1.2 M)
2023-24	\$ (8.4 M)	\$ (7.5 M)	\$ (4.2 M)	\$ (3.5 M)	\$ (1.7 M)	\$ (1.2 M)
2024-25	\$ (8.1 M)	\$ (7.5 M)	\$ (4.0 M)	\$ (3.5 M)	\$ (1.5 M)	\$ (1.2 M)
2025-26	\$ (7.8 M)	\$ (7.5 M)	\$ (3.8 M)	\$ (3.5 M)	\$ (1.4 M)	\$ (1.2 M)
2026-27	\$ (7.5 M)	\$ (7.5 M)	\$ (3.5 M)	\$ (3.5 M)	\$ (1.2 M)	\$ (1.2 M)

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Aquaculture

Bill Number(s): [CS/SB 404](#)

List of affected Trust Funds:

Ad Valorem

Section 5: Consensus Estimate (Adopted: 02/25/2022): The Conference adopted the high estimate.

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	(2.8)	0.0	(4.7)	0.0	(7.5)
2023-24	(3.1)	(2.8)	(5.3)	(4.7)	(8.4)	(7.5)
2024-25	(3.0)	(2.8)	(5.1)	(4.7)	(8.1)	(7.5)
2025-26	(2.9)	(2.8)	(4.9)	(4.7)	(7.8)	(7.5)
2026-27	(2.8)	(2.8)	(4.7)	(4.7)	(7.5)	(7.5)

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	0.0	0.0	0.0	0.0	(7.5)	0.0	(7.5)
2023-24	0.0	0.0	0.0	0.0	(8.4)	(7.5)	(8.4)	(7.5)
2024-25	0.0	0.0	0.0	0.0	(8.1)	(7.5)	(8.1)	(7.5)
2025-26	0.0	0.0	0.0	0.0	(7.8)	(7.5)	(7.8)	(7.5)
2026-27	0.0	0.0	0.0	0.0	(7.5)	(7.5)	(7.5)	(7.5)

	A	B	C	D	E	F	G
1	Summary of All Impacts						
2							
3	School Impact						
4		High		Middle		Low	
5	Year	Cash	Recurring	Cash	Recurring	Cash	Recurring
6	2022-23	\$ -	\$ (2.0 M)	\$ -	\$ (1.2 M)	\$ -	\$ (0.7 M)
7	2023-24	\$ (3.1 M)	\$ (3.1 M)	\$ (1.6 M)	\$ (1.6 M)	\$ (0.6 M)	\$ (0.6 M)
8	2024-25	\$ (3.0 M)	\$ (3.0 M)	\$ (1.5 M)	\$ (1.5 M)	\$ (0.6 M)	\$ (0.6 M)
9	2025-26	\$ (2.9 M)	\$ (2.9 M)	\$ (1.4 M)	\$ (1.4 M)	\$ (0.5 M)	\$ (0.5 M)
10	2026-27	\$ (2.7 M)	\$ (2.7 M)	\$ (1.3 M)	\$ (1.3 M)	\$ (0.5 M)	\$ (0.5 M)
11							
12	Non-School Impact						
13		High		Middle		Low	
14	Year	Cash	Recurring	Cash	Recurring	Cash	Recurring
15	2022-23	\$ -	\$ (3.4 M)	\$ -	\$ (2.1 M)	\$ -	\$ (1.3 M)
16	2023-24	\$ (5.3 M)	\$ (5.3 M)	\$ (2.7 M)	\$ (2.7 M)	\$ (1.0 M)	\$ (1.0 M)
17	2024-25	\$ (5.1 M)	\$ (5.1 M)	\$ (2.5 M)	\$ (2.5 M)	\$ (1.0 M)	\$ (1.0 M)
18	2025-26	\$ (4.9 M)	\$ (4.9 M)	\$ (2.4 M)	\$ (2.4 M)	\$ (0.9 M)	\$ (0.9 M)
19	2026-27	\$ (4.7 M)	\$ (4.7 M)	\$ (2.2 M)	\$ (2.2 M)	\$ (0.8 M)	\$ (0.8 M)
20							
21	Total Impact						
22		High		Middle		Low	
23	Year	Cash	Recurring	Cash	Recurring	Cash	Recurring
24	2022-23	\$ -	\$ (7.5 M)	\$ -	\$ (3.5 M)	\$ -	\$ (1.2 M)
25	2023-24	\$ (8.4 M)	\$ (7.5 M)	\$ (4.2 M)	\$ (3.5 M)	\$ (1.7 M)	\$ (1.2 M)
26	2024-25	\$ (8.1 M)	\$ (7.5 M)	\$ (4.0 M)	\$ (3.5 M)	\$ (1.5 M)	\$ (1.2 M)
27	2025-26	\$ (7.8 M)	\$ (7.5 M)	\$ (3.8 M)	\$ (3.5 M)	\$ (1.4 M)	\$ (1.2 M)
28	2026-27	\$ (7.5 M)	\$ (7.5 M)	\$ (3.5 M)	\$ (3.5 M)	\$ (1.2 M)	\$ (1.2 M)

	A	B	C	D
1	New Aquaculture Structures and Equipment TPP Projection			
2				
3	Aquaculture investment	585,000,000	336,600,000	\$ 166,970,469
5	<i>Replacement Cost New Year 1</i>	\$ 55,656,823	\$ 55,656,823	\$ 55,656,823
6	<i>Replacement Cost New Year 2</i>	264,671,589	140,471,589	55,656,823
7	<i>Replacement Cost New Year 3</i>	264,671,589	140,471,589	55,656,823
8				
9		High	Middle	Low
10	% Used in Production	95%	90%	85%
11	<i>Used in Production Year 2021</i>	-	-	-
12	<i>Used in Production Year 2022</i>	251,438,009	126,424,430	47,308,300
13	<i>Used in Production Year 2023</i>	251,438,009	126,424,430	47,308,300
14				
15	Tax Val by Roll year	High	Middle	Low
16	2022	251,438,009	126,424,430	47,308,300
17	2023	502,876,018	252,848,859	94,616,599
18	2024	502,876,018	252,848,859	94,616,599
19	2025	502,876,018	252,848,859	94,616,599
20	2026	502,876,018	252,848,859	94,616,599
21				
22	TPP Depreciation schedule	Depreciable life		
23	Effective age	20	15	10
24	1	97%	95%	92%
25	2	93%	90%	84%
26	3	90%	85%	76%
27	4	86%	79%	67%
28	5	82%	73%	58%
29	6	78%	68%	49%
30	7	74%	62%	39%
31				

	A	B	C	D	E	F	G
1	NAICS Code Group 1125 TPP impact						
2							
3	112511	Finfish Farming and Fish Hatcheries					
4	112512	Shellfish Farming					
5	112519	Other Aquaculture - Alligator, algae, frog, seaweed, or turtle					
6							
7	NAICS Codes	Total Just Value	JV Leasehold Improvements	JV Furniture Fixture & Equipment	Tax Value	Number of Accounts	Inclusion Factor
8	112511	\$ 60,009,679	\$ 58,223	\$ 59,951,456	\$ 59,186,435	81	100%
9	112512	\$ 1,004,286	\$ 149,113	\$ 855,173	\$ 681,688	54	100%
10	112519	\$ 17,108,598	\$ 162,178	\$ 16,946,420	\$ 15,483,843	170	100%
11	Total	\$ 78,122,563	\$ 369,514	\$ 77,753,049	\$ 75,351,966	305	
18							
19	Total 2021 Taxable Value of FFE and Leasehold Improvements				\$ 75,351,966		
20							
21	Additional Impact for New Aquaculture Investment						
22		Percent Used in Production					
23			High	Middle	Low		
24		%	95%	90%	85%		
25							
26	Additional Depreciated Tax Val for New Aquaculture Expected Investments						
27		Tax Val by Roll year	High	Middle	Low		
28		2022	243,894,869	120,103,208	43,523,636		
29		2023	477,732,217	233,885,195	83,262,607		
30		2024	460,131,557	221,242,752	75,693,279		
31		2025	442,530,896	207,336,065	67,650,868		
32		2026	422,415,855	192,165,133	59,135,374		
33		2027	402,300,815	178,258,446	50,619,881		
34							
35							
36	2021 Millage Rates						
37	Nonschool	10.8009					
38	School	6.2797					
39							

	A	B	C	D	E	F	G
40	School Impact						
41		High		Middle		Low	
42	Year	Cash	Recurring	Cash	Recurring	Cash	Recurring
43	2022-23	\$ -	\$ (2.0 M)	\$ -	\$ (1.2 M)	\$ -	\$ (0.7 M)
44	2023-24	\$ (3.0 M)	\$ (3.0 M)	\$ (1.5 M)	\$ (1.5 M)	\$ (0.5 M)	\$ (0.5 M)
45	2024-25	\$ (2.9 M)	\$ (2.9 M)	\$ (1.4 M)	\$ (1.4 M)	\$ (0.5 M)	\$ (0.5 M)
46	2025-26	\$ (2.8 M)	\$ (2.8 M)	\$ (1.3 M)	\$ (1.3 M)	\$ (0.4 M)	\$ (0.4 M)
47	2026-27	\$ (2.7 M)	\$ (2.7 M)	\$ (1.2 M)	\$ (1.2 M)	\$ (0.4 M)	\$ (0.4 M)
48							
49	Non-School Impact						
50		High		Middle		Low	
51	Year	Cash	Recurring	Cash	Recurring	Cash	Recurring
52	2022-23	\$ -	\$ (3.4 M)	\$ -	\$ (2.1 M)	\$ -	\$ (1.3 M)
53	2023-24	\$ (5.2 M)	\$ (5.2 M)	\$ (2.5 M)	\$ (2.5 M)	\$ (0.9 M)	\$ (0.9 M)
54	2024-25	\$ (5.0 M)	\$ (5.0 M)	\$ (2.4 M)	\$ (2.4 M)	\$ (0.8 M)	\$ (0.8 M)
55	2025-26	\$ (4.8 M)	\$ (4.8 M)	\$ (2.2 M)	\$ (2.2 M)	\$ (0.7 M)	\$ (0.7 M)
56	2026-27	\$ (4.6 M)	\$ (4.6 M)	\$ (2.1 M)	\$ (2.1 M)	\$ (0.6 M)	\$ (0.6 M)
57							
58	Total Impact						
59		High		Middle		Low	
60	Year	Cash	Recurring	Cash	Recurring	Cash	Recurring
61	2022-23	\$ -	\$ (7.2 M)	\$ -	\$ (3.3 M)	\$ -	\$ (1.0 M)
62	2023-24	\$ (8.2 M)	\$ (7.2 M)	\$ (4.0 M)	\$ (3.3 M)	\$ (1.4 M)	\$ (1.0 M)
63	2024-25	\$ (7.9 M)	\$ (7.2 M)	\$ (3.8 M)	\$ (3.3 M)	\$ (1.3 M)	\$ (1.0 M)
64	2025-26	\$ (7.6 M)	\$ (7.2 M)	\$ (3.5 M)	\$ (3.3 M)	\$ (1.2 M)	\$ (1.0 M)
65	2026-27	\$ (7.2 M)	\$ (7.2 M)	\$ (3.3 M)	\$ (3.3 M)	\$ (1.0 M)	\$ (1.0 M)

	A	B	C
1	Real Property NAICS Code 1125 Group Impact		
2			
3	Commercial Property for Aquaculture (matched from TPP)		
4	JV_RESD_NON_RESD	\$ 14,410,491	School Value
5	AV_RESD_NON_RESD	\$ 13,729,437	Non-School Value
6			
7	2021 Millage Rates		
8	Nonschool	10.8009	
9	School	6.2797	
10			
11	School Impact		
12		Middle	
13	Year	Cash	Recurring
14	2022-23	\$ -	\$ (0.09 M)
15	2023-24	\$ (0.09 M)	\$ (0.09 M)
16	2024-25	\$ (0.09 M)	\$ (0.09 M)
17	2025-26	\$ (0.09 M)	\$ (0.09 M)
18	2026-27	\$ (0.09 M)	\$ (0.09 M)
19			
20	Non-School Impact		
21		Middle	
22	Year	Cash	Recurring
23	2022-23	\$ -	\$ (0.15 M)
24	2023-24	\$ (0.15 M)	\$ (0.15 M)
25	2024-25	\$ (0.15 M)	\$ (0.15 M)
26	2025-26	\$ (0.15 M)	\$ (0.15 M)
27	2026-27	\$ (0.15 M)	\$ (0.15 M)
28			
29	Total Impact		
30		Middle	
31	Year	Cash	Recurring
32	2022-23	\$ -	\$ (0.24 M)
33	2023-24	\$ (0.24 M)	\$ (0.24 M)
34	2024-25	\$ (0.24 M)	\$ (0.24 M)
35	2025-26	\$ (0.24 M)	\$ (0.24 M)
36	2026-27	\$ (0.24 M)	\$ (0.24 M)

REVENUE ESTIMATING CONFERENCE

Tax: Documentary Stamp Tax

Issue: Tax Exemption/ Under \$2,500

Bill Number(s): Proposed Language

Entire Bill

Partial Bill:

Sponsor(s):

Month/Year Impact Begins: July 1, 2022

Date of Analysis: 2/25/2022

Section 1: Narrative

a. Current Law: Section 201.08 provides:

(1)(a)“On promissory notes, nonnegotiable notes, written obligations to pay money, or assignments of salaries, wages, or other compensation made, executed, delivered, sold, transferred, or assigned in the state, and for each renewal of the same, the tax shall be 35 cents on each \$100 or fraction thereof of the indebtedness or obligation evidenced thereby. The tax on any document described in this paragraph may not exceed \$2,450.”

(2)(a): “On promissory notes, nonnegotiable notes, written obligations to pay money, or other compensation, made, executed, delivered, sold, transferred, or assigned in the state, in connection with sales made under retail charge account services, incident to sales which are not conditional in character and which are not secured by mortgage or other pledge of purchaser, the tax shall be 35 cents on each \$100 or fraction thereof of the gross amount of the indebtedness evidenced by such instruments, payable quarterly on such forms and under such rules and regulations as may be promulgated by the Department of Revenue. The tax on any document described in this paragraph may not exceed \$2,450.”

F.S. 201.21 Notes and other written obligations exempt under certain conditions. — There shall be exempt from all excise taxes imposed by this chapter all promissory notes, nonnegotiable notes, and other written obligations to pay money bearing date subsequent to July 1, 1955, hereinafter referred to as “principal obligations,” when the maker thereof shall pledge or deposit with the payee or holder thereof pursuant to any agreement commonly known as a wholesale warehouse mortgage agreement, as collateral security for the payment thereof, any collateral obligation or obligations, as hereinafter defined, provided all excise taxes imposed by this chapter upon or in respect to such collateral obligation or obligations shall have been paid. If the indebtedness evidenced by any such principal obligation shall be in excess of the indebtedness evidenced by such collateral obligation or obligations, the exemption provided by this section shall not apply to the amount of such excess indebtedness; and, in such event, the excise taxes imposed by this chapter shall apply and be paid only in respect to such excess of indebtedness of such principal obligation. The term “collateral obligation” as used in this section means any note, bond, or other written obligation to pay money secured by mortgage, deed of trust, or other lien upon real or personal property. The pledging of a specific collateral obligation to secure a specific principal obligation, if required under the terms of the agreement, shall not invalidate the exemption provided by this section. The temporary removal of the document or documents representing one or more collateral obligations for a reasonable commercial purpose, for a period not exceeding 60 days, shall not invalidate the exemption provided by this section.

b. Proposed Change:

Section 1 amends 201.21 of the Florida statutes to read:

(1) There shall be exempt from all excise taxes imposed by this chapter all promissory notes, nonnegotiable notes, and other written obligations to pay money bearing date subsequent to July 1, 1955, hereinafter referred to as “principal obligations,” when the maker thereof shall pledge or deposit with the payee or holder thereof pursuant to any agreement commonly known as a wholesale warehouse mortgage agreement, as collateral security for the payment thereof, any collateral obligation or obligations, as hereinafter defined, provided all excise taxes imposed by this chapter upon or in respect to such collateral obligation or obligations shall have been paid. If the indebtedness evidenced by any such principal obligation shall be in excess of the indebtedness evidenced by such collateral obligation or obligations, the exemption provided by this subsection ~~section~~ shall not apply to the amount of such excess indebtedness; and, in such event, the excise taxes imposed by this chapter shall apply and be paid only in respect to such excess of indebtedness of such principal obligation. The term “collateral obligation” as used in this subsection ~~section~~ means any note, bond, or other written obligation to pay money secured by mortgage, deed of trust, or other lien upon real or personal property. The pledging of a specific collateral obligation to secure a specific principal obligation, if required under the terms of the agreement, shall not invalidate the exemption provided by this subsection ~~section~~. The temporary removal of the document or documents representing one or more collateral obligations for a reasonable commercial purpose, for a period not exceeding 60 days, shall not invalidate the exemption provided by this

REVENUE ESTIMATING CONFERENCE

Tax: Documentary Stamp Tax

Issue: Tax Exemption/ Under \$2,500

Bill Number(s): Proposed Language

subsection section.

(2) There shall be exempt from all excise taxes imposed by this chapter all non-interest-bearing promissory notes, non-interest-bearing nonnegotiable notes, or non-interest-bearing written obligations to pay money, or assignments of salaries, wages, or other compensation made, executed, delivered, sold, transferred, or assigned in the state, and for each renewal of the same, of \$2,500 or less.

Section 2: Description of Data and Sources

Section 3: Methodology (Include Assumptions and Attach Details)

The proposed language creates an exemption from taxes levied on non-interest-bearing loans with a value of \$2,500 or less. Specific data on the total amount taxed per note or another similar document is not available. However, to reach significant digits, there would need to be on the order of 11,430 notes for \$2500 to reach \$100,000. Based on this arithmetic the impact should be large enough to be significant, but it is not possible to provide a more specific estimate beyond negative indeterminate at this time.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23			(**)	(**)		
2023-24			(**)	(**)		
2024-25			(**)	(**)		
2025-26			(**)	(**)		
2026-27			(**)	(**)		

List of affected Trust Funds: Doc Stamp

Section 5: Consensus Estimate (Adopted: 02/25/2022): The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(**)	(**)	(**)	(**)	0.0	0.0	(**)	(**)
2023-24	(**)	(**)	(**)	(**)	0.0	0.0	(**)	(**)
2024-25	(**)	(**)	(**)	(**)	0.0	0.0	(**)	(**)
2025-26	(**)	(**)	(**)	(**)	0.0	0.0	(**)	(**)
2026-27	(**)	(**)	(**)	(**)	0.0	0.0	(**)	(**)

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Green Hydrogen with Biomass

Bill Number(s): [Proposed Language](#)

Entire Bill

Partial Bill:

Sponsor(s): Representative Overdorf

Month/Year Impact Begins: July 1, 2022

Date of Analysis: February 25, 2022

Section 1: Narrative

- a. **Current Law:** Subsection 212.02 (19) F.S., defines: “Tangible personal property” means and includes personal property which may be seen, weighed, measured, or touched or is in any manner perceptible to the senses, including electric power or energy, boats, motor vehicles and mobile homes as defined in s. [320.01](#)(1) and (2), aircraft as defined in s. [330.27](#), and all other types of vehicles. The term “tangible personal property” does not include stocks, bonds, notes, insurance, or other obligations or securities or pari-mutuel tickets sold or issued under the racing laws of the state.

Paragraph 212.08 (5)(c) F.S., *Machinery and equipment used in production of electrical or steam energy.* — **(bold text added for emphasis)**

1. The purchase of machinery and equipment for use at a fixed location which machinery and equipment are necessary in the production of electrical or steam energy resulting from the burning of **boiler fuels** other than residual oil is exempt from the tax imposed by this chapter. Such electrical or steam energy must be primarily for use in manufacturing, processing, compounding, or producing for sale items of **tangible personal property** in this state. **Use of a de minimis amount of residual fuel to facilitate the burning of nonresidual fuel shall not reduce the exemption otherwise available under this paragraph.**

2. In facilities where machinery and equipment are necessary to burn both residual and nonresidual fuels, the exemption shall be prorated. **Such proration shall be based upon the production of electrical or steam energy from nonresidual fuels as a percentage of electrical or steam energy from all fuels.** If it is determined that 15 percent or less of all electrical or steam energy generated was produced by burning residual fuel, the full exemption shall apply. Purchasers claiming a partial exemption shall obtain such exemption by refund of taxes paid, or as otherwise provided in the department’s rules.

3. The department may adopt rules that provide for implementation of this exemption. Purchasers of machinery and equipment qualifying for the exemption provided in this paragraph shall furnish the vendor with an affidavit stating that the item or items to be exempted are for the use designated herein. Any person furnishing a false affidavit to the vendor for the purpose of evading payment of any tax imposed under this chapter shall be subject to the penalty set forth in s. 212.085 and as otherwise provided by law. Purchasers with self-accrual authority shall maintain all documentation necessary to prove the exempt status of purchases.

Paragraph 212.08 (7)(b) F.S., defines: *Boiler fuels.*—When purchased for use as a combustible fuel, purchases of natural gas, residual oil, recycled oil, waste oil, solid waste material, coal, sulfur, wood, wood residues or wood bark used in an industrial manufacturing, processing, compounding, or production process at a fixed location in this state are exempt from the taxes imposed by this chapter; however, such exemption shall not be allowed unless the purchaser signs a certificate stating that the fuel to be exempted is for the exclusive use designated herein. This exemption does not apply to the use of boiler fuels that are not used in manufacturing, processing, compounding, or producing items of tangible personal property for sale, or to the use of boiler fuels used by any firm subject to regulation by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation.

Paragraph 212.08 (7)(jjj) F.S., provides in part: Certain machinery and equipment.— .— **(bold text added for emphasis)**

1. Industrial machinery and equipment purchased by eligible manufacturing businesses which is used at a fixed location in this state for the manufacture, processing, compounding, or production of items of tangible personal property for sale is exempt from the tax imposed by this chapter. If, at the time of purchase, the purchaser furnishes the seller with a signed certificate certifying the purchaser’s entitlement to exemption pursuant to this paragraph, the seller is not required to collect the tax on the sale of such items, and the department shall look solely to the purchaser for recovery of the tax if it determines that the purchaser was not entitled to the exemption.

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Green Hydrogen with Biomass

Bill Number(s): [Proposed Language](#)

2. For purposes of this paragraph, the term:

a. **“Eligible manufacturing business” means any business whose primary business activity at the location where the industrial machinery and equipment is located is within the industries classified under NAICS codes 31, 32, 33, 112511, and 423930.**

b. “Eligible postharvest activity business” means a business whose primary business activity, at the location where the postharvest machinery and equipment is located, is within the industries classified under NAICS code 115114.

c. “NAICS” means those classifications contained in the North American Industry Classification System, as published in 2007 by the Office of Management and Budget, Executive Office of the President.

d. “Primary business activity” means an activity representing more than 50 percent of the activities conducted at the location where the industrial machinery and equipment or postharvest machinery and equipment is located.

e. “Industrial machinery and equipment” means tangible personal property or other property that has a depreciable life of 3 years or more and that is used as an integral part in the manufacturing, processing, compounding, or production of tangible personal property for sale. The term includes tangible personal property or other property that has a depreciable life of 3 years or more which is used as an integral part in the recycling of metals for sale. A building and its structural components are not industrial machinery and equipment unless the building or structural component is so closely related to the industrial machinery and equipment that it houses or supports that the building or structural component can be expected to be replaced when the machinery and equipment are replaced. Heating and air-conditioning systems are not industrial machinery and equipment unless the sole justification for their installation is to meet the requirements of the production process, even though the system may provide incidental comfort to employees or serve, to an insubstantial degree, nonproduction activities. The term includes parts and accessories for industrial machinery and equipment only to the extent that the parts and accessories are purchased before the date the machinery and equipment are placed in service.

b. Proposed Change:

Under F.S. 212.08 (5) (c) 1, The purchase of machinery and equipment for use at a fixed location which machinery and equipment are necessary in the production of electrical or steam energy resulting from the burning of hydrogen or boiler fuels other than residual oil, is exempt from the tax imposed by this chapter. Such electrical or steam energy must be primarily for use in manufacturing, processing, compounding, or producing for sale items of tangible personal property in this state. Use of a de minimis amount of residual fuel to facilitate the burning of nonresidual fuel shall not reduce the exemption otherwise available under this paragraph.

2. In facilities where machinery and equipment are necessary to burn hydrogen, or both residual and nonresidual fuels, the exemption shall be prorated. Such proration shall be based upon the production of electrical or steam energy from nonresidual fuels and hydrogen as a percentage of electrical or steam energy from all fuels. If it is determined that 15 percent or less of all electrical or steam energy generated was produced by burning residual fuel, the full exemption shall apply. Purchasers claiming a partial exemption shall obtain such exemption by refund of taxes paid, or as otherwise provided in the department's rules.

Under F.S. 212.08 (7) (b) is amended to read: Boiler fuels.—When purchased for use as a combustible fuel, purchases of natural gas, residual oil, recycled oil, waste oil, solid waste material, coal, sulfur, hydrogen, wood, wood residues or wood bark used in an industrial manufacturing, processing, compounding, or production process at a fixed location in this state are exempt from the taxes imposed by this chapter; however, such exemption shall not be allowed unless the purchaser signs a certificate stating that the fuel to be exempted is for the exclusive use designated herein. This exemption does not apply to the use of boiler fuels that are not used in manufacturing, processing, compounding, or producing items of tangible personal property for sale, or to the use of boiler fuels used by any firm subject to regulation by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation.

And under F.S. 212.08 (7) is added subsection (ppp) to read:

(ppp) Green hydrogen.—

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Green Hydrogen with Biomass

Bill Number(s): [Proposed Language](#)

1. As used this paragraph, the term:

a. "Green hydrogen" means hydrogen created using **biomass** or an electrolytic process powered from renewable energy sources, including solar energy, wind energy, **biomass**, and geothermal energy. The term also includes hydrogen created using the pyrolytic decomposition of methane gas.

b. "Primarily used" means a use of at least 50 percent.

2. The following are exempt from the tax imposed by this chapter:

a. The purchase of machinery and equipment primarily used in the production, storage, transportation, compression, or blending of green hydrogen. The machinery and equipment must be used at a fix location

b. The purchase of machinery and equipment primarily used in the production, storage, transportation, compression, or blending of ammonia derived from green hydrogen, if the ammonia will be converted back to green hydrogen before its use or sale. The machinery and equipment must be used at a fix location.

c. The purchase of machinery and equipment that are necessary to produce electrical energy resulting from the electrochemical reaction of green hydrogen and oxygen in a fuel cell. The electrical energy must be primarily used in manufacturing, processing, compounding, or producing for sale items of tangible personal property in this state. The machinery and equipment must be used at a fix location.

3. Purchasers of machinery and equipment qualifying for the exemption provided in this paragraph shall furnish the vendor with an affidavit stating that the item or items to be exempted are for the use designated herein. Purchasers with self-accrual authority pursuant to s. 212.183 are not required to provide this affidavit but shall maintain all documentation necessary to prove the exempt status of purchases.

4. A person furnishing a false affidavit to the vendor for the purpose of evading payment of any tax imposed under this chapter shall be subject to the penalty set forth in s. 212.085 and as otherwise provided by law. Purchasers with self-accrual authority pursuant to s. 212.183 are not required to provide an affidavit but shall maintain all documentation necessary to prove the exempt status of purchases.

5. The department may adopt rules to implement the exemptions in this paragraph.

Section 2: Description of Data and Sources

Stromsta, K.-E. (2020, July 24). *NextEra Energy to build its first green hydrogen plant in Florida*. Greentech Media. Retrieved January 27, 2022, from <https://www.greentechmedia.com/articles/read/nextera-energy-to-build-its-first-green-hydrogen-plant-in-florida>

Section 3: Methodology (Include Assumptions and Attach Details)

The changes being made to Paragraph 212.08 (5)(c) F.S., and Paragraph 212.08 (7)(b) F.S. are largely redundant regarding the current state of electrical generation in the market today. Hydrogen is a minor fuel source used as an adjunct to other types of boiler fuels, not as a complete replacement. If hydrogen fuel use remains below 15% of the non-residual fuel, then the use of the hydrogen fuel would not affect the exemption as currently written. Insofar as a boiler/generator assembly may use more than one fuel, it would be difficult to determine at the time of sale what the intended fuel use would be. If a taxpayer asked for a determination of taxation under the current law and disclosed that their intended use was to fuel their boiler with a fuel type not listed as a boiler fuel, the Department would advise them that the tax should be remitted.

The addition of the new paragraph 212.08 (7)(ppp) F.S., is largely duplicative of the currently extant 212.08 (7)(jjj) F.S. Hydrogen fuel manufacturing is under NAICS code **325120 Industrial Gas Manufacturing**. Any business primarily engaged in manufacturing of hydrogen gas should already be covered by 212.08 (7)(jjj) F.S.

The new paragraph that is being added does include fuel cells, which the department believes could be covered under either of the above referenced sections of current law, either as an integrated system of electrical generation or as a subprocess of another manufacturing process. It is assumed that the amount added for additional investment in these projects also captures some variance in practice that would somehow not otherwise qualify for current exemptions.

Given that it appears that most, if not all, of the changes are being made to exempt purchases of equipment that does not currently exist in large measure, or is already exempt under current law, current administration, the middle estimate is presented as negative indeterminant. There may be some future administration that would consider these items taxable but for the changes being made under the proposed bill.

We have prepared a high and low estimate reflecting the limited amount of information available currently on this issue. The basis for the high and low impact is from information provided by a press release for an upcoming project utilizing Hydrogen generated power. The analysis was formulated using the stated estimate of \$65m for the project. It is assumed that half of the cost

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Green Hydrogen with Biomass

Bill Number(s): [Proposed Language](#)

is due to labor and that the window for completion will be between 2026 and 2030. The Low in this impact assumes that the completion date will be 2030 while the High assumes a much faster timeline of 2026.

The calendar year cost of the project is shared out evenly over the assumed timeframe in the low and the high. As a reflection of the relative newness of this technology, the High impact assumes that an additional spending of 2% will occur due to other projects during this time frame. The Low assumes 1% of additional spending on other projects.

It is assumed that there will be a 10%/90% split between retrofitting old equipment and the production and installation of green hydrogen generation. The impact applies the split and the 6% sales tax.

The effective date of the bill is July 1, 2022, however the press release used for the high and low estimates comes from March of 2021, and we are assuming the spending has already begun. Therefore, the cash and recurring amounts are equal in all years.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$(409,814)	\$(409,814)	(**)	(**)	\$(199,914)	\$(199,914)
2023-24	\$(418,010)	\$(418,010)	(**)	(**)	\$(201,913)	\$(201,913)
2024-25	\$(426,370)	\$(426,370)	(**)	(**)	\$(203,932)	\$(203,932)
2025-26	\$(219,602)	\$(219,602)	(**)	(**)	\$(205,972)	\$(205,972)
2026-27	\$(8,698)	\$(8,698)	(**)	(**)	\$(208,031)	\$(208,031)

List of affected Trust Funds:

General Revenue Trust Fund

Section 5: Consensus Estimate (Adopted: 02/25/2022): The Conference adopted the low estimate.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(0.2)	(0.2)	(*)	(*)	(*)	(*)	(*)	(*)
2023-24	(0.2)	(0.2)	(*)	(*)	(*)	(*)	(*)	(*)
2024-25	(0.2)	(0.2)	(*)	(*)	(*)	(*)	(*)	(*)
2025-26	(0.2)	(0.2)	(*)	(*)	(*)	(*)	(*)	(*)
2026-27	(0.2)	(0.2)	(*)	(*)	(*)	(*)	(*)	(*)

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(*)	(*)	(0.1)	(0.1)	(0.3)	(0.3)
2023-24	(*)	(*)	(0.1)	(0.1)	(0.3)	(0.3)
2024-25	(*)	(*)	(0.1)	(0.1)	(0.3)	(0.3)
2025-26	(*)	(*)	(0.1)	(0.1)	(0.3)	(0.3)
2026-27	(*)	(*)	(0.1)	(0.1)	(0.3)	(0.3)

	A	B	C	D	E	F	G
1							
2	NextEra Investment						
3			\$65,000,000				
4							
5	% Labor						
6			50%				
7							
8	\$ Purchase of Machinery or Equipment						
9			\$32,500,000				
10							
11	Estimated Completion						
12		Low	Middle	High			
13		2030	**	2026			
14							
15							
16	NextEra Investment Schedule						
17		Low	Middle	High			
18	2021	\$3,250,000	**	\$6,500,000			
19	2022	\$3,250,000	**	\$6,500,000			
20	2023	\$3,250,000	**	\$6,500,000			
21	2024	\$3,250,000	**	\$6,500,000			
22	2025	\$3,250,000	**	\$6,500,000			
23	2026	\$3,250,000	**	\$0			
24	2027	\$3,250,000	**	\$0			
25	2028	\$3,250,000	**	\$0			
26	2029	\$3,250,000	**	\$0			
27	2030	\$3,250,000	**	\$0			
28							
29	Additional Per Year						
30		Low	Middle	High			
31		1%		2%			
32							
33		Low	Middle	High			
34	2021	\$3,282,500	**	\$6,630,000			
35	2022	\$3,315,325	**	\$6,762,600			
36	2023	\$3,348,478	**	\$6,897,852			
37	2024	\$3,381,963	**	\$7,035,809			
38	2025	\$3,415,783	**	\$7,176,525			
39	2026	\$3,449,940	**	\$143,531			
40	2027	\$3,484,440	**	\$146,401			
41	2028	\$3,519,284	**	\$149,329			
42	2029	\$3,554,477	**	\$152,316			
43	2030	\$3,590,022	**	\$155,362			
44							

Proposed Language: Green Hydrogen with Biomass

	A	B	C	D	E	F	G
45							
46	Split between (5)(c) and (7)(b)						
47		(5)(c)	10%	Retrofitting Old Equipment			
48		(7)(b)	90%	Green Hydrogen			
49							
50	Sales Tax						
51			6%				
52							
53	Calendar Year Impact						
54		Low		Middle		High	
55		Cash	Recurring	Cash	Recurring	Cash	Recurring
56	2022	\$ (198,920)	\$ (198,920)	(**)	(**)	\$ (405,756)	\$ (405,756)
57	2023	\$ (200,909)	\$ (200,909)	(**)	(**)	\$ (413,871)	\$ (413,871)
58	2024	\$ (202,918)	\$ (202,918)	(**)	(**)	\$ (422,149)	\$ (422,149)
59	2025	\$ (204,947)	\$ (204,947)	(**)	(**)	\$ (430,592)	\$ (430,592)
60	2026	\$ (206,996)	\$ (206,996)	(**)	(**)	\$ (8,612)	\$ (8,612)
61	2027	\$ (209,066)	\$ (209,066)	(**)	(**)	\$ (8,784)	\$ (8,784)
62							
63	Fiscal year Impact						
64		Low		Middle		High	
65		Cash	Recurring	Cash	Recurring	Cash	Recurring
66	2022-23	\$ (199,914)	\$ (199,914)	(**)	(**)	\$ (409,814)	\$ (409,814)
67	2023-24	\$ (201,913)	\$ (201,913)	(**)	(**)	\$ (418,010)	\$ (418,010)
68	2024-25	\$ (203,932)	\$ (203,932)	(**)	(**)	\$ (426,370)	\$ (426,370)
69	2025-26	\$ (205,972)	\$ (205,972)	(**)	(**)	\$ (219,602)	\$ (219,602)
70	2026-27	\$ (208,031)	\$ (208,031)	(**)	(**)	\$ (8,698)	\$ (8,698)

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use

Issue: Movie Theater Collection Allowance

Bill Number(s): [Proposed Language](#)

Entire Bill

Partial Bill:

Sponsor(s):

Month/Year Impact Begins: July 1st, 2022

Date of Analysis: February 25th, 2022

Section 1: Narrative

- a. **Current Law:** Currently collection allowance is calculated as 2.5% of the first \$1,200 of sales tax remitted to the state each month. Taxpayers can opt out of collection allowance, whereupon the collection allowance is instead deposited in the Educational Enhancement Trust Fund (EETF).
- b. **Proposed Change:** This language removes the \$1,200 cap for entities operating within NACIS 512131 and NAICS 512132. It stipulates that the entities qualifying for the increased collection allowance can still forego collection, but the amount deposited into the EETF will be calculated subject to the \$1,200 cap. Entities that qualify for the increased cap can therefore elect to receive the difference between their calculated collection allowance and the amount sent to the EETF.
This language only applies to returns files between July 1st, 2022 and June 30th, 2024.

Section 2: Description of Data and Sources

Annual SUT Data Files

Section 3: Methodology (Include Assumptions and Attach Details)

The DOR annual SUT data files contains records for all returns files in a given calendar year. Using data from the 2018 and 2019 data files we can calculate how much collection allowance is claimed each year and how much tax is remitted each year within the relevant NAICS. Using the amount of remitted tax, we can calculate a new uncapped collection allowance. The difference between the uncapped collection allowance and the amount claimed is our impact for that calendar year. Both calendar year impacts are then averaged for a FY18-19 impact. The FY18-19 impact is grown at Tourism & Recreation growth rates determined at the December 2021 General Revenue Estimating Conference.

The first year’s impact is 11 months off the full impact, the second years is a full 12 months, and the last years is 1 month’s impact to show the effect of timing.

The analysis presents high, middle, and low estimates based on the proportion of entities that opt to allow an initial transfer to the EETF, and only collect the remaining. The high assumes 0%, the middle 50%, and the low 100%. As the differences between the three estimates are insignificant, only the middle is reported below.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23			\$ (0.5 M)			
2023-24			\$ (0.5 M)			
2024-25			(*)			
2025-26			-			
2026-27			-			

List of affected Trust Funds:

Sales and Use Tax Group

Section 5: Consensus Estimate (Adopted: 02/25/2022): The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(0.4)	0.0	(*)	0.0	(*)	0.0	(*)	0.0
2023-24	(0.4)	0.0	(*)	0.0	(*)	0.0	(*)	0.0
2024-25	(*)	0.0	(*)	0.0	(*)	0.0	(*)	0.0
2025-26	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2026-27	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use

Issue: Movie Theater Collection Allowance

Bill Number(s): [Proposed Language](#)

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(0.1)	0.0	(0.1)	0.0	(0.5)	0.0
2023-24	(0.1)	0.0	(0.1)	0.0	(0.5)	0.0
2024-25	(*)	0.0	(*)	0.0	(*)	0.0
2025-26	0.0	0.0	0.0	0.0	0.0	0.0
2026-27	0.0	0.0	0.0	0.0	0.0	0.0

	A	B	C	D	E	F	G
1	Annual Data						
2	Year	Theaters Affected	Collection Allowance	Amount Due	Calculated Collection Allowance	Difference	
3	2018	229	\$ 27,534	\$ 19,756,989	\$ 493,925	\$ 466,390	
4	2019	252	\$ 26,989	\$ 19,285,188	\$ 482,130	\$ 455,141	
5							
6	2018-19 Impact						
7	Impact	High	Middle	Low			
8	Elected to EETF	0%	50%	100%			
9	Estimate	\$ 460,766	\$ 457,158	\$ 453,551			
10							
11	DEC-21 Tourism & Rec. Growth Rates						
12	2019-20	-11.0%					
13	2020-21	-1.9%					
14	2021-22	19.8%					
15	2022-23	7.1%					
16	2023-24	5.0%					
17	2024-25	4.4%					
18	2025-26	4.1%					
19	2026-27	3.6%					
20							
21	Impact						
22		High		Middle		Low	
23	Year	Cash	Recurring	Cash	Recurring	Cash	Recurring
24	2018-19	\$ (0.46 M)		\$ (0.46 M)		\$ (0.45 M)	
25	2019-20	\$ (0.41 M)		\$ (0.41 M)		\$ (0.40 M)	
26	2020-21	\$ (0.40 M)		\$ (0.40 M)		\$ (0.40 M)	
27	2021-22	\$ (0.48 M)		\$ (0.48 M)		\$ (0.47 M)	
28	2022-23	\$ (0.473 M)	\$ (0.47 M)	\$ (0.469 M)	\$ (0.47 M)	\$ (0.466 M)	\$ (0.47 M)
29	2023-24	\$ (0.542 M)	\$ (0.50 M)	\$ (0.538 M)	\$ (0.49 M)	\$ (0.533 M)	\$ (0.49 M)
30	2024-25	\$ (0.047 M)	\$ (0.52 M)	\$ (0.047 M)	\$ (0.51 M)	\$ (0.046 M)	\$ (0.51 M)
31	2025-26	\$ -	\$ (0.54 M)	\$ -	\$ (0.54 M)	\$ -	\$ (0.53 M)
32	2026-27	\$ -	\$ (0.56 M)	\$ -	\$ (0.55 M)	\$ -	\$ (0.55 M)

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Admission to Daytona 500 Events

Bill Number(s): Proposed Language

Entire Bill

Partial Bill:

Sponsor(s): N/A

Month/Year Impact Begins: 07/2022

Date of Analysis: 02/18/2022

Section 1: Narrative

- a. **Current Law:** F.S. 212.04(2)(a) Admissions to the following sporting events are exempt:
- National Football League championship game or Pro Bowl;
 - Major League Baseball, Major League Soccer, National Basketball Association, or National Hockey League all-star game and Major League Baseball Home Run Derby held before the Major League Baseball all-star games;
 - National Basketball Association all-star events produced by the National Basketball Association and held at a facility such as an arena, convention center, or municipal facility;
 - Any semifinal or championship game of a national collegiate tournament or any postseason collegiate football game sanctioned by the National Collegiate Athletic Association.
- b. **Proposed Change:** The proposed language adds “admissions to the Daytona 500 sanctioned by the National Association for Stock Car Auto Racing, including any qualifying or support races held at the same track up to 72 hours before the race;

Section 2: Description of Data and Sources

Seat Geek, TicketMaster

Market Research

Section 3: Methodology (Include Assumptions and Attach Details)

The 2022 Daytona Speedway hosted 4 events within the 72 hour window. The races were the Daytona 500, Beef. It's What's For Dinner (Beef), NextEra Energy 250 (NextEra) and the Bluegreen Vacations Duel (Duel).

The high analysis assumes all 4 races would be tax exempt in the impact. The middle and low estimate assumes only the Daytona 500 and the Bluegreen Vacations Duel would be tax exempt since the Bluegreen Vacations Duel is a qualifying race for the Daytona 500.

The high analysis assumes an annual attendance at the Daytona 500 of 150,000. This estimate is based-on the announced attendance at the 2022 Daytona 500. The Duel race attendance was estimated at 35% of the Daytona 500 race. Both the Beef and the NextEra race attendance was estimated at 25% of the Daytona 500 race. These estimate was based-on a review of the stands during all 3 races. Official attendance numbers were not published by NASCAR.

The middle analysis assumes an annual attendance at the Daytona 500 of 140,000. The Duel race attendance was estimated at 35% of the Daytona 500 race.

The low analysis assumes an annual attendance at the Daytona 500 of 130,000. The Duel race attendance was estimated at 30% of the Daytona 500 race.

Average Ticket Prices for all events was found on SeatGeek and Ticketmaster websites.

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Admission to Daytona 500 Events

Bill Number(s): Proposed Language

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(\$5.2m)	(\$5.2m)	(\$4.1m)	(\$4.1m)	(\$3.8m)	(\$3.8m)
2023-24	(\$5.3m)	(\$5.3m)	(\$4.2m)	(\$4.2m)	(\$3.9m)	(\$3.9m)
2024-25	(\$5.4m)	(\$5.4m)	(\$4.3m)	(\$4.3m)	(\$3.9m)	(\$3.9m)
2025-26	(\$5.5m)	(\$5.5m)	(\$4.4m)	(\$4.4m)	(\$4.0m)	(\$4.0m)
2026-27	(\$5.6m)	(\$5.6m)	(\$4.5m)	(\$4.5m)	(\$4.1m)	(\$4.1m)

List of affected Trust Funds: Sales and Use Tax

Section 5: Consensus Estimate (Adopted: 02/25/2022): The Conference adopted the high.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(4.6)	(4.6)	(Insignificant)	(Insignificant)	(0.2)	(0.2)	(0.4)	(0.4)
2023-24	(4.7)	(4.7)	(Insignificant)	(Insignificant)	(0.2)	(0.2)	(0.4)	(0.4)
2024-25	(4.8)	(4.8)	(Insignificant)	(Insignificant)	(0.2)	(0.2)	(0.5)	(0.5)
2025-26	(4.9)	(4.9)	(Insignificant)	(Insignificant)	(0.2)	(0.2)	(0.5)	(0.5)
2026-27	(5.0)	(5.0)	(Insignificant)	(Insignificant)	(0.2)	(0.2)	(0.5)	(0.5)

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(0.8)	(0.8)	(1.4)	(1.4)	(6.0)	(6.0)
2023-24	(0.8)	(0.8)	(1.4)	(1.4)	(6.1)	(6.1)
2024-25	(0.8)	(0.8)	(1.4)	(1.4)	(6.2)	(6.2)
2025-26	(0.8)	(0.8)	(1.4)	(1.4)	(6.3)	(6.3)
2026-27	(0.8)	(0.8)	(1.5)	(1.5)	(6.5)	(6.5)

High	# of Seats	Attendance	Price	Total Ticket Revenue
Daytona 500 Race	100.00%	150,000	\$ 209	\$ 31,350,000
Beef It's Whats For Dinner	25.00%	37,500	\$ 90	\$ 3,375,000
NextEra Energy 250	25.00%	37,500	\$ 75	\$ 2,812,500
Bluegreen Vacations Duel	35.00%	52,500	\$ 90	\$ 4,725,000
		Total Ticket Revenue		\$ 42,262,500
		Sales and Use Tax (6%)		\$ 5,071,500

Middle	# of Seats	Attendance	Price	Total Ticket Revenue
Daytona 500 Race	100.00%	140,000	\$ 209	\$ 29,260,000
Bluegreen Vacations Duel	35.00%	49,000	\$ 90	\$ 4,410,000
		Total Ticket Revenue		\$ 33,670,000
		Sales and Use Tax (6%)		\$ 4,040,400

Low	# of Seats	Attendance	Price	Total Ticket Revenue
Daytona 500 Race	100.00%	130,000	\$ 209	\$ 27,170,000
Bluegreen Vacations Duel	30.00%	39,000	\$ 90	\$ 3,510,000
		Total Ticket Revenue		\$ 30,680,000
		Sales and Use Tax (6%)		\$ 3,681,600

High Impact		
FY 2022-2023	\$5,198,288	-\$5.20
FY 2023-2024	\$5,312,650	-\$5.30
FY 2024-2025	\$5,424,215	-\$5.40
FY 2025-2026	\$5,543,548	-\$5.50
FY2026-2027	\$5,671,050	-\$5.70

Middle Impact		
FY 2022-2023	\$4,141,410	
FY 2023-2024	\$4,232,521	
FY 2024-2025	\$4,321,404	
FY 2025-2026	\$4,416,475	
FY2026-2027	\$4,518,054	

Low Impact		
FY 2022-2023	\$3,773,640	
FY 2023-2024	\$3,856,660	
FY 2024-2025	\$3,937,650	
FY 2025-2026	\$4,024,278	
FY2026-2027	\$4,116,837	

Consumer Price Index, December 2021		
FY 2022-2023	2.50%	
FY 2023-2024	2.20%	
FY 2024-2025	2.10%	
FY 2025-2026	2.20%	
FY 2026-2027	2.30%	

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Admission to FIFA World Cup Matches

Bill Number(s): [Proposed Language](#)

Entire Bill

Partial Bill:

Sponsor(s): N/A

Month/Year Impact Begins: 07/2022

Date of Analysis: 02/23/2022

Section 1: Narrative

- a. **Current Law:** F.S. 212.04(2)(a) Admissions to the following sporting events are exempt:
 - National Football League championship game or Pro Bowl;
 - Major League Baseball, Major League Soccer, National Basketball Association, or National Hockey League all-star game and Major League Baseball Home Run Derby held before the Major League Baseball all-star games;
 - National Basketball Association all-star events produced by the National Basketball Association and held at a facility such as an arena, convention center, or municipal facility;
 - Any semifinal or championship game of a national collegiate tournament or any postseason collegiate football game sanctioned by the National Collegiate Athletic Association.

- b. **Proposed Change:** The proposed language adds “admissions to any FIFA World Cup match sanctioned by Fédération internationale de Football Association (FIFA), including any qualifying match held up to 12 months before the FIFA World Cup matches;;

Section 2: Description of Data and Sources

Market Research
Prior World Cup Events

Section 3: Methodology (Include Assumptions and Attach Details)

Currently, there are no plans in place to host the 2026 World Cup game or qualifier in the state of Florida. Both Miami and Orlando are finalists to host World Cup games but no decision has been finalized. Therefore, the low estimate assumes a zero to negative indeterminate.

The middle estimate assumes either Miami or Orlando are selected to host 9 World Cup games and one World Cup qualifier before the 2026 World Cup. Average ticket price and number of games per host city relied on historical World Cups. Total attendance used max capacity at Miami’s Hard Rock Stadium. The middle estimate assumes the World Cup qualifier would occur in FY2025-26 and the World Cup games in FY2026-27.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23						
2023-24						
2024-25						
2025-26			(\$.82m)	(\$.82m)	0/(**)	0/(**)
2026-27			(\$7.4m)	(\$7.4m)	0/(**)	0/(**)

List of affected Trust Funds: Sales and Use Tax

Section 5: Consensus Estimate (Adopted: 02/25/2022): The Conference adopted the cash low estimate (zero/negative indeterminate) and zero/negative indeterminate for the recurring impact every year. The zero impact assumes that the events will not happen in Florida. If one of the Florida cities is chosen, the impact would range between (\$7.4m) to (\$8.2m).

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Admission to FIFA World Cup Matches

Bill Number(s): [Proposed Language](#)

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	0/(**)	0.0	0/(**)	0.0	0/(**)	0.0	0/(**)
2023-24	0.0	0/(**)	0.0	0/(**)	0.0	0/(**)	0.0	0/(**)
2024-25	0.0	0/(**)	0.0	0/(**)	0.0	0/(**)	0.0	0/(**)
2025-26	0/(**)	0/(**)	0/(**)	0/(**)	0/(**)	0/(**)	0/(**)	0/(**)
2026-27	0/(**)	0/(**)	0/(**)	0/(**)	0/(**)	0/(**)	0/(**)	0/(**)

Middle	Attendance	# of Games	Price	Total Ticket Revenue
World Cup Qualifer	65,326	1	\$ 210	\$ 13,718,460
World Cup Games	65,236	9	\$ 210	\$ 123,296,040

6% Sales Tax Impact
\$823,108
\$7,397,762

Middle Impact	
FY 2025-2026	\$823,108
FY 2026-2027	\$7,397,762