

REVENUE ESTIMATING CONFERENCE

Tax: Local Taxes and Fees

Issue: Expansion of the Local Option Food and Beverage Tax

Bill Number(s): Proposed Language

Entire Bill

Partial Bill:

Sponsor(s): Senate

Month/Year Impact Begins: July 1, 2022

Date of Analysis: March 4, 2022

Section 1: Narrative

a. Current Law:

Local Option Food and Beverage Taxes

Section 212.0306, F.S., authorizes the Local Option Food and Beverage Taxes. Any county, as defined in s. 125.011(1), F.S., [i.e., Miami-Dade County] may impose two separate taxes by ordinance adopted by a majority vote of the county's governing body. The first tax may be imposed on the sale of food, beverages, or alcoholic beverages in hotels and motels at the rate of 2 percent. A second tax of 1 percent may be imposed on the sale of food, beverages, or alcoholic beverages in establishments that are licensed by the state to sell alcoholic beverages for consumption on the premises, except for hotels and motels. However, this 1 percent tax does not apply to any alcoholic beverage sold by the package for off-premises consumption. The county levying either tax locally administers the tax using the powers and duties enumerated for local administration of the tourist development tax by s. 125.0104, F.S. Miami-Dade County began levying these taxes on October 1, 1993.

Section 212.0306(2)(d), F.S., exempts eligible sales in cities or towns presently imposing a Municipal Resort Tax as authorized by Chapter 67-930, L.O.F., (as described below) from both the 2% and 1% Local Option Food and Beverage Taxes.

The county distributes the 2 percent tax proceeds to a countywide convention and visitors' bureau, which by interlocal agreement and contract with the county has been given the primary responsibility for tourist and convention promotion, to be used for those purposes authorized in s. 125.0104(5)(a)2. or 3., F.S. (1992 Supp.). If the county is not or is no longer a party to such an interlocal agreement and contract with a countywide convention and visitors' bureau, the county allocates the proceeds for those purposes authorized in s. 125.0104(5)(a)2. or 3., F.S. (1992 Supp.). The 1 percent tax proceeds are distributed by the county pursuant to the guidelines provided in the approved plans for addressing homeless needs as well as the construction and operation of domestic violence centers. The county and its respective municipalities continue to contribute each year at least 85 percent of aggregate expenditures from the respective county or municipal general fund budget for county-operated or municipally-operated homeless shelter services at or above the average level of such expenditures in the two fiscal years preceding the levy date of this tax.

As described in s. 125.0104(5)(a)2. or 3., F.S. (1992 Supp.), the 2 percent tax proceeds are used for the following purposes.

1. Promoting and advertising tourism in the State of Florida and nationally and internationally.
2. Funding convention bureaus, tourist bureaus, tourist information centers, and news bureaus as county agencies or by contract with the chambers of commerce or similar associations in the county.

For the first 12 months of the 1 percent tax levy, the proceeds are used by the county to assist persons who have become or are about to become homeless. These funds are made available for emergency homeless shelters, food, clothing, medical care, counseling, alcohol and drug abuse treatment, mental health treatment, employment and training, education, and housing. Thereafter, not less than 15 percent of the proceeds are made available for construction and operation of domestic violence centers. The remainder is used for programs to assist the homeless or those about to become homeless. In addition, the proceeds and accrued interest may be used as collateral, pledged, or hypothecated for authorized projects, including bonds issued in connection with such authorized projects.

Municipal Resort Tax

Chapter 67-930, L.O.F., as amended by Chapters 82-142, 83-363, 93-286, and 94-344, L.O.F., authorizes the Municipal Resort Tax. Municipalities in counties having a population of not less than 330,000 and not more than 340,000 (i.e., Broward County) and in counties having a population of more than 900,000 (i.e., Miami-Dade County), according to the 1960 decennial census, whose charter specifically provided or was amended prior to January 1, 1968, to provide for this tax levy, are eligible to impose it by ordinance adopted by the governing body. The tax is levied upon the rent of every occupancy of a room or rooms in any

REVENUE ESTIMATING CONFERENCE

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hotel, motel, apartment house, rooming house, tourist or trailer camp, as defined in part I of ch. 212, F.S., and upon the retail sale price of all items of food or beverages sold at retail, and of alcoholic beverages sold at retail for consumption on the premises at any place of business required by law to be licensed by the state hotel and restaurant commission or by the state beverage department. However, the tax does not apply to those sales the amount of which is less than 50 cents or sales of food or beverages delivered to a person’s home under a contract providing for deliveries on a regular schedule when the price of each meal is less than \$10.

The Miami-Dade County municipalities of Bal Harbour, Miami Beach, and Surfside are eligible to impose the tax. According to their official government websites, Bal Harbour¹, Miami Beach², and Surfside³ are imposing the tax at 4 percent on transient rental transactions and 2 percent on the sale of food and beverages.

It is the duty of every person renting a room or rooms and selling at retail food or beverages or alcoholic beverages for consumption on the premises to act as the tax collection agent. These persons must collect, report, and pay over to the municipality all taxes levied in accordance with the enacted ordinance. Any municipality collecting the tax has the same duties and privileges as the Department of Revenue (DOR) under part I of ch. 212, F.S., and may use any power granted to the DOR under this part including enforcement and collection procedures and penalties.

The governing body may authorize by ordinance the creation of an authority or commission empowered to contract and be contracted with its own name as an agency of the municipality to expend the tax proceeds as the body may determine appropriate. The tax proceeds are used for the creation and maintenance of convention and publicity bureaus; development and maintenance of art and cultural centers; enhancement of tourism; publicity and advertising; construction, operation, and maintenance of auditoriums, community centers, and convention structures; or relief from ad valorem taxes being used for any of these other purposes.

Relevant Taxes on the Sale of Food, Beverages, or Alcoholic Beverages			
Local Option Food and Beverage Tax.		Municipal Resort Tax	
2% Tax	On the sale of food, beverages, or alcoholic beverages in hotels and motels only.	Up to 2% Tax	Upon the retail sale price of all items of food or beverages sold at retail, and of alcoholic beverages sold at retail for consumption on the premises at any place of business required by law to be licensed by the state hotel and restaurant commission or by the state beverage department. However, this tax shall not apply to those sales the amount of which is less than fifty cents nor to sales of food or beverages delivered to a person’s home under a contract providing for deliveries on-a regular schedule when the price of each meal is less than ten dollars.
1% Tax	On the sale of food, beverages, or alcoholic beverages in establishments that are licensed by the state to sell alcoholic beverages for consumption on the premises, except for hotels and motels; however, the tax shall not apply to any alcoholic beverage sold by the package for off-premises consumption.		

- b. Proposed Change:** The proposed language amends s. 212.0306(2)(d), F.S., to provide that eligible sales in those municipalities currently imposing the Municipal Resort Tax, as authorized by Chapter 67-930, L.O.F., (i.e., Bal Harbour, Miami Beach, and Surfside) will continue to be exempt from the 2% Local Option Food and Beverage Tax imposed on the sale of food, beverages, or alcoholic beverages in hotels and motels only, pursuant to s. 212.0306(1)(a), F.S. However, eligible sales in Bal Harbour, Miami Beach, and Surfside will be subject to the 1% Local Option Food and Beverage Tax imposed on the sale of food, beverages, or alcoholic beverages in establishments that are licensed by the state to sell alcoholic beverages for consumption on the premises, except for hotels and motels, pursuant to s. 212.0306(1)(b), F.S.

¹ <http://www.balharbourfl.gov/doing-business/resort-tax-registration>

² <https://www.miamibeachfl.gov/city-hall/finance/filepay-resort-tax/>

³ See document entitled “Resort Tax Application Package” available at <http://www.townofsurfsidefl.gov/departments-services/finance/certificate-of-use-local-business-tax-receipt-and-resort-tax-information>

REVENUE ESTIMATING CONFERENCE

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Section 2: Description of Data and Sources

Municipal Resort Tax Collections: LFY 2001-02 to 2019-20 as reported in Municipalities’ Comprehensive Annual Financial Reports and available on the EDR’s website⁴ and LFY 2020-21 collections obtained from LFY 2021-22 budget documents. Local Option Food and Beverage Tax Collections: CY 2000 to 2020 as reported in Miami-Dade County’s Comprehensive Annual Financial Reports and available on the EDR’s website⁵ and CY 2021 collections estimated from FY 2021-22 adopted budget. Data provided to EDR by the municipalities of Bal Harbour, Miami Beach, and Surfside.

Section 3: Methodology (Include Assumptions and Attach Details)

On February 18, 2022, the Revenue Estimating Conference (REC) considered similar proposed language. That proposed language would have deleted s. 212.0306(2)(d), F.S., entirely, so that eligible sales in those municipalities currently imposing the Municipal Resort Tax (i.e., Bal Harbour, Miami Beach, and Surfside) would no longer be exempt from the Local Option Food and Beverage Taxes. The REC adopted the proposed estimate.

This proposed language modifies the exemption. See the attached spreadsheet for the updated analysis.

Section 4: Proposed Fiscal Impact (Millions)

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23			\$11.0	\$11.0		
2023-24			\$11.6	\$11.6		
2024-25			\$12.2	\$12.2		
2025-26			\$12.9	\$12.9		
2026-27			\$13.6	\$13.6		

List of Affected Trust Funds: Local funds only.

Section 5: Consensus Estimate (Adopted: 03/04/2022) 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	0.0	0.0	11.0	11.0	11.0	11.0
2023-24	0.0	0.0	0.0	0.0	11.6	11.6	11.6	11.6
2024-25	0.0	0.0	0.0	0.0	12.2	12.2	12.2	12.2
2025-26	0.0	0.0	0.0	0.0	12.9	12.9	12.9	12.9
2026-27	0.0	0.0	0.0	0.0	13.6	13.6	13.6	13.6

⁴ <http://edr.state.fl.us/Content/local-government/data/data-a-to-z/m-r.cfm>

⁵ <http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

	A	B	C	D	E	F	G	H	I
1	Fiscal Impact Analysis of Local Option Food and Beverage Taxes								
2	Issue: Eligible Sales within the Three Cities Currently Levying the Municipal Resort Tax Will Be Subject to the 1% Local Option Food and Beverage Tax								
3									
4	Municipal Resort Tax Collections								
5		Bal Harbour		Miami Beach		Surfside		TOTALS	
6	Local Fiscal Year	Collections	% Chg.	Collections	% Chg.	Collections	% Chg.	Collections	% Chg.
7	2001-02	\$ 1,644,417	-	\$ 21,021,618	-	\$ 526,374	-	\$ 23,192,409	-
8	2002-03	\$ 1,750,436	6.4%	\$ 24,002,336	14.2%	\$ 531,691	1.0%	\$ 26,284,463	13.3%
9	2003-04	\$ 2,123,125	21.3%	\$ 27,406,669	14.2%	\$ 534,731	0.6%	\$ 30,064,525	14.4%
10	2004-05	\$ 2,570,155	21.1%	\$ 32,112,039	17.2%	\$ 505,346	-5.5%	\$ 35,187,540	17.0%
11	2005-06	\$ 2,307,901	-10.2%	\$ 34,265,010	6.7%	\$ 546,264	8.1%	\$ 37,119,175	5.5%
12	2006-07	\$ 1,712,220	-25.8%	\$ 36,595,885	6.8%	\$ 477,563	-12.6%	\$ 38,785,668	4.5%
13	2007-08	\$ 805,262	-53.0%	\$ 38,100,260	4.1%	\$ 424,279	-11.2%	\$ 39,329,801	1.4%
14	2008-09	\$ 848,975	5.4%	\$ 37,412,291	-1.8%	\$ 366,867	-13.5%	\$ 38,628,133	-1.8%
15	2009-10	\$ 876,700	3.3%	\$ 42,394,976	13.3%	\$ 390,873	6.5%	\$ 43,662,549	13.0%
16	2010-11	\$ 1,131,882	29.1%	\$ 48,773,891	15.0%	\$ 435,175	11.3%	\$ 50,340,948	15.3%
17	2011-12	\$ 2,118,487	87.2%	\$ 53,920,167	10.6%	\$ 344,063	-20.9%	\$ 56,382,717	12.0%
18	2012-13	\$ 3,229,946	52.5%	\$ 58,617,992	8.7%	\$ 343,733	-0.1%	\$ 62,191,671	10.3%
19	2013-14	\$ 3,600,359	11.5%	\$ 61,760,518	5.4%	\$ 677,079	97.0%	\$ 66,037,956	6.2%
20	2014-15	\$ 3,448,249	-4.2%	\$ 67,999,916	10.1%	\$ 1,154,041	70.4%	\$ 72,602,206	9.9%
21	2015-16	\$ 3,423,437	-0.7%	\$ 82,633,144	21.5%	\$ 1,226,351	6.3%	\$ 87,282,932	20.2%
22	2016-17	\$ 3,331,088	-2.7%	\$ 81,910,032	-0.9%	\$ 1,374,357	12.1%	\$ 86,615,477	-0.8%
23	2017-18	\$ 3,825,266	14.8%	\$ 87,595,052	6.9%	\$ 2,054,141	49.5%	\$ 93,474,459	7.9%
24	2018-19	\$ 4,526,248	18.3%	\$ 88,246,170	0.7%	\$ 3,901,559	89.9%	\$ 96,673,977	3.4%
25	2019-20	\$ 2,777,408	-38.6%	\$ 54,972,321	-37.7%	\$ 2,583,931	-33.8%	\$ 60,333,660	-37.6%
26	2020-21	\$ 4,600,000	65.6%	\$ 79,237,273	44.1%	\$ 2,920,000	13.0%	\$ 86,757,273	43.8%
27	Data Source: Municipalities' Comprehensive Annual Financial Reports for FY 2001-02 through 2019-20. Budget documents for FY 2020-21.								
28									
29									
30	Estimates of FY 2020-21 Municipal Resort Tax Total Collections Derived from the 2% Tax on the Sales of Food, Beverages, and Alcoholic Beverages								
31		Bal Harbour		Miami Beach		Surfside		TOTALS	
32		Collections	%	Collections	%	Collections	%	Collections	%
33	2% Tax Proceeds	\$ 1,646,800	35.8%	\$ 27,733,046	35.0%	\$ 730,000	25.0%	\$ 30,109,846	49.9%
34	% of 2% Tax Proceeds Derived from Sales at Hotels and Motels	\$ 411,700	25.0%	\$ 9,706,566	35.0%	\$ 328,500	45.0%	\$ 10,446,766	34.7%
35	% of 2% Tax Proceeds Derived from Sales at All Other Eligible Businesses	\$ 1,235,100	75.0%	\$ 18,026,480	65.0%	\$ 401,500	55.0%	\$ 19,663,080	65.3%
36	FY 2020-21 Sales Attributable to Hotels and Motels	\$ 20,585,000		\$ 485,328,297		\$ 16,425,000		\$ 522,338,297	
37	FY 2020-21 Sales Attributable to All Other Eligible Businesses	\$ 61,755,000		\$ 901,323,980		\$ 20,075,000		\$ 983,153,980	
38	Data Source: Municipalities' emailed responses to EDR. The green shaded cells reflect data provided by Bal Harbour, Miami Beach, and Surfside. EDR staff was told that Miami Beach's resort tax system does not have the ability to separate out the collections from hotels and motels only. Consequently, the yellow shaded cells reflect assumptions, which were made by averaging the Bal Harbour and Surfside percentages.								

	A	B	C	D	E	F	G	H	I
39									
40									
41	Local Option Food and Beverage Tax Collections								
42		2% Tax		1% Tax		TOTALS			
43	Calendar Year	Collections	% Chg.	Collections	% Chg.	Collections	% Chg.		
44	2000	\$ 4,303,000	-	\$ 9,129,000	-	\$ 13,432,000	-		
45	2001	\$ 4,152,000	-3.5%	\$ 9,701,000	6.3%	\$ 13,853,000	3.1%		
46	2002	\$ 4,290,000	3.3%	\$ 9,958,000	2.6%	\$ 14,248,000	2.9%		
47	2003	\$ 4,601,000	7.2%	\$ 9,618,000	-3.4%	\$ 14,219,000	-0.2%		
48	2004	\$ 5,150,000	11.9%	\$ 11,440,000	18.9%	\$ 16,590,000	16.7%		
49	2005	\$ 5,294,000	2.8%	\$ 12,796,000	11.9%	\$ 18,090,000	9.0%		
50	2006	\$ 5,594,000	5.7%	\$ 14,005,000	9.4%	\$ 19,599,000	8.3%		
51	2007	\$ 5,924,000	5.9%	\$ 14,602,000	4.3%	\$ 20,526,000	4.7%		
52	2008	\$ 5,663,000	-4.4%	\$ 15,098,000	3.4%	\$ 20,761,000	1.1%		
53	2009	\$ 4,651,000	-17.9%	\$ 14,969,000	-0.9%	\$ 19,620,000	-5.5%		
54	2010	\$ 5,247,000	12.8%	\$ 16,348,000	9.2%	\$ 21,595,000	10.1%		
55	2011	\$ 6,161,000	17.4%	\$ 18,307,000	12.0%	\$ 24,468,000	13.3%		
56	2012	\$ 6,505,000	5.6%	\$ 19,776,000	8.0%	\$ 26,281,000	7.4%		
57	2013	\$ 6,988,000	7.4%	\$ 20,674,000	4.5%	\$ 27,662,000	5.3%		
58	2014	\$ 7,447,000	6.6%	\$ 22,513,000	8.9%	\$ 29,960,000	8.3%		
59	2015	\$ 7,578,000	1.8%	\$ 24,319,000	8.0%	\$ 31,897,000	6.5%		
60	2016	\$ 8,011,000	5.7%	\$ 25,517,000	4.9%	\$ 33,528,000	5.1%		
61	2017	\$ 8,035,000	0.3%	\$ 26,413,000	3.5%	\$ 34,448,000	2.7%		
62	2018	\$ 8,370,000	4.2%	\$ 29,018,000	9.9%	\$ 37,388,000	8.5%		
63	2019	\$ 8,899,000	6.3%	\$ 30,680,000	5.7%	\$ 39,579,000	5.9%		
64	2020	\$ 4,332,000	-51.3%	\$ 20,536,000	-33.1%	\$ 24,868,000	-37.2%		
65	2021 est.	\$ 4,940,286	14.0%	\$ 28,461,350	38.6%	\$ 33,401,636	34.3%		
66	Data Source: Miami-Dade County's Comprehensive Annual Financial Reports, Table: Miami-Dade County Tourism Tax Collection, Last Ten Calendar Years for CY 2000 through 2020. CY 2021 estimate calculated from FY 2021-22 Adopted Budget.								
67									
68									
69	Local Option Food and Beverage Tax - Fiscal Impact								
70		2% Tax		1% Tax		TOTALS			
71	Compound Annual Growth Rate: 2000 to 2021		0.66%		5.56%				
72	FY 2020-21 Municipal Resort Tax Sales Corresponding to Each Tax	\$ 522,338,297		\$ 983,153,980					
73	FY 2020-21 Local Option Food and Beverage Tax Revenues Attributable to Bal Harbour, Miami Beach, and Surfside	Under the proposed language, sales of food, beverages, or alcoholic beverages in hotels and motels only would continue to be exempt.		\$ 9,831,540		\$ 9,831,540			
74									
75	Fiscal Impact								
76	FY 2021-22	NA		\$ 10,378,566		\$ 10,378,566			
77	FY 2022-23	NA		\$ 10,956,029		\$ 10,956,029			
78	FY 2023-24	NA		\$ 11,565,622		\$ 11,565,622			
79	FY 2024-25	NA		\$ 12,209,133		\$ 12,209,133			
80	FY 2025-26	NA		\$ 12,888,449		\$ 12,888,449			
81	FY 2026-27	NA		\$ 13,605,562		\$ 13,605,562			

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use

Issue: Admissions to Live Events

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

Entire Bill

Partial Bill:

Sponsor(s):

Month/Year Impact Begins: January 1st, 2022

Date of Analysis: March 4th, 2022

Section 1: Narrative

a. Current Law: Admissions to events are exempt from sales tax if the organization sponsoring the event meets the following eight requirements:

1. The organization is exempt from federal income tax as a 501(c)(3)
2. The organization actively participates in planning and conducting the event
3. The organization is responsible for the safety and success of the event
4. The organization is organized for the purpose of sponsoring live theatre, live opera, and live ballet productions in Florida
5. The organization has more than 10,000 subscribing members
6. The organization has among the stated purposes in its charter the promotion of arts education in the communities it serves
7. The organization will receive at least 20% of net profits, if any
8. The organization will bear the risk of at least 20% of the losses, if any

Current law limits the total value of this exemption to \$1.5M per state fiscal year and specifies that each organization applying for this exemption will receive a share of the \$1.5M in proportion to their stated receipts for the previous fiscal year. An organization cannot exempt more than 6% of the previous year’s receipts.

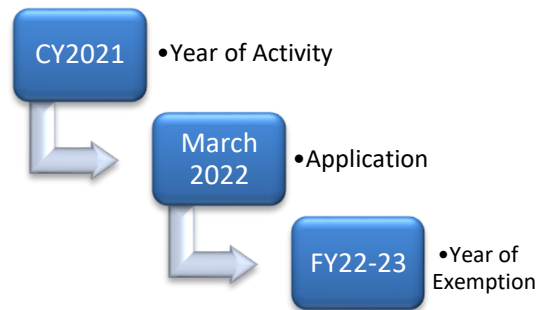
b. Proposed Change: The proposed language eliminates the cap of 6% previous years receipts. The lifting of this cap is only applicable for sales to be exempt in fiscal year 2022-23

Section 2: Description of Data and Sources

SUT annual data 2017-2020

Section 3: Methodology (Include Assumptions and Attach Details)

Looking at the sales tax data, we can see the total amount of historical receipts for admissions eligible for this exemption. This industry was substantially impacted by shutdowns during the Coronavirus Pandemic. Prior to the pandemic this exemption would have been fully utilized. As this industry begins normal operations it is expected that the full exemption would be claimed in 2023-24 under the current law. This industry was reduced by the shutdowns to between seventy and ninety percent in the annual data. Using these numbers, we can calculate the amount of the exemption the industry should be able to claim under the current law, and the remainder of the \$1.5 million is the impact from the bill. We use 10% recovery in the high, 20% recovery in the middle, and 30% recovery in the low. This is accelerating this exemption which would otherwise have occurred absent the effects of the Coronavirus Pandemic, causing this industry to be shuttered for most of the prior year. There is no recurring impact and there is no cash value after the first year.



Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$(1.4) M		\$(1.2) M		\$(1.1) M	
2023-24						
2024-25						
2025-26						
2026-27						

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use

Issue: Admissions to Live Events

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

List of affected Trust Funds: Sales and Use Tax Group

Section 5: Consensus Estimate (Adopted: 03/04/2022) The Conference adopted the middle estimate.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(0.9)	0.0	(Insignificant)	0.0	(Insignificant)	0.0	(0.1)	0.0
2023-24	0.0	0.0	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	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

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(0.2)	0.0	(0.3)	0.0	(1.2)	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	0.0	0.0
2026-27	0.0	0.0	0.0	0.0	0.0	0.0

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Disaster Preparedness Sales Tax Holiday – 14-days

Bill Number(s): Proposed Language

Entire Bill

Partial Bill:

Sponsor(s):

Month/Year Impact Begins: The impact begins May 28, 2022 and ends on June 10, 2022

Date of Analysis: March 4, 2022

Section 1: Narrative

- a. **Current Law:** Under current law in Ch. 212, all of the items listed in the bill are subject to the 6% Sales and Use Tax when purchased.
- b. **Proposed Change:** The proposed language provides an exemption from sales tax for the items listed below that are purchased during the time period from May 28 through June 10, 2022.

Portable self-powered light source	\$ 40 or less
Portable self-powered radio, two-way radio or weather band radio	\$ 50 or less
Tarpaulin or other flexible waterproof sheeting	\$ 100 or less
Ground anchor system or tie-down kit	\$ 100 or less
Gas or diesel fuel tank	\$ 50 or less
Package of AA-cell, AAA-cell, C-cell, D-cell, 6-volt or 9-volt batteries, excluding automobile and boat batteries	\$ 50 or less
Non-electric food storage cooler	\$ 60 or less
Reusable ice	\$ 20 or less
Portable generator	\$1,000 or less
Portable power bank	\$ 60 or less
Smoke detector or smoke alarm	\$ 70 or less
Fire extinguisher	\$ 70 or less
Carbon monoxide detector	\$ 70 or less

Supplies necessary for the evacuation of household pets.

For purposes of this exemption, necessary supplies are the non-commercial purchase of:

Portable kennels or pet carriers	\$ 100 or less
Bags of dry pet food weighing 15 or fewer pounds	\$ 30 or less
Cans or pouches of wet pet food or the equivalent in a box or case	\$ 2 or less
Manual can openers	\$ 15 or less
Leashes, collars, and muzzles	\$ 20 or less
Collapsible or travel-size food or water bowls	\$ 15 or less
Cat litter weighing 25 or fewer pounds	\$ 25 or less
Cat litter pans	\$ 15 or less
Pet waste disposal bags	\$ 15 or less
Pet pads	\$ 20 or less
Hamster or rabbit substrate	\$ 15 or less
Pet beds	\$ 40 or less

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

Section 2: Description of Data and Sources

- REC Impact for Proposed Language (House) – 2/18/2022.
- REC Impact for Proposed Language (House) – 2/11/2022.
- REC Impact for HB 7061, Section 44, 10-Day Sales Tax Holiday, 6/21/2021, <http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2021/pdf/page550-554.pdf>
- REC Impact for Proposed Language – Governor, 4/16/2021, <http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2021/pdf/page394-398.pdf>.

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Disaster Preparedness Sales Tax Holiday – 14-days

Bill Number(s): Proposed Language

- REC Impact for CS/HB7123 (Ch. 2019-42, L.O.F.), May 16, 2019.
- REC Impact for CS/SB1412, April 5, 2019.
- REC Impact for SB 524, Revenue Estimating Conference, 11/22/2019, Updated 2/3/2020, http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2020/_pdf/page47-52.pdf.
- REC Impact for Proposed Language (HB 7097 (2020)), Laws of Florida Ch. 2020-10, Revenue Estimating Conference, 2/3/2020 http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2020/_pdf/page362-365.pdf
- REC Impact for SB 734, 2/12/2021, http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2021/_pdf/page41-47.pdf.
- Submitted claims as of November 2020 for 2016 Hurricanes Hermine and Matthew; 2017 Hurricane Irma; and 2018 Hurricane Michael at <https://www.flor.com/Sections/PandC/ProductReview/CatastropheReporting.aspx> and <https://www.flor.com/Office/HurricaneSeason/HurricaneMichaelClaimsData.aspx>.
- Various websites for price comparisons: www.lowes.com; www.homedepot.com; www.bestbuy.com;
- U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, 2019, Table R-1 All consumer units: Annual detailed expenditure means, standard errors, coefficients of variation, and weekly (D) or quarterly (I) percents reporting, Table Florida Quintiles of Income, 2018-19.
- U.S. Census Bureau, American Community Survey, 2019.
- Florida Demographic Estimating Conference, December 2021.
- Florida Economic Estimating Conference, December 2021.
- 2021-2022 APPA National Pet Owners Survey, American Pet Products Association, <https://americanpetproducts.org/Uploads/MarketResearchandData/2021StateoftheIndustryPresentationDeck.pdf>.

Section 3: Methodology (See attached.)

Household Purchases: A 10-day holiday impact is calculated using the forecast for Florida households for 2022q2, along with the percentage of households reporting losses in the major storms occurring in 2004, 2005, 2008, 2016, and 2017 = 4.4%. The percentage of households reporting losses in 2018 (1.0%) was excluded from the calculation because the storm was concentrated in an area of the state with fewer residents. The low estimate assumes 4.4% of all Florida households would participate in the holiday. The high estimate assumes 8.5% of households would participate based on the highest reported losses in 2005. The middle estimate assumes 6.5% of households would participate.

An amount of tax-free expenditures is assumed for each household: High = \$264; Middle = \$176; Low = \$132. Based on the 2018-19 Consumer Expenditure Survey and median Florida household income, it is estimated that Florida households spend approximately \$2,292 annually (average of approximately \$6.28 per day) for maintenance, repairs, & other expenses, and miscellaneous household equipment. The percentage assumed for maintenance and repairs is 1.77% of annual expenditures. The high estimate assumes that an amount equivalent to 42 days of expenditures would be spent during the holiday period. The middle and low estimates assume expenditures equivalent to 28 days and 21 days, respectively.

Portable Power Banks or Chargers: The methodology for household purchases is used to develop estimates for portable power banks and chargers. An amount of tax-free expenditures is assumed for each household: High = \$2; Middle = \$1.05; Low = \$0.7. Based on the 2019 Consumer Expenditure Survey and median Florida household income, it is estimated that each Florida household spends approximately \$88.44 annually on telephones and accessories, of which this analysis estimates 20% (\$17.69) is spent on accessories, such as power banks and chargers (average of approximately \$0.05 per day). The high estimate assumes that an amount equivalent to 40 days of expenditures would be spent during the holiday period. The middle and low estimates assume expenditures equivalent to 21 days and 14 days, respectively.

Portable Generators: It is assumed a certain number of portable generators will be purchased during the tax-free holiday: High = 88,401; Middle = 61,881; and Low = 38,896. These numbers represent approximately 1%, 0.7%, and 0.44% of Florida households. Additionally, a price per generator is assumed as follows: High = \$1,000; Middle = \$1,000; and Low = \$600.

Fire Extinguishers: The methodology for generator purchases is used to develop estimates for fire extinguishers. It is assumed a certain number of items will be purchased during the tax-free holiday: High = 88,401; Middle = 61,881; and Low = 38,896. These numbers represent approximately 1%, 0.7%, and 0.44% of Florida households. Additionally, a price per fire extinguisher is assumed as follows: High = \$50; Middle = \$40; and Low = \$17.

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Disaster Preparedness Sales Tax Holiday – 14-days

Bill Number(s): Proposed Language

Smoke Detectors: The methodology for generator purchases is used to develop the estimates. It is assumed a certain number of items will be purchased during the tax-free holiday: High = 88,401; Middle = 61,881; and Low = 38,896. These numbers represent approximately 1%, 0.7%, and 0.44% of Florida households. Additionally, a price per item is assumed as follows: High = \$40; Middle = \$20; and Low = \$20.

Carbon Monoxide Detectors: The methodology for generator purchases is used to develop the estimates. It is assumed a certain number of items will be purchased during the tax-free holiday: High = 88,401; Middle = 61,881; and Low = 38,896. These numbers represent approximately 1%, 0.7%, and 0.44% of Florida households. Additionally, a price per item is assumed as follows: High = \$70; Middle = \$40; and Low = \$25.

To reflect the increase in the price cap from \$60 to \$70, the middle price of a monitor, which was the adopted price, was increased from \$30 to \$40.

For all category(s) above, the Day-by-Day Matrix is used to adjust the 10-day holiday to a 14-day holiday (105.2% adjustment) for each of the above items.

Supplies necessary for the evacuation of pets: The methodology uses national sales data from the American Pet Products Association by type of product, grows it to the impact FY by CPI and apportions it to Florida using household share. An assumption about an exempted amount, corresponding to the price caps, is assumed. A daily impact is developed and assumptions about additional days of purchasing are made.

To reflect the increase in the price cap from \$75 to \$100 for portable kennels or pet carriers, from \$1 to \$2 for cans of wet pet food, and from \$10 to \$15 for manual can openers, the exempted amount was increased from 50% to 60%.

Section 4: Proposed Fiscal Impact The proposed impact is nonrecurring for FY 2022-23.

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23			(\$23.8)			
2023-24						
2024-25						
2025-26						
2026-27						

List of affected Trust Funds: Sales and Use Tax Grouping

Section 5: Consensus Estimate (Adopted 03/04/2022): The Conference adopted the proposed estimate with a 53% exempted amount assumption for pet supplies.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(19.8)	0.0	(Insignificant)	0.0	(0.7)	0.0	(1.9)	0.0
2023-24	0.0	0.0	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	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 Tax

Issue: Disaster Preparedness Sales Tax Holiday – 14-days

Bill Number(s): Proposed Language

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(3.2)	0.0	(5.8)	0.0	(25.6)	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	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	H	I	
3	Proposed Language - Raised Price Caps								14 Days	
4	2022 Disaster Preparedness Sales Tax Holiday								May 28- June 10	
5										
6	1. # HOUSEHOLD PURCHASING ASSUMPTIONS:									
7	2004 Indices based on FINAL REPORT (4 hurricanes)									
8	Reported Loss % HHs				3.2%					
9	Total Loss % HHs				2.3%					
10	2005 Indices based on FINAL REPORT (4 hurricanes)									
11	Reported Loss % HHs				8.5%					
12	Total Loss % HHs				5.8%					
13	2008 Index based on Oct 20 2008 Report for Fay (1 storm)									
14	Reported Loss % HHs				2.7%					
15	2016 Index based on Claims Data as of Jan 2018 (2 hurricanes)									
16	Reported Loss % HHs				2.9%					
17	2017 Index based on Claims Data as of Nov 2018 (1 hurricane)									
18	Reported Loss % HHs				4.8%					
19	2018 Index based on Claims Data as of Nov 2020 (1 hurricane)									
20	Reported Loss % HHs				1.1%					
21	Average Reported Loss (2004-2017) %				4.4%					
22										
23	2. AVAILABLE CASH FOR PURCHASES ASSUMPTIONS:								Methodology for HH Income	
24	Using Florida After-Tax Income per Household				2019	2020	2021	2022	Florida Median HH income is based on the 2019 American Community Survey reported Florida median family income in the last 12 months (\$80,994). This value is grown by the Dec 2021 FEEC growth in Personal Income. The growth rates are:	
25	(2019 American Community Survey: Florida)				FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22		
26	Median Florida Household After-Tax Income				\$57,534	\$60,779	\$65,340	\$67,937	2019 5.7%	
27	Using average annual expenditures from the 2019 Consumer Expenditure Survey, all consumer units:					Fla \$ per HH	Fla \$ per HH	Fla \$ per HH	2020 5.6%	
28									2021 7.5%	
29									2022 4.0%	
30	<u>Shares of expenditures:</u>								Ratio of Avg Annual Expenditures to Income Before Taxes, 2018-19 CES (80.64%) is used to produce after-tax income.	
31	Food & alcoholic beverage				13.9%	\$8,435	\$9,068	\$9,428	Daily total	
32	Housing (includes * below)				32.81%	\$19,939	\$21,435	\$22,287	\$0.05	
33	Apparel & services				3.0%	\$1,816	\$1,952	\$2,029	\$3.30	
34	Transportation				17.04%	\$10,357	\$11,135	\$11,577	\$2.98	
35	Health care				8.24%	\$5,007	\$5,383	\$5,597	\$0.11	
36	Entertainment				4.90%	\$2,979	\$3,203	\$3,330	\$0.11	
37	All others				20.15%	\$12,246	\$13,165	\$13,688	\$0.11	
38									\$0.05	
39									\$3.30	
46					100.00%	\$60,779	\$65,340	\$67,937	\$2.98	
47									\$0.11	
48	*Telephones and accessories, 0.13% (20%)				0.026%	\$15.82	\$17.01	\$17.69	\$0.05	
49	*Maintenance & repairs				1.77%	\$1,078	\$1,159	\$1,205	\$3.30	
50	*Miscellaneous household equipment				1.60%	\$972	\$1,045	\$1,087	\$2.98	
51	*Power tools				0.06%	\$35	\$38	\$39	\$0.11	
52	*Other household appliances				0.03%	\$17	\$19	\$19	\$0.05	
53										

	A	B	C	D	E	F	G	H	I	
3	Proposed Language - Raised Price Caps								14 Days	
4	2022 Disaster Preparedness Sales Tax Holiday								May 28- June 10	
5										
54	1. HOUSEHOLD PURCHASES ASSUMPTIONS:									
55	HIGH = Assume 8.5% of households purchase exempt items equivalent to approximately 42 days of spending.								42	
56	MIDDLE = Assume 6.5% of households purchase exempt items equivalent to approximately 28 days of spending.								28	\$2,292 Annual Total
57	LOW = Assume 4.4% of households purchase exempt items equivalent to approximately 21 days of spending.								21	\$6.28 Daily Total
58										
59	Household Purchases									
60		<u>Prev. Adopted</u>	<u>High</u>	<u>Middle</u>	<u>Low</u>					
61	Daily Expenditures per HH	\$6.28	\$6.28	\$6.28	\$6.28					
62	Equivalent Days of Spending	28	42	28	21					
63	TOTAL Amount Purchased/HH	\$176	\$264	\$176	\$132					
64	TOTAL Fla Households	8,840,087	8,840,087	8,840,087	8,840,087					
65	TOTAL HHs Purchasing	574,606	751,407	574,606	388,964					
66	TOTAL Expenditures (\$M)	\$ 101.0	\$ 198.2	\$ 101.0	\$ 51.3					
67	Sales Tax for 10-Day Holiday (Millions of \$)	\$ (6.1)	\$ (11.9)	\$ (6.1)	\$ (3.1)					
68	Sales Tax for 14-Day Holiday, 105.2% Adjustment	\$ (6.4)	\$ (12.5)	\$ (6.4)	\$ (3.3)					
69										
70										
71	2. PORTABLE POWER BANK OR CHARGERS ASSUMPTIONS:									
72	HIGH = Assume 50% of households purchase exempt items equivalent to approximately 40 days of spending.								40	
73	MIDDLE = Assume 25% of households purchase exempt items equivalent to approximately 21 days of spending.								21	\$17.69 Annual Total
74	LOW = Assume 10% of households purchase exempt items equivalent to approximately 14 days of spending.								14	\$0.05 Daily Total
75										
76	Portable Power Banks or Chargers									
77		<u>Adopted</u>	<u>High</u>	<u>Middle</u>	<u>Low</u>					
78	Daily Expenditures per HH	\$0.05	\$0.05	\$0.05	\$0.05					
79	Equivalent Days of Spending	21	40	21	14					
80	TOTAL Amount Purchased/HH	\$1.05	\$2.00	\$1.05	\$0.70					
81	TOTAL Fla Households	8,840,087	8,840,087	8,840,087	8,840,087					
82	TOTAL HHs Purchasing	2,210,022	4,420,044	2,210,022	884,009					
83	TOTAL Expenditures (\$M)	\$ 2.3	\$ 8.8	\$ 2.3	\$ 0.6					
84	Sales Tax for 10-Day Holiday (Millions of \$)	\$ (0.1)	\$ (0.5)	\$ (0.1)	\$ (0.04)					
85	Sales Tax for 14-Day Holiday, 105.2% Adjustment	\$ (0.1)	\$ (0.5)	\$ (0.1)	\$ (0.0)					
86										
87										
88	3. PORTABLE GENERATOR ASSUMPTIONS:									
89	HIGH = Assume 1% of Florida households purchase a tax-exempt generator at \$1,000 per generator.									
90	MIDDLE = Assume 0.7% of Florida households purchase a tax-exempt generator at \$1,000 per generator.									
91	LOW = Assume .44% of Florida households purchase a tax-exempt generator at \$600 per generator.									
92										
93	Portable Generators									
94		<u>Prev. Adopted</u>	<u>High</u>	<u>Middle</u>	<u>Low</u>					
95	TOTAL Amount Purchased/HH	\$ 1,000.0	\$ 1,000.0	\$ 1,000.0	\$ 600.0					
96	TOTAL Generators Purchased	\$ 61,881	\$ 88,401	\$ 61,881	\$ 38,896					
97	TOTAL Expenditures (\$M)	\$ 61.9	\$ 88.4	\$ 61.9	\$ 23.3					
98	Sales Tax for 10-Day Holiday	\$ (3.7)	\$ (5.3)	\$ (3.7)	\$ (1.4)					
99	Sales Tax for 14-Day Holiday, 105.2% Adjustment	\$ (3.9)	\$ (5.6)	\$ (3.9)	\$ (1.5)					
100										
101										
116										

	A	B	C	D	E	F	G	H	I
3	Proposed Language - Raised Price Caps								14 Days
4	2022 Disaster Preparedness Sales Tax Holiday								May 28- June 10
5									
117	4. FIRE EXTINGUISHER ASSUMPTIONS:								
118					Fire Extinguishers				
119					<u>Adopted</u>	<u>High</u>	<u>Middle</u>	<u>Low</u>	
120	TOTAL Amount Purchased/HH				\$40.00	\$50.00	\$40.00	\$17.00	
121	TOTAL Fla Households				8,840,087	8,840,087	8,840,087	8,840,087	
122	TOTAL HHs Purchasing				61,881	88,401	61,881	38,896	
123	TOTAL Expenditures (\$M)				\$ 2.5	\$ 4.4	\$ 2.5	\$ 0.7	
124	Sales Tax for 10-Day Holiday (Millions of \$)				\$ (0.149)	\$ (0.265)	\$ (0.149)	\$ (0.040)	
125	Sales Tax for 14-Day Holiday, 105.2% Adjustment				\$ (0.156)	\$ (0.279)	\$ (0.156)	\$ (0.042)	
126									
127	5. SMOKE DETECTOR ASSUMPTIONS:								
128					Smoke Detectors				
129					<u>Adopted</u>	<u>High</u>	<u>Middle</u>	<u>Low</u>	
130	TOTAL Amount Purchased/HH				\$20.00	\$40.00	\$20.00	\$10.00	
131	TOTAL Fla Households				8,840,087	8,840,087	8,840,087	8,840,087	
132	TOTAL HHs Purchasing				61,881	88,401	61,881	38,896	
133	TOTAL Expenditures (\$M)				\$ 1.2	\$ 3.5	\$ 1.2	\$ 0.4	
134	Sales Tax for 10-Day Holiday (Millions of \$)				\$ (0.074)	\$ (0.212)	\$ (0.074)	\$ (0.023)	
135	Sales Tax for 14-Day Holiday, 105.2% Adjustment				\$ (0.078)	\$ (0.223)	\$ (0.078)	\$ (0.025)	
136									
137	6. CARBON MONOXIDE DETECTOR ASSUMPTIONS:								
138					Carbon Monoxide Detectors				
139					<u>Adopted</u>	<u>High</u>	<u>Middle</u>	<u>Low</u>	
140	TOTAL Amount Purchased/HH				\$40.00	\$70.00	\$40.00	\$25.00	
141	TOTAL Fla Households				8,840,087	8,840,087	8,840,087	8,840,087	
142	TOTAL HHs Purchasing				61,881	88,401	61,881	38,896	
143	TOTAL Expenditures (\$M)				\$ 2.5	\$ 6.2	\$ 2.5	\$ 1.0	
144	Sales Tax for 10-Day Holiday (Millions of \$)				\$ (0.149)	\$ (0.371)	\$ (0.149)	\$ (0.058)	
145	Sales Tax for 14-Day Holiday, 105.2% Adjustment				\$ (0.156)	\$ (0.391)	\$ (0.156)	\$ (0.061)	
146									
147	7. SUPPLIES FOR THE EVACUATION OF HOUSEHOLD PETS:								
148					Supplies for the Evacuation of Household Pets				
149					<u>Adopted</u>	<u>High</u>	<u>Middle</u>	<u>Low</u>	
150	Daily sales tax collections				\$ 0.411	\$ 0.411	\$ 0.411	\$ 0.411	
151	Number of Days in Sales Tax Holiday				14	14	14	14	
152	Additional Days of Purchasing				14	45	30	14	
153	Sales tax impact for 14-Day Holiday				\$ (11.5)	\$ (24.2)	\$ (18.1)	\$ (11.5)	
154									
155									
203	Total Estimated Impact, 14 Days				\$ (22.3)	\$ (43.7)	\$ (28.9)	\$ (16.4)	
204									
205									

	A	B	C	D	E	F	G	H	I	
3	Proposed Language - Raised Price Caps								14	Days
4	2022 Disaster Preparedness Sales Tax Holiday								May 28-	June 10
5										
206	Summary by date of adoption									
207			Adopted	Additional						
208			2/18/22	3/4/2022						Total Impact
208		Household Purchases	\$ (6.4)							\$ (6.4)
209		Portable Power Banks or Chargers	\$ (0.1)							\$ (0.1)
210		Portable Generators	\$ (3.9)							\$ (3.9)
211		Fire Extinguishers	\$ (0.2)							\$ (0.2)
212		Smoke Detectors	\$ (0.1)							\$ (0.1)
213		Carbon Monoxide Detectors	\$ (0.117)	\$ (0.039)						\$ (0.156)
214		Supplies for the Evacuation of Household Pets	\$ (10.8)	\$ (0.7)						\$ (11.5)
215		Total	\$ (21.6)	\$ (0.7)						\$ (22.3)
216										

	A	B	C	D	E
1	Proposed Language - Raised Price Caps		14 Days May 28- June 10		
2	2022 Disaster Preparedness Sales Tax Holiday				
3					
4	I. Pet statistics				
5	Source: 2021-2022 APPA National Pet Owners Survey, American Pet Products Association.				
6	https://americanpetproducts.org/Uploads/MarketResearchandData/2021StateoftheIndustryPresentationDeck.pdf				
7	Pet Ownership	FY21-22			
8	Number of dogs & cats (m)	186.3			
9	Number of U.S. households who own a pet (m)	90.5			
10	Percent of all households	70%			
11					
12	II. IBIS World Market Size of Pet Specialty Retail Stores (Online and Brick-and-Mortar)				
13		FY21-22		FY21-22	
14		%	Online Pet Stores Revenue (\$ m)	%	Retail Pet Stores Revenues (\$ m)
15	Total		17,775		22,122
16	Pet food	56%	9,954	40.30%	8,915
17	Pet supplies	36%	6,399	35.80%	7,920
18	Pet food & supplies (online and brick-and-mortar pet specialty stores) (\$ m) (excludes mass merchandise stores, grocery stores)		33,188		
19					
20	III. Pet Industry Market Size, Trends & Ownership Statistics - American Pet Products Association				
21	US Sales in CY 2020 (Actual, \$ m)		103,600		
22	Pet food and treats	41%	42,000		
23	Pet supplies, live, and OTC meds	21%	22,100		
24	Total pet food and supplies		64,100		
25		CPI			
26		2021	2.3%	65,568	
27		2022	5.4%	69,096	
28					

	A	B	C	D	E
29			FY2021-22		
30	Total pet food and supplies		67,332		
31	Source: American Pet Products Association 2021 State of the Industry presentation on 3/24/21, https://americanpetproducts.org/Uploads/MarketResearchandData/2021StateoftheIndustryPresentationDeck.pdf .				
32					
33	IV. Exempted amount				
34	Exempted amount		35,685.88		
35	Assumption (less than price limits)	53%	53%		
36					
37	V. Florida Share		FY 2021-22		
38	FL Households		8,787,100		
39	FL Households with pets (apply US share)		6,150,970		
40	FL share (Households)	7%	2,498		
41	Sales tax collections (annual, \$ m)	6%	150		
42	Sales tax collections - daily (\$ m)		0.41		
43					
44	VI. Sales tax collections impact				
45		High	Middle	Low	
46	Daily sales tax collections	0.41	0.41	0.41	
47	Number of Days in Sales Tax Holiday	14	14	14	
48	Additional Days of Purchasing	45	30	14	
49	Sales tax impact	(24.2)	(18.1)	(11.5)	
50					
51					

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: tool Time Sales Tax Holiday

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

Entire Bill

Partial Bill:

Sponsor(s): N/A

Month/Year Impact Begins: 07/2022

Date of Analysis: 03/04/2022

Section 1: Narrative

- a. **Current Law:** F.S. 212 – Sales and Use Tax
- b. **Proposed Change:** The tax levied under chapter 212, Florida Statutes, may not be collected during the period from September 3, 2022, 11 through September 9, 2022, on the retail sale of
 - (a) Hand tools selling for \$50 or less.
 - (b) Power tools selling for \$300 or less.
 - (c) Power tool batteries selling for \$150 or less.
 - (d) Work gloves selling for \$25 or less.
 - (e) Safety glasses selling for \$50 or less.
 - (f) Protective coveralls selling for \$50 or less.
 - (g) Work boots selling for \$175 or less.
 - (h) Tool belts selling for \$100 or less.
 - (i) Duffle/tote bags selling for \$50 or less.
 - (j) Tool boxes selling for \$75 or less.
 - (k) Tool boxes for vehicles selling for \$300 or less per item.
 - (l) Industry text books and code books selling for \$125 or less.
 - (m) Electrical voltage and testing equipment selling for \$100 or less.
 - (n) LED flashlights selling for \$50 or less per item
 - (o) Shop Lights selling for \$100 or less per item
 - (p) Handheld pipe cutters, drain opening tools, plumbing inspection equipment selling for \$150 or less.

Section 2: Description of Data and Sources

IBIS World Reports

Market Research

Consumer Expenditure Survey

Section 3: Methodology (Include Assumptions and Attach Details)

Analysis One:

The analysis relied on IBIS World Reports to get an estimate of the revenue generated by Worker Tools at both Home Improvement Stores and Hardware Stores in the state of Florida. Market Research on prominent Home Improvement and Hardware Store websites was used to get an estimate of the percentage of tools that will qualify for the sales tax exemption. The low, middle, and high represent the percentage of worker tools that will be purchased during the tax-free holiday. For unaccounted sales in stores not estimated and escalator is used.

The Other category includes industries that may have qualified expenditures. The industries were chosen due to having categories that offer hand tools and may qualify for the exemption. The US Consumer Expenditure survey was chosen to estimate annual Florida household purchases of these products. The low, middle, and high represent the percentage of household purchases that will occur during the tax-free holiday.

An escalator was used to estimate retail sales not captured in the analysis of the industries discussed above.

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: tool Time Sales Tax Holiday

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

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(\$18.7m)		(\$10.8m)		(\$8.1m)	
2023-24						
2024-25						
2025-26						
2026-27						

List of affected Trust Funds: Sales and Use Tax

Section 5: Consensus Estimate (Adopted: 03/04/2022): The Conference adopted the middle estimate.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(9.6)	0.0	(Insignificant)	0.0	(0.3)	0.0	(0.9)	0.0
2023-24	0.0	0.0	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	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

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(1.6)	0.0	(2.8)	0.0	(12.4)	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	0.0	0.0
2026-27	0.0	0.0	0.0	0.0	0.0	0.0

Home Improvement Stores				
Est. Home Improvement Store Revenue (2021) Source: IBIS				\$231,700,000,000
Est. Home Improvement Store Revenue - Florida				\$14,597,100,000
Percentage of Revenue Associated with Hardware, Tools, Plumbing, and Electrical Supplies	24%			
Estimate of Tools, Tool Accessories	6%			
Estimate Tool Revenue - Home Improvement Store				\$875,826,000
Qualified Tools	28.0%			\$245,231,280
Number of Weeks Worth of Purchases	Low	Middle	High	
		4	8	16
	\$18,863,945	\$37,727,889		\$75,455,778

Hardware Stores				
Est. Home Improvement Store Revenue (2021) Source: IBIS				\$35,219,000,000
Est. Home Improvement Store Revenue - Florida				\$1,760,950,000
Percentage of Revenue Associated with Hardware Tools, Hand Tools, Accessories	12%			
Estimate Tool and Tool Accessories Revenue - Hardware Store				\$216,596,850
Qualified Tools	28%			\$60,647,118
Number of Weeks Worth of Purchases	Low	Middle	High	
		4	8	16
	\$4,665,163	\$9,330,326		\$18,660,652

Amazon Market Place				
Amazon Total Sales of Tools and Other Home Improvement Items				\$6,100,000,000
Est. Home Improvement Store Revenue - Florida				\$384,300,000
Percentage of Revenue Associated with Hardware, Tools, Plumbing, and Electrical Supplies	24%			
Estimate of Tools, Tool Accessories	6%			
Estimate Tool Revenue - Home Improvement Store				\$23,058,000
Qualified Tools	28%			\$6,456,240

Number of Weeks Worth of Purchases	Low	Middle	High	
		1	2	4
	\$124,158	\$248,317		\$496,634

Auto Parts Stores				
Est. Home Improvement Store Revenue (2021) Source: IBIS				\$65,800,000,000
Est. Home Improvement Store Revenue - Florida				\$3,290,000,000
Percentage of Revenue Associated with Hardware Tools, Hand Tools, Accessories	6%			
Estimate Tool and Tool Accessories Revenue - Hardware Store				\$197,400,000
Qualified Tools	25%			\$49,350,000
Number of Weeks Worth of Purchases	Low	Middle	High	
		4	8	16
	\$3,796,154	\$7,592,308		\$15,184,615

Total Qualified Tool Purchases	\$27,449,420	\$54,898,840		\$109,797,679
Sales and Use Tax (6%)	\$1,646,965	\$3,293,930		\$6,587,861

Total	Low	Middle	High	
	\$2,687,661	\$5,375,321		\$13,352,381

Additional Sales Tax Not Included				\$5,375,321
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Total	Low	Middle	High	
	\$8,062,982	\$10,750,643		\$18,727,703

Additional Sales Tax Impact			
Total Florida Households (2021)		8,589,056	
Tableware, Kitchenware	\$	21.33	
Expected Annual Expenditures:	\$	183,204,564	
Qualified Expenditures:		13%	
Total Expenditures on Qualified Kitchenware		24,427,275	
Number of Weeks Worth of Purchases	Low	Middle	High
	4	8	26
	\$1,879,021	\$3,758,042	\$12,213,638
Lawn and Garden Equipment		89.99	
Expected Annual Expenditures:	\$	772,929,149	
Qualified Expenditures:		25%	
Total Expenditures on Qualified Lawncare		193,232,287	
Number of Weeks Worth of Purchases	Low	Middle	High
	4	8	26
	\$14,864,022	\$29,728,044	\$96,616,144
Toys, games, arts and crafts, and tricycles*		108.45	
Craft Supplies (By Product Revenue, Source: Ibis))		14.00%	
Expected Annual Expenditures:	\$	130,407,637	
Qualified Expenditures:		6.0%	
Total Expenditures on Qualified Hobbies		7,824,458	
Number of Weeks Worth of Purchases	Low	Middle	High
	4	8	26
	\$601,881	\$1,203,763	\$3,912,229
Total Qualified Tool Purchases	\$17,344,925	\$34,689,849	\$112,742,010
Sales and Use Tax (6%)	\$1,040,695	\$2,081,391	\$6,764,521

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Exempt Farm Trailers and Fencing

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

Entire Bill

Partial Bill:

Sponsor(s):

Month/Year Impact Begins: July 1st, 2022

Date of Analysis: March 4th, 2022

Section 1: Narrative

- a. **Current Law:** Current law makes the first \$20,000 of trailers under 12,000 pounds exempt, so long as they are purchased by a farmer and used exclusively for agricultural purposes. Current law does not allow for any exemptions of hog wire, barbed wire fencing, or the materials used to construct them.
- b. **Proposed Change:** The proposed language eliminates the requirement that a trailer be less than 12,000 pounds to receive the exemption and removes the \$20,000 cap on the exempt value. The language also adds exemptions for hog wire and barbed wire fencing, including gates and materials used in their construction.

Section 2: Description of Data and Sources

2021 USDA Annual Statistical Bulletin: Florida

Market Research in Trailer Pricing

Agriculture land data, Florida Department of Agriculture and Consumer Services

CPI from 12/2021 REC

Market based Price research

02/2017 impact analysis

Section 3: Methodology (Include Assumptions and Attach Details)

Trailers:

According to the USDA, Florida had, at last count, 47,400 farms. We assume each farm has 2 trailers that get replaced once every 30 years. These assumptions allow us to calculate that Florida sees 3,160 trailers replaced in a year.

$$47,400 \times 2 \times \frac{1}{30} = 3,160$$

Market research has allowed us to develop a maximum reasonable price for an agricultural trailer. We then assume that trailer pricing is skewed towards the right in the shape of an F distribution, meaning that most sales take place at low dollar values; as the dollar value of a hypothetical sale increases, we expect it occur at a decreasing probability. Taking this into account, we estimate 3 potential distributions of sale price. The low estimate assumes that 75% of sales occur at prices less than \$20,000 - the current exemption cap. The middle estimate assumes that 60% of sales occur at prices less than \$20,000 while the high assumes that only 50% of sales occur below that threshold. Combining this initial point on the distribution with our maximum reasonable price from market research allows us to estimate the probability of sales occurring at various prices between \$20,000 and our maximum. From there, arithmetic follows.

$$(Price\ Level - \$20,000) \times 6\% \times Price\ Level\ Probability \times 3,160 = Impact\ from\ this\ Price\ Level$$

Within each estimated distribution (low, middle, and high), the individual impacts from each price level are summed into an overall impact estimate.

Fencing:

It is assumed that there is no growth in the amount of farmland in use. It is assumed that all farmland that requires fencing has it at this time, and expenses for repair and replacement will be exempt under the proposed changes. It is assumed that all cattle pastures would be eligible for barbed wire, and that all remaining agricultural acreage would be eligible for hog wire. All prices are grown by the consumer price index.

The barbed wire analysis starts with an assumption about average cattle pasture size in acres. This starting point is used to find the number of pastures and the perimeter for each pasture. This number is also adjusted by percent of pastures fenced with barbed wire, and for shared fence lines. For both methods the total price for all fencing is multiplied by the repair and replacement percentages. This amount is multiplied by the sales tax rate for the impact.

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Exempt Farm Trailers and Fencing

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

The hog wire analysis assumes that the farmland not used for cattle would all be able to use hog wire. The hog wire analysis uses a method similar to the second method for barbed wire fencing. The average crop size is assumed and used to find the perimeter of the average crop. This number is adjusted by the percent of cropland fenced in hog wire, and for shared fence lines. The total price for all fencing is multiplied by the repair and replacement percentages. This amount is multiplied by the sales tax rate for the impact.

Model updated to reflect most current acreage data available for Total Farmland, Cattle

There is a one-month lag to collections, and the first-year cash is equal to eleven months of the recurring.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$(19.8 M)	\$(21.6 M)	\$(13.9 M)	\$(15.1 M)	\$(7.7 M)	\$(8.4 M)
2023-24	\$(22.2 M)	\$(22.2 M)	\$(15.5 M)	\$(15.5 M)	\$(8.6 M)	\$(8.6 M)
2024-25	\$(22.8 M)	\$(22.8 M)	\$(15.9 M)	\$(15.9 M)	\$(8.9 M)	\$(8.9 M)
2025-26	\$(23.4 M)	\$(23.4 M)	\$(16.4 M)	\$(16.4 M)	\$(9.1 M)	\$(9.1 M)
2026-27	\$(24.0 M)	\$(24.0 M)	\$(16.8 M)	\$(16.8 M)	\$(9.4 M)	\$(9.4 M)

List of affected Trust Funds:

Section 5: Consensus Estimate (Adopted: 03/04/2022):

Fencing: The Conference adopted the middle estimate.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(10.5)	(11.5)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.0)	(1.1)
2023-24	(11.7)	(11.7)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.1)	(1.1)
2024-25	(12.0)	(12.0)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.1)	(1.1)
2025-26	(12.3)	(12.3)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.2)	(1.2)
2026-27	(12.6)	(12.6)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.2)	(1.2)

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(1.7)	(1.9)	(3.1)	(3.4)	(13.6)	(14.9)
2023-24	(1.9)	(1.9)	(3.5)	(3.5)	(15.2)	(15.2)
2024-25	(2.0)	(2.0)	(3.5)	(3.5)	(15.5)	(15.5)
2025-26	(2.0)	(2.0)	(3.6)	(3.6)	(15.9)	(15.9)
2026-27	(2.1)	(2.1)	(3.7)	(3.7)	(16.3)	(16.3)

Trailers: The Conference adopted the low estimate using an 80 percent adjustment factor.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(1.0)	(1.1)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2023-24	(1.1)	(1.1)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2024-25	(1.2)	(1.2)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2025-26	(1.2)	(1.2)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2026-27	(1.2)	(1.2)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Exempt Farm Trailers and Fencing

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

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(0.2)	(0.2)	(0.3)	(0.3)	(1.3)	(1.4)
2023-24	(0.2)	(0.2)	(0.3)	(0.3)	(1.4)	(1.4)
2024-25	(0.2)	(0.2)	(0.3)	(0.3)	(1.5)	(1.5)
2025-26	(0.2)	(0.2)	(0.4)	(0.4)	(1.6)	(1.6)
2026-27	(0.2)	(0.2)	(0.4)	(0.4)	(1.6)	(1.6)

	A	B	C	D	E	F	G
1	Barbed Wire						
2		High		Middle		Low	
3		Cash	Recurring	Cash	Recurring	Cash	Recurring
4	2022-23	\$ (5.4 M)	\$ (5.9 M)	\$ (3.4 M)	\$ (3.7 M)	\$ (1.4 M)	\$ (1.5 M)
5	2023-24	\$ (6.0 M)	\$ (6.0 M)	\$ (3.8 M)	\$ (3.8 M)	\$ (1.6 M)	\$ (1.6 M)
6	2024-25	\$ (6.1 M)	\$ (6.1 M)	\$ (3.9 M)	\$ (3.9 M)	\$ (1.6 M)	\$ (1.6 M)
7	2025-26	\$ (6.3 M)	\$ (6.3 M)	\$ (3.9 M)	\$ (3.9 M)	\$ (1.6 M)	\$ (1.6 M)
8	2026-27	\$ (6.4 M)	\$ (6.4 M)	\$ (4.0 M)	\$ (4.0 M)	\$ (1.7 M)	\$ (1.7 M)
9							
10	Hog Wire						
11		High		Middle		Low	
12		Cash	Recurring	Cash	Recurring	Cash	Recurring
13	2022-23	\$ (12.0 M)	\$ (13.1 M)	\$ (8.5 M)	\$ (9.3 M)	\$ (5.0 M)	\$ (5.5 M)
14	2023-24	\$ (13.4 M)	\$ (13.4 M)	\$ (9.5 M)	\$ (9.5 M)	\$ (5.6 M)	\$ (5.6 M)
15	2024-25	\$ (13.7 M)	\$ (13.7 M)	\$ (9.7 M)	\$ (9.7 M)	\$ (5.7 M)	\$ (5.7 M)
16	2025-26	\$ (14.0 M)	\$ (14.0 M)	\$ (9.9 M)	\$ (9.9 M)	\$ (5.8 M)	\$ (5.8 M)
17	2026-27	\$ (14.3 M)	\$ (14.3 M)	\$ (10.1 M)	\$ (10.1 M)	\$ (6.0 M)	\$ (6.0 M)
18							
19	Fencing SubTotal						
20		High		Middle		Low	
21		Cash	Recurring	Cash	Recurring	Cash	Recurring
22	2022-23	\$ (17.4 M)	\$ (19.0 M)	\$ (11.9 M)	\$ (13.0 M)	\$ (6.4 M)	\$ (7.0 M)
23	2023-24	\$ (19.4 M)	\$ (19.4 M)	\$ (13.3 M)	\$ (13.3 M)	\$ (7.1 M)	\$ (7.1 M)
24	2024-25	\$ (19.8 M)	\$ (19.8 M)	\$ (13.5 M)	\$ (13.5 M)	\$ (7.3 M)	\$ (7.3 M)
25	2025-26	\$ (20.2 M)	\$ (20.2 M)	\$ (13.9 M)	\$ (13.9 M)	\$ (7.5 M)	\$ (7.5 M)
26	2026-27	\$ (20.7 M)	\$ (20.7 M)	\$ (14.2 M)	\$ (14.2 M)	\$ (7.6 M)	\$ (7.6 M)
27							
28	Trailers						
29		High		Middle		Low	
30		Cash	Recurring	Cash	Recurring	Cash	Recurring
31	2022-23	\$ (2.4 M)	\$ (2.7 M)	\$ (2.0 M)	\$ (2.2 M)	\$ (1.1 M)	\$ (1.2 M)
32	2023-24	\$ (2.8 M)	\$ (2.8 M)	\$ (2.3 M)	\$ (2.3 M)	\$ (1.2 M)	\$ (1.2 M)
33	2024-25	\$ (3.0 M)	\$ (3.0 M)	\$ (2.4 M)	\$ (2.4 M)	\$ (1.3 M)	\$ (1.3 M)
34	2025-26	\$ (3.1 M)	\$ (3.1 M)	\$ (2.5 M)	\$ (2.5 M)	\$ (1.4 M)	\$ (1.4 M)
35	2026-27	\$ (3.3 M)	\$ (3.3 M)	\$ (2.7 M)	\$ (2.7 M)	\$ (1.4 M)	\$ (1.4 M)
36							
37	Total						
38		High		Middle		Low	
39		Cash	Recurring	Cash	Recurring	Cash	Recurring
40	2022-23	\$ (19.8 M)	\$ (21.6 M)	\$ (13.9 M)	\$ (15.1 M)	\$ (7.5 M)	\$ (8.2 M)
41	2023-24	\$ (22.2 M)	\$ (22.2 M)	\$ (15.5 M)	\$ (15.5 M)	\$ (8.4 M)	\$ (8.4 M)
42	2024-25	\$ (22.8 M)	\$ (22.8 M)	\$ (15.9 M)	\$ (15.9 M)	\$ (8.6 M)	\$ (8.6 M)
43	2025-26	\$ (23.4 M)	\$ (23.4 M)	\$ (16.4 M)	\$ (16.4 M)	\$ (8.8 M)	\$ (8.8 M)
44	2026-27	\$ (24.0 M)	\$ (24.0 M)	\$ (16.8 M)	\$ (16.8 M)	\$ (9.1 M)	\$ (9.1 M)

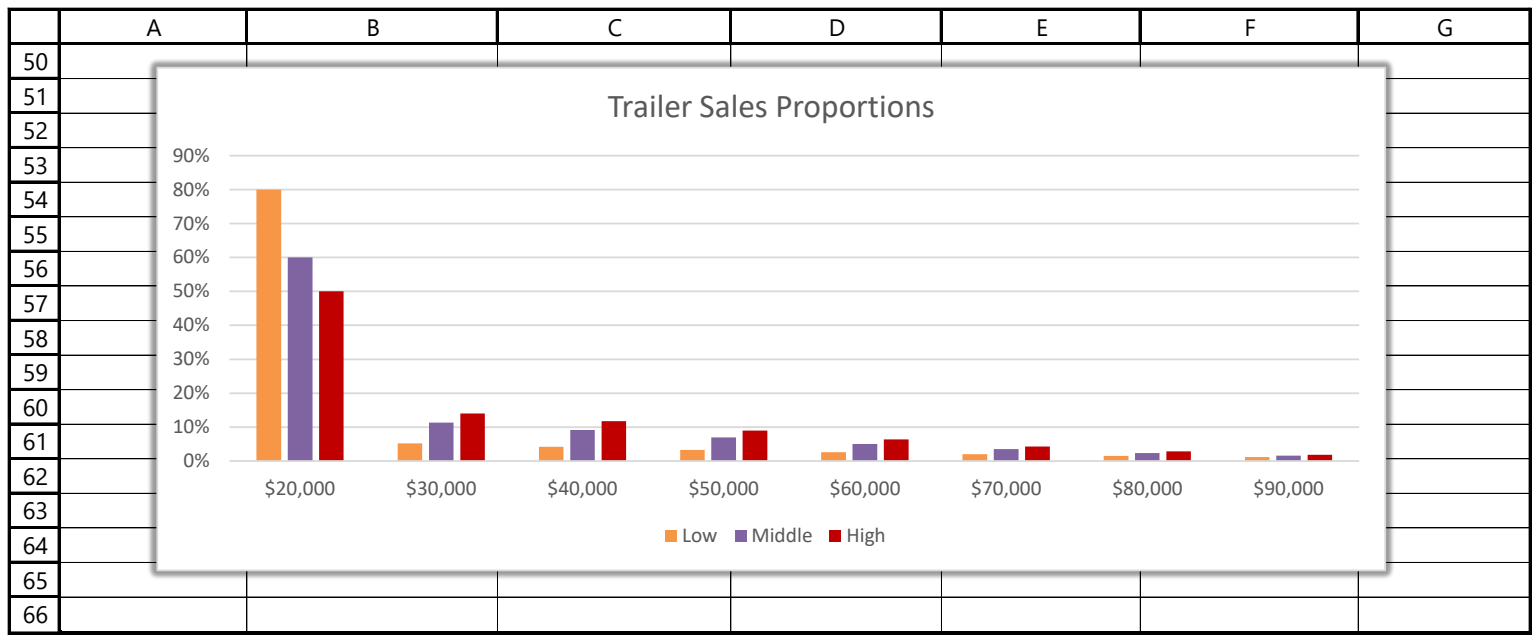
	A	B	C	D	E	F
1						
2	acreage	total farm land	Total cattle			
3	2021	9,700,000	5,342,147	5,342,147	0.551	
4						
5	Area of acre (ft²)		43,560			
6	perimeter of acre (ft)		834.84			
7						
8	CPI					
9	2020-21	1.6%				
10	2021-22	2.3%				
11	2022-23	5.4%				
12	2023-24	2.5%				
13	2024-25	2.2%				
14	2025-26	2.1%				
15	2026-27	2.2%				
16	2027-28	2.3%				
17	2028-29	2.4%				
18						
19	Barbed Wired Fencing Impact					
20						
21	Price per Foot for barbed wire fencing (includes posts and gates) grown at CPI					
22		High	Middle	Low		
23	2022-23	\$ 1.90	\$ 1.20	\$ 0.50		
24	2023-24	\$ 1.95	\$ 1.23	\$ 0.51		
25	2024-25	\$ 1.99	\$ 1.26	\$ 0.52		
26	2025-26	\$ 2.03	\$ 1.28	\$ 0.53		
27	2026-27	\$ 2.08	\$ 1.31	\$ 0.55		
28	2027-28	\$ 2.12	\$ 1.34	\$ 0.56		
29	2028-29	\$ 2.18	\$ 1.37	\$ 0.57		
30						

	A	B	C	D	E	F
31	Rate of Replacement			5%		
32	Rate of repair			10%		
33						
34	Average size of cattle pasture (acres)				100	
35	Percent of Cattle pasture fenced in barbed wire				100%	
36	Perimeter of Average cattle pasture (feet)				8,348.41	
37	Percent of Average Cattle pastures contiguous				25%	
38						
39	Price per Foot for barbed wire fencing (includes posts and gates) grown at CPI					
40		High	Middle	Low		
41	2022-23	\$ 1.90	\$ 1.20	\$ 0.50		
42	2023-24	\$ 1.9	\$ 1.2	\$ 0.5		
43	2024-25	\$ 2.0	\$ 1.3	\$ 0.5		
44	2025-26	\$ 2.0	\$ 1.3	\$ 0.5		
45	2026-27	\$ 2.1	\$ 1.3	\$ 0.5		
46	2027-28	\$ 2.1	\$ 1.3	\$ 0.6		
47	2028-29	\$ 2.2	\$ 1.4	\$ 0.6		
48						
49	Value of Currently installed barbed wire fencing (\$M)					
50		High	Middle	Low		
51	2022-23	\$ 651.4	\$ 411.4	\$ 171.4		
52	2023-24	\$ 665.7	\$ 420.5	\$ 175.2		
53	2024-25	\$ 679.7	\$ 429.3	\$ 178.9		
54	2025-26	\$ 694.7	\$ 438.7	\$ 182.8		
55	2026-27	\$ 710.7	\$ 448.8	\$ 187.0		
56						
57	Rate of Replacement			5%		
58	Rate of repair			10%		
59						
60	Price for Repair and Replacement of Currently installed barbed wire fencing (\$M)					
61		High	Middle	Low		
62	2022-23	\$ 97.7	\$ 61.7	\$ 25.7		
63	2023-24	\$ 99.9	\$ 63.1	\$ 26.3		
64	2024-25	\$ 102.0	\$ 64.4	\$ 26.8		
65	2025-26	\$ 104.2	\$ 65.8	\$ 27.4		
66	2026-27	\$ 106.6	\$ 67.3	\$ 28.1		
67						
68	Sales Tax on Repair and Replacement of Currently installed barbed wire fencing (\$M)					
69						
70		High	Middle	Low		
71	2022-23	\$ 5.9	\$ 3.7	\$ 1.5		
72	2023-24	\$ 6.0	\$ 3.8	\$ 1.6		
73	2024-25	\$ 6.1	\$ 3.9	\$ 1.6		
74	2025-26	\$ 6.3	\$ 3.9	\$ 1.6		
75	2026-27	\$ 6.4	\$ 4.0	\$ 1.7		

	A	B	C	D	E	F
1						
2	acreage	total farm land	Total cattle			
3	2021	9,700,000	5,342,147			
4						
5	Area of acre (ft²)		43,560			
6	perimeter of acre (ft)		834.84			
7						
8	Acres of Farmland that could use Hogwire				4,357,853	
9						
10	CPI					
11	2020-21	1.6%				
12	2021-22	2.3%				
13	2022-23	5.4%				
14	2023-24	2.5%				
15	2024-25	2.2%				
16	2025-26	2.1%				
17	2026-27	2.2%				
18	2027-28	2.3%				
19	2028-29	2.4%				
20						
21	Hogwire Fencing Impact					
22						
23	Average size of subdivided farmland (acres)				50	
24	Percent of Non-Cattle farmland fenced in hogwire				100%	
25	Perimeter of Average non-cattle fenced area (feet)				5,903	
26	Percent of Average Non-cattle contiguous				10%	
27						
28	Price per Foot for Hogwire fencing grown at CPI					
29		High	Middle	Low		
30	2020-21	\$ 3.0	\$ 2.1	\$ 1.3		
31	2021-22	\$ 3.1	\$ 2.2	\$ 1.3		
32	2022-23	\$ 3.1	\$ 2.2	\$ 1.3		
33	2023-24	\$ 3.2	\$ 2.3	\$ 1.3		
34	2024-25	\$ 3.3	\$ 2.3	\$ 1.4		
35	2025-26	\$ 3.4	\$ 2.4	\$ 1.4		
36	2026-27	\$ 3.4	\$ 2.4	\$ 1.4		

	A	B	C	D	E	F
37						
38	Value of Currently installed Hogwire fencing (\$M)					
39		High	Middle	Low		
40	2022-23	\$ 1,455.2	\$ 1,030.8	\$ 606.3		
41	2023-24	\$ 1,485.8	\$ 1,052.4	\$ 619.1		
42	2024-25	\$ 1,518.5	\$ 1,075.6	\$ 632.7		
43	2025-26	\$ 1,553.4	\$ 1,100.3	\$ 647.2		
44	2026-27	\$ 1,590.7	\$ 1,126.7	\$ 662.8		
45						
46	Rate of Replacement			5%		
47	Rate of repair			10%		
48						
49	Price for Repair and Replacement of Currently installed Hogwire fencing (\$M)					
50		High	Middle	Low		
51	2022-23	\$ 218.3	\$ 154.6	\$ 91.0		
52	2023-24	\$ 222.9	\$ 157.9	\$ 92.9		
53	2024-25	\$ 227.8	\$ 161.3	\$ 94.9		
54	2025-26	\$ 233.0	\$ 165.0	\$ 97.1		
55	2026-27	\$ 238.6	\$ 169.0	\$ 99.4		
56						
57	Sales Tax on Repair and Replacement of Currently installed Hogwire fencing (\$M)					
58						
59		High	Middle	Low		
60	2022-23	\$ 13.1	\$ 9.3	\$ 5.5		
61	2023-24	\$ 13.4	\$ 9.5	\$ 5.6		
62	2024-25	\$ 13.7	\$ 9.7	\$ 5.7		
63	2025-26	\$ 14.0	\$ 9.9	\$ 5.8		
64	2026-27	\$ 14.3	\$ 10.1	\$ 6.0		

	A	B	C	D	E	F	G
1		According to the USDA, Florida had 47,400 Farms in 2020					
2		Assume Each Farm has 2 Trailers					
3		Assume Each Trailer Gets Replaced once every 30 Years					
4							
5	Inputs				Dec-21 NEEC CPI Growth Rates		
6	Old Exemption Cap	\$	20,000.00		Year	Growth	
7	Sales Tax		6%		2022-23	5.4%	
8	Number Of Farms		47,400		2023-24	2.5%	
9	Trailers Per Farm		2		2024-25	2.2%	
10	Trailer Lifespan		30		2025-26	2.1%	
11	N Trailers Purchased in a Year		3,160		2026-27	2.2%	
12	F Max Probability		0.98				
13	F Adjustment Factor		0.00286				
14							
15	Low						
16	Price of Trailer	Old Taxable Amt	Old Tax Revenue	Trailer Prop	Number Bought	Year 0 Impact	
17	\$ 20,000	\$ -	\$ -	80%	2,528	\$ -	
18	\$ 30,000	\$ 10,000	\$ 600	5.2%	166	\$ 99,423	
19	\$ 40,000	\$ 20,000	\$ 1,200	4.2%	133	\$ 159,621	
20	\$ 50,000	\$ 30,000	\$ 1,800	3.3%	105	\$ 188,470	
21	\$ 60,000	\$ 40,000	\$ 2,400	2.6%	81	\$ 194,982	
22	\$ 70,000	\$ 50,000	\$ 3,000	2.0%	62	\$ 187,452	
23	\$ 80,000	\$ 60,000	\$ 3,600	1.5%	48	\$ 172,544	
24	\$ 90,000	\$ 70,000	\$ 4,200	1.2%	37	\$ 155,046	
25				100.0%	3,160	\$ 1,157,538	
26							
27	Middle						
28	Price of Trailer	Old Taxable Amt	Old Tax Revenue	Trailer Prop	Number Bought	Year 0 Impact	
29	\$ 20,000	\$ -	\$ -	60.0%	1,896	\$ -	
30	\$ 30,000	\$ 10,000	\$ 600	11.3%	359	\$ 215,107	
31	\$ 40,000	\$ 20,000	\$ 1,200	9.2%	290	\$ 347,545	
32	\$ 50,000	\$ 30,000	\$ 1,800	7.0%	220	\$ 395,643	
33	\$ 60,000	\$ 40,000	\$ 2,400	5.0%	159	\$ 381,212	
34	\$ 70,000	\$ 50,000	\$ 3,000	3.5%	111	\$ 332,153	
35	\$ 80,000	\$ 60,000	\$ 3,600	2.4%	75	\$ 271,639	
36	\$ 90,000	\$ 70,000	\$ 4,200	1.6%	51	\$ 214,428	
37				100%	3,160	\$ 2,157,727	
38							
39	High						
40	Price of Trailer	Old Taxable Amt	Old Tax Revenue	Trailer Prop	Number Bought	Year 0 Impact	
41	\$ 20,000	\$ -	\$ -	50.0%	1,580	\$ -	
42	\$ 30,000	\$ 10,000	\$ 600	14.0%	444	\$ 266,154	
43	\$ 40,000	\$ 20,000	\$ 1,200	11.7%	370	\$ 444,330	
44	\$ 50,000	\$ 30,000	\$ 1,800	8.9%	283	\$ 508,877	
45	\$ 60,000	\$ 40,000	\$ 2,400	6.4%	201	\$ 483,148	
46	\$ 70,000	\$ 50,000	\$ 3,000	4.3%	136	\$ 408,218	
47	\$ 80,000	\$ 60,000	\$ 3,600	2.8%	89	\$ 319,900	
48	\$ 90,000	\$ 70,000	\$ 4,200	1.8%	57	\$ 240,154	
49				100%	3,160	\$ 2,670,781	



Impact						
Year	Low		Middle		High	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$ (1.06) M	\$ (1.16) M	\$ (1.98) M	\$ (2.16) M	\$ (2.45) M	\$ (2.67) M
2023-24	\$ (1.22) M	\$ (1.22) M	\$ (2.27) M	\$ (2.27) M	\$ (2.82) M	\$ (2.82) M
2024-25	\$ (1.29) M	\$ (1.29) M	\$ (2.4) M	\$ (2.4) M	\$ (2.97) M	\$ (2.97) M
2025-26	\$ (1.36) M	\$ (1.36) M	\$ (2.53) M	\$ (2.53) M	\$ (3.13) M	\$ (3.13) M
2026-27	\$ (1.43) M	\$ (1.43) M	\$ (2.66) M	\$ (2.66) M	\$ (3.3) M	\$ (3.3) M