

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Data Centers

Bill Number(s): HB 7099, Section 3 Enrolled, Section 4 (Effective date)

Entire Bill

Partial Bill:

Sponsor(s): Finance and tax Committee; Rep. Gaetz

Month/Year Impact Begins: Upon becoming a law

Date of Analysis: 5/20/2016

Section 1: Narrative

- a. Current Law:** Article VII, Section 3(c) of the Florida Constitution provides: Any county or municipality may, for the purpose of its respective tax levy and subject to the provisions of this subsection and general law, grant community and economic development ad valorem tax exemptions to new businesses and expansions of existing businesses, as defined by general law. Such an exemption may be granted only by ordinance of the county or municipality, and only after the electors of the county or municipality voting on such question in a referendum authorize the county or municipality to adopt such ordinances. An exemption so granted shall apply to improvements to real property made by or for the use of a new business and improvements to real property related to the expansion of an existing business and shall also apply to tangible personal property of such new business and tangible personal property related to the expansion of an existing business. The amount or limits of the amount of such exemption shall be specified by general law. The period of time for which such exemption may be granted to a new business or expansion of an existing business shall be determined by general law. The authority to grant such exemption shall expire ten years from the date of approval by the electors of the county or municipality, and may be renewable by referendum as provided by general law.

Section 195.1995 provides for a local option economic development ad valorem tax exemption. Current law provides for an exemption enacted by referendum that authorizes a county or municipality to grant property tax exemptions to new businesses and expansions of existing businesses that are expected to create new, full-time jobs in the county (or municipality or both). The governing body of the county or municipality may vote to limit the effect of the referendum to authority to grant economic development tax exemptions to businesses located in an enterprise zone or a brownfield area. Upon a majority vote, the governing body of a county or municipality, at its discretion, by ordinance may exempt from ad valorem taxation up to 100% of the assessed value of all improvements to real property made by or for the use of the new business and all of the tangible personal property of such new business, or up to 100% of the assessed value of all improvements to real property made to facilitate the expansion of an existing business and the net increase in all tangible personal property acquired to facilitate such expansion of an existing business. Property acquired to replace existing property shall not be considered to facilitate a business expansion. The exemption only applies to taxes levied by the respective unit of government granting the exemption. Any such exemption shall remain in effect for up to 10 years with respect to any particular facility, regardless of any change in the authority of the county or municipality.

- b. Proposed Change:** Revises subsection 196.1995 (5), Florida Statutes, to amend (in part) as follows: Property acquired to replace existing property shall not be considered to facilitate a business expansion. All data center equipment for a data center shall be exempt from ad valorem taxation for the term of the approved exemption.

The subsection is further amended to provide (in part) e: Any such exemption shall remain in effect for up to 10 years with respect to any particular facility, or for up to 20 years for a data center.

Also amends subsection 195.1995 (11), Florida Statutes, to provide (in part):

(11) An ordinance granting an exemption under this section shall be adopted in the same manner as any other ordinance of the county or municipality and shall include the following:

(c) The period of time for which the exemption will remain in effect and the expiration date of the exemption, which may be any period of time up to 10 years, or up to 20 years for a data center; and

Section 2: Description of Data and Sources

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Data Centers

Bill Number(s): HB 7099, Section 3 Enrolled, Section 4 (Effective date)

Section 3: Methodology (Include Assumptions and Attach Details)

Because this exemption is a local option and at the discretion of the governing body of a given city or municipality if they grant the exemption, the length of the exemption, and whether the exemption applies to 100% of the assessed value of the subject property, the impact of the change in law is zero/ negative indeterminate

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17)		\$0/(Negative Indeterminate)	\$0/(Negative Indeterminate)		
2017-18			\$0/(Negative Indeterminate)	\$0/(Negative Indeterminate)		
2018-19			\$0/(Negative Indeterminate)	\$0/(Negative Indeterminate)		
2019-20			\$0/(Negative Indeterminate)	\$0/(Negative Indeterminate)		
2020-21			\$0/(Negative Indeterminate)	\$0/(Negative Indeterminate)		

List of affected Trust Funds:

Section 5: Consensus Estimate (Adopted: 05/24/2016): The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	0.0	0.0	0.0	0.0	(0/**)	(0/**)	(0/**)	(0/**)
2017-18	0.0	0.0	0.0	0.0	(0/**)	(0/**)	(0/**)	(0/**)
2018-19	0.0	0.0	0.0	0.0	(0/**)	(0/**)	(0/**)	(0/**)
2019-20	0.0	0.0	0.0	0.0	(0/**)	(0/**)	(0/**)	(0/**)
2020-21	0.0	0.0	0.0	0.0	(0/**)	(0/**)	(0/**)	(0/**)

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Exemption for Certain Enterprise Zone Businesses

Bill Number(s): HB 7099, Sections 2 – 4 Enrolled

Entire Bill

Partial Bill:

Sponsor(s): Committee on Finance and Tax and Rep. Gaetz

Month/Year Impact Begins: Apply retroactively to December 31, 2015

Date of Analysis: 5/20/2016

Section 1: Narrative

- a. Current Law:** Article VII, Section 3(c) of the Florida Constitution provides: Any county or municipality may, for the purpose of its respective tax levy and subject to the provisions of this subsection and general law, grant community and economic development ad valorem tax exemptions to new businesses and expansions of existing businesses, as defined by general law. Such an exemption may be granted only by ordinance of the county or municipality, and only after the electors of the county or municipality voting on such question in a referendum authorize the county or municipality to adopt such ordinances. An exemption so granted shall apply to improvements to real property made by or for the use of a new business and improvements to real property related to the expansion of an existing business and shall also apply to tangible personal property of such new business and tangible personal property related to the expansion of an existing business. The amount or limits of the amount of such exemption shall be specified by general law. The period of time for which such exemption may be granted to a new business or expansion of an existing business shall be determined by general law. The authority to grant such exemption shall expire ten years from the date of approval by the electors of the county or municipality, and may be renewable by referendum as provided by general law.

Section 195.1995 provides for a local option economic development ad valorem tax exemption. Current law provides for an exemption enacted by referendum that authorizes a county or municipality to grant property tax exemptions to new businesses and expansions of existing businesses that are expected to create new, full-time jobs in the county (or municipality or both). The governing body of the county or municipality may vote to limit the effect of the referendum to authority to grant economic development tax exemptions to businesses located in an enterprise zone or a brownfield area. Upon a majority vote, the governing body of a county or municipality, at its discretion, by ordinance may exempt from ad valorem taxation up to 100% of the assessed value of all improvements to real property made by or for the use of the new business and all of the tangible personal property of such new business, or up to 100% of the assessed value of all improvements to real property made to facilitate the expansion of an existing business and the net increase in all tangible personal property acquired to facilitate such expansion of an existing business. Property acquired to replace existing property shall not be considered to facilitate a business expansion. The exemption only applies to taxes levied by the respective unit of government granting the exemption. Any such exemption shall remain in effect for up to 10 years with respect to any particular facility, regardless of any change in the authority of the county or municipality.

Paragraph 196.012 (14)(b) provides: "New Business" means:

(b) Any business or organization located in an enterprise zone or brownfield area that first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business or organization.

Paragraph 196.012 (15)(b) provides: (15) "Expansion of an existing business" means:

(b) Any business or organization located in an enterprise zone or brownfield area that increases operations on a site located within the same zone or area collocated with a commercial or industrial operation owned by the same business or organization under common control with the same business or organization.

- b. Proposed Change:** Amends 196.012 (14)(b) to read:

(14) "New business" means:

(b) Any business or organization located in an area that was designated as an enterprise zone pursuant to chapter 290 as of December 30, 2015, or brownfield area that first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business or organization.

Amends 196.012 (15) (b) to read: (15) "Expansion of an existing business" means:

(b) Any business or organization located in an area that was designated as an enterprise zone pursuant to chapter 290 as of December 30, 2015, or brownfield area that increases operations on a site located within the same zone or area collocated with a commercial or industrial operation owned by the same business or organization under common control with the same business or organization.

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Exemption for Certain Enterprise Zone Businesses

Bill Number(s): HB 7099, Sections 2 – 4 Enrolled

Amends subsection 196.1995 (5) to read (in part):

However, if the authority to grant exemptions is approved in a referendum in which the ballot question contained in subsection (3) appears on the ballot, the authority of the board of county commissioners or the governing authority of the municipality to grant exemptions is limited solely to new businesses and expansions of existing businesses that are located in an area which was designated as an enterprise zone pursuant to chapter 290 as of December 30, 2015, or in a brownfield area. New businesses and expansions of existing businesses located in an area that was designated as an enterprise zone pursuant to chapter 290 as of December 30, 2015, but is not in a brownfield area, may qualify for the ad valorem tax exemption only if approved by motion or resolution of the local governing body, subject to ordinance adoption, or by ordinance, enacted before December 31, 2015.

Property acquired to replace existing property shall not be considered to facilitate a business expansion. All data center equipment for a data center shall be exempt from ad valorem taxation for the term of the approved exemption. The exemption applies only to taxes levied by the respective unit of government granting the exemption. The exemption does not apply, however, to taxes levied for the payment of bonds or to taxes authorized by a vote of the electors pursuant to s. 9(b) or s. 12, Art. VII of the State Constitution. Any such exemption shall remain in effect for up to 10 years with respect to any particular facility, or up to 20 years for a data center, regardless of any change in the authority of the county or municipality to grant such exemptions or the expiration of the Enterprise Zone Act pursuant to chapter 290. The exemption shall not be prolonged or extended by granting exemptions from additional taxes or by virtue of any reorganization or sale of the business receiving the exemption.

Section 4 Of HB 7099 Enrolled reads: The amendments made by this act to ss. 196.012 and 196.1995, Florida Statutes, which relate to the ad valorem tax exemption for certain enterprise zone businesses are remedial in nature and apply retroactively to December 31, 2015, and the amendments to s. 196.1995, Florida Statutes, made by this act which relate to the ad valorem tax exemption for data center equipment apply upon this act becoming a law.

Section 2: Description of Data and Sources

2015 Ad Valorem Exempt Values

Section 3: Methodology (Include Assumptions and Attach Details)

Attached is data from the 2015 tax rolls on the exempt amount from the 196.1995 Economic Development Exemption. The analyst has no knowledge of which of these economic development exemptions, if any, are impacted by the change in law. Further, the analyst does not know the expiration date of any of the exemptions previously granted. Finally, it is not known which cities or counties might have such provisions tying the exemption to enterprise zones, so it is unclear what millage rate to use to determine any possible impact. As such, an impact of \$0/ negative indeterminate is proposed.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17			0/(**)	0/(**)		
2017-18			0/(**)	0/(**)		
2018-19			0/(**)	0/(**)		
2019-20			0/(**)	0/(**)		
2020-21			0/(**)	0/(**)		

List of affected Trust Funds: Ad Valorem Group (partial)

Section 5: Consensus Estimate (Adopted: 05/24/2016): The Conference adopted a negative indeterminate impact.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	0.0	0.0	0.0	0.0	(**)	(**)	(**)	(**)
2017-18	0.0	0.0	0.0	0.0	(**)	(**)	(**)	(**)
2018-19	0.0	0.0	0.0	0.0	(**)	(**)	(**)	(**)
2019-20	0.0	0.0	0.0	0.0	(**)	(**)	(**)	(**)
2020-21	0.0	0.0	0.0	0.0	(**)	(**)	(**)	(**)

	A	B	C	D
1	County	Real Property Econ. Development & Child Care Exemptions (blank)	Tangible Personal Property Economic Development & Child Care Exemptions	Total
2	Alachua			
3	Baker			
4	Bay	\$10,389,265	\$24,534,978	\$34,924,243
5	Bradford			
6	Brevard	\$21,022,210	\$6,783,910	\$27,806,120
7	Broward	\$2,398,210		\$2,398,210
8	Calhoun			
9	Charlotte			
10	Citrus			
11	Clay			
12	Collier	\$769,151		\$769,151
13	Columbia	\$52,488,734	\$952,773	\$53,441,507
14	Miami-Dade	\$14,030,011		\$14,030,011
15	DeSoto	\$590,039		\$590,039
16	Dixie			
17	Duval	\$600,894		\$600,894
18	Escambia	\$60,494,004	\$155,063,305	\$215,557,309
19	Flagler			
20	Franklin			
21	Gadsden			
22	Gilchrist			
23	Glades		\$1,735,035	\$1,735,035
24	Gulf	\$296,762		\$296,762
25	Hamilton	\$40,309		\$40,309
26	Hardee	\$798,521		\$798,521
27	Hendry	\$1,646,060	\$202,990	\$1,849,050
28	Hernando			
29	Highlands	\$518,105	\$1,400,060	\$1,918,165
30	Hillsborough	\$26,603,962	\$38,247,415	\$64,851,377
31	Holmes	\$254,477		\$254,477
32	Indian River	\$1,547,680		\$1,547,680
33	Jackson			
34	Jefferson			
35	Lafayette			
36	Lake			
37	Lee	\$1,155,541		\$1,155,541
38	Leon	\$2,071,374		\$2,071,374
39	Levy			
40	Liberty			

	A	B	C	D
1	County	Real Property Econ. Development & Child Care Exemptions (blank)	Tangible Personal Property Economic Development & Child Care Exemptions	Total
41	Madison	\$816,705	\$1,082,724	\$1,899,429
42	Manatee			
43	Marion			
44	Martin			
45	Monroe			
46	Nassau			
47	Okaloosa	\$2,612,455	\$5,940,011	\$8,552,466
48	Okeechobee	\$744,512		\$744,512
49	Orange	\$5,547,358	\$10,321,542	\$15,868,900
50	Osceola	\$302,852		\$302,852
51	Palm Beach	\$37,992,588		\$37,992,588
52	Pasco			
53	Pinellas	\$12,063,706		\$12,063,706
54	Polk	\$39,125,422	\$55,964,315	\$95,089,737
55	Putnam			
56	Saint Johns			
57	Saint Lucie	\$3,482,440	\$39,024,249	\$42,506,689
58	Santa Rosa	\$269,648	\$48,026	\$317,674
59	Sarasota	\$9,267,787	\$16,982,103	\$26,249,890
60	Seminole			
61	Sumter	\$147,850		\$147,850
62	Suwannee			
63	Taylor	\$294,720		\$294,720
64	Union			
65	Volusia	\$1,787,444	\$14,952	\$1,802,396
66	Wakulla			
67	Walton	\$841,497	\$900,722	\$1,742,219
68	Washington			
69		\$313,012,293	\$359,199,110	\$672,211,403

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Renewable Energy Devices

Bill Number(s): CS/HJR193 Enrolled

Entire Bill

Partial Bill:

Sponsor(s): Representative Rodrigues

Month/Year Impact Begins: January 1, 2017

Date of Analysis: May 20, 2016

Section 1: Narrative

a. Current Law: Article VII, Section 3(e) of the Florida Constitution reads: By general law and subject to conditions specified therein, Twenty-five thousand dollars of the assessed value of property subject to tangible personal property tax shall be exempt from ad valorem taxation.

Article VII, Section 4(i) of the Florida Constitution reads: The legislature, by general law and subject to conditions specified therein, may prohibit the consideration of the following in the determination of the assessed value of real property used for residential purposes:

- (1) Any change or improvement made for the purpose of improving the property’s resistance to wind damage.
- (2) The installation of a renewable energy source device.

b. Proposed Change: HJR 193 revises Article VII, Section 3(e) to read: By general law and subject to conditions specified therein: (1) Twenty-five thousand dollars of the assessed value of property subject to tangible personal property tax shall be exempt from ad valorem taxation.

(2) The assessed value of solar devices or renewable energy source devices subject to tangible personal property tax may be exempt from ad valorem taxation, subject to limitations provided by general law.

HJR 193 revises Article VII, Section 4 (i) to read: The legislature, by general law and subject to conditions specified therein, may prohibit the consideration of the following in the determination of the assessed value of real property ~~used for residential purposes:~~

- (1) Any change or improvement to real property used for residential purposes made to improve for the purpose of improving the property’s resistance to wind damage.
- (2) The installation of a solar or renewable energy source device.

HJR 193 creates Article XII, Section 34 to provide for the start date for the assessment value limitations on tangible personal property.

c.

Section 2: Description of Data and Sources

<http://www.psc.state.fl.us/utilities/electricgas/customerrenewable/2014/2014%20Net%20Metering%20Summary%20Spreadsheet/2014%20Net%20Metering%20Chart.pdf>

Section 3: Methodology (Include Assumptions and Attach Details)

As the proposed constitutional amendment requires 60% approval at a statewide referendum and must also be enacted by general law, the constitutional amendment is indeterminate

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17			Indeterminate	Indeterminate		
2017-18			Indeterminate	Indeterminate		
2018-19			Indeterminate	Indeterminate		
2019-20			Indeterminate	Indeterminate		
2020-21			Indeterminate	Indeterminate		

List of affected Trust Funds:

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Renewable Energy Devices

Bill Number(s): CS/HJR193 Enrolled

Section 5: Consensus Estimate (Adopted: 05/24/2016): The REC adopted a zero impact because the amendment, if adopted, will need to be implemented by the Legislature.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2017-18	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2018-19	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2019-20	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2020-21	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Value Adjustment Boards

Bill Number(s): CS/CS/HB 499 Enrolled

Entire Bill

Partial Bill: Sections 2 and 11

Sponsor(s): Rep. Avila

Month/Year Impact Begins: July 1, 2016

Date of Analysis: May 20, 2016

Section 1: Narrative

a. Current Law: Subsection 193.073(1) reads:

(1) Upon discovery that an erroneous or incomplete statement of personal property has been filed by a taxpayer or that all the property of a taxpayer has not been returned for taxation, the property appraiser shall proceed as follows:

(a) If the property is personal property and is discovered before April 1, the property appraiser shall make an assessment in triplicate. After attaching the affidavit and warrant required by law, the property appraiser shall dispose of the additional assessment roll in the same manner as provided by law.

(b) If the property is personal property and is discovered on or after April 1, or is real property discovered at any time, the property shall be added to the assessment roll then in preparation.

Paragraph 194.034 (1) (f) reads: An assessment may not be contested until a return required by s. [193.052](#) has been filed.

b. Proposed Change:

Amends Subsection 193,073(1) to read:

(1)(a) Upon discovery that an erroneous or incomplete statement of personal property has been filed by a taxpayer or that all the property of a taxpayer has not been returned for taxation, the property appraiser shall mail a notice informing the taxpayer that an erroneous or incomplete statement of personal property has been filed. Such notice shall be mailed at any time before the mailing of the notice required in s. 200.069. The taxpayer has 30 days after the date the notice is mailed to provide the property appraiser with a complete return listing all property for taxation, proceed as follows:

~~(b) (a)~~ If the property is personal property and is discovered before April 1, the property appraiser shall make an assessment in triplicate. After attaching the affidavit and warrant required by law, the property appraiser shall dispose of the additional assessment roll in the same manner as provided by law.

~~(c) (b)~~ If the property is personal property and is discovered on or after April 1, or is real property discovered at any time, the property shall be added to the assessment roll then in preparation.

Amends Paragraph 194.034 (1) (f) (which is renumbered due to other amendments not creating a fiscal impact to (j)) to read: ~~(j)(f)~~ An assessment may not be contested unless until a return as required by s. 193.052 was timely filed. For purposes of this paragraph, the term "timely filed" means filed by the deadline established in s. 193.062 or before the expiration of any extension granted under s. 193.063. If notice is mailed pursuant to s. 193.073(1)(a), a complete return must be submitted under s. 193.073(1)(a) for the assessment to be contested.

Section 2: Description of Data and Sources

Conversations and emails with appraisers.

Section 3: Methodology (Include Assumptions and Attach Details)

Developed a decision matrix to attempt to determine if there is a specific directional outcome (positive or negative). Used 2013 TPP reductions at VAB to develop a possible impact. 2013 was the last complete year of VAB results. For the high assumed that 5% of the VAB reductions would not occur. For the middle assumed 1% of VAB reductions would not occur. For the low assumed that more accurate assessments from returns that would not have petitioned the VAB under current law would result in offsetting any positive impact from the VAB for reductions that would have occurred under prior law but now cannot petition for failure to file a timely return.

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Value Adjustment Boards

Bill Number(s): CS/CS/HB 499 Enrolled

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	\$0.4	\$0.4	\$0.1	\$0.1	\$0	\$0
2017-18	\$0.4	\$0.4	\$0.1	\$0.1	\$0	\$0
2018-19	\$0.4	\$0.4	\$0.1	\$0.1	\$0	\$0
2019-20	\$0.4	\$0.4	\$0.1	\$0.1	\$0	\$0
2020-21	\$0.4	\$0.4	\$0.1	\$0.1	\$0	\$0

List of affected Trust Funds: Ad Valorem Group

Section 5: Consensus Estimate (Adopted: 05/24/2016): The Conference adopted a positive indeterminate impact.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	0	0	0	0	**	**	**	**
2017-18	0	0	0	0	**	**	**	**
2018-19	0	0	0	0	**	**	**	**
2019-20	0	0	0	0	**	**	**	**
2020-21	0	0	0	0	**	**	**	**

	Taxpayer provides Timely return	Taxpayer does not provide timely return
Property Appraiser overassess Property - Under Legislation	Can Petition VAB	Cannot Petition VAB
Property Appraiser overassess Property - Under Prior Law	Can Petition VAB	Can Petition VAB

Prior Law

- No incentive to file timely return
- PA's report accepting returns first provided at VAB hearing
- No benefit of Return in Roll Development
- Possibility of triple assessment under certain circumstances
- Taxpayer can file a return at any point up to hearing in order to petition assessment

New Law

- Incentive to taxpayer to file return
- PA has benefit of return during roll development process
- May result in more accurate assessments and fewer VAB petitions
- Taxpayer may not contest assessment at VAB if no timely return filed.
- Taxpayer may still contest assessment in court

	Accounts with VAB Petitions	Accounts with Approved VAB Petitions	Accounts with Withdrawn Petitions	Taxable Value Reduction	Reduction in Taxes Levied
2011	5,639	1,226	2,851	740,670,957	13,798,081
2012	4,907	1,133	2,377	631,915,065	12,272,462
2013	6,445	856	3,798	402,056,032	8,287,866
2014*	3,545	266	2,686	121,929,883	2,364,349
2015**	1,836	261	1,356	69,865,310	1,372,977

*2014 does not include Miami-Dade's VAB information.

**2015 does not include information from 18 counties. See 2015 tab for more information.

	High	Middle	Low
	5% of petition reductions on TPP do not occur	1% of petition reductions on TPP do not occur	More accurate assessments reduce underassessments and offset any reduction that occurred
2016-17	\$414,393	\$82,879	\$0
2017-18	\$414,393	\$82,879	\$0
2018-19	\$414,393	\$82,879	\$0
2019-2020	\$414,393	\$82,879	\$0
2020-21	\$414,393	\$82,879	\$0

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Value Adjustment Boards

Bill Number(s): CS/CS/HB 499 Enrolled

Entire Bill

Partial Bill: Sections 5, 6 and 7

Sponsor(s): Rep. Avila

Month/Year Impact Begins: July 1, 2016

Date of Analysis: 5/18/2016

Section 1: Narrative

- a. **Current Law:** Subsection 193.155(10) reads: (10) If the property appraiser determines that for any year or years within the prior 10 years a person who was not entitled to the homestead property assessment limitation granted under this section was granted the homestead property assessment limitation, the property appraiser making such determination shall record in the public records of the county a notice of tax lien against any property owned by that person in the county, and such property must be identified in the notice of tax lien. Such property that is situated in this state is subject to the unpaid taxes, plus a penalty of 50 percent of the unpaid taxes for each year and 15 percent interest per annum. However, when a person entitled to exemption pursuant to s. [196.031](#) inadvertently receives the limitation pursuant to this section following a change of ownership, the assessment of such property must be corrected as provided in paragraph (9)(a), and the person need not pay the unpaid taxes, penalties, or interest.

Paragraph 196.161(1)(b) reads: addition, upon determination by the property appraiser that for any year or years within the prior 10 years a person who was not entitled to a homestead exemption was granted a homestead exemption from ad valorem taxes, it shall be the duty of the property appraiser making such determination to 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 such property shall be identified in the notice of tax lien. Such property which is situated in this state shall be subject to the taxes exempted thereby, plus a penalty of 50 percent of the unpaid taxes for each year and 15 percent interest per annum. **However, if a homestead exemption is improperly granted as a result of a clerical mistake or an omission by the property appraiser, the person improperly receiving the exemption shall not be assessed penalty and interest. Before any such lien may be filed, the owner so notified must be given 30 days to pay the taxes, penalties, and interest.**

Section 193.1554 (10) reads: If the property appraiser determines that for any year or years within the prior 10 years a person or entity who was not entitled to the property assessment limitation granted under this section was granted the property assessment limitation, the property appraiser making such determination shall record in the public records of the county a notice of tax lien against any property owned by that person or entity in the county, and such property must be identified in the notice of tax lien. Such property that is situated in this state is subject to the unpaid taxes, plus a penalty of 50 percent of the unpaid taxes for each year and 15 percent interest per annum.

Subsection 193.1555 (10) reads: If the property appraiser determines that for any year or years within the prior 10 years a person or entity who was not entitled to the property assessment limitation granted under this section was granted the property assessment limitation, the property appraiser making such determination shall record in the public records of the county a notice of tax lien against any property owned by that person or entity in the county, and such property must be identified in the notice of tax lien. Such property that is situated in this state is subject to the unpaid taxes, plus a penalty of 50 percent of the unpaid taxes for each year and 15 percent interest per annum.

b. **Proposed Change:**

Adds the following language to 193.155(10), 193.1554(10) and 193.1555 (10): Before a tax lien can be filed, the person or entity so notified must be given 30 days to pay the taxes and any applicable penalties and interest. If the property appraiser improperly grants a property assessment limitation as a result of a clerical mistake or an omission, the person or entity improperly receiving the property assessment limitation may not be assessed a penalty or interest.

Also amends all three sections to specify that the property appraiser shall serve upon the owner a notice of intent to record in the public records a notice of tax lien prior to the filing of a lien.

Section 2: Description of Data and Sources

2015-16 Millage Rates

December 23, 2015 Ad Valorem Assessment Estimating Conference Workpapers

Conversations with County Property Appraisers

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Value Adjustment Boards

Bill Number(s): CS/CS/HB 499 Enrolled

Section 3: Methodology (Include Assumptions and Attach Details)

Assumed that the impact to taxable value was 0.5% for the high, 0.10% for the middle and 0.00% for the low. Applied 2015-16 aggregate millage rate to get assumed tax amount. Applied 50% to determine assumed penalty. For interest portion, it was assumed there would be two years' worth of interest for the high and one year for the middle. No growth was assumed. For the homestead portion, assumed that all counties had impacts to 0.5% for the high and assumed only Palm Beach County had an impact to 0.1% of their counties differential for the middle.

Section 4: Proposed Fiscal Impact

Non-Homestead Residential and Non-Residential Impact

School

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	(\$1.0 M)	(\$1.0 M)	(\$0.2 M)	(\$0.2 M)	(\$0.0 M)	(\$0.0 M)
2017-18	(\$1.0 M)	(\$1.0 M)	(\$0.2 M)	(\$0.2 M)	(\$0.0 M)	(\$0.0 M)
2018-19	(\$1.0 M)	(\$1.0 M)	(\$0.2 M)	(\$0.2 M)	(\$0.0 M)	(\$0.0 M)
2019-20	(\$1.0 M)	(\$1.0 M)	(\$0.2 M)	(\$0.2 M)	(\$0.0 M)	(\$0.0 M)
2020-21	(\$1.0 M)	(\$1.0 M)	(\$0.2 M)	(\$0.2 M)	(\$0.0 M)	(\$0.0 M)

Non-School

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	(\$1.6 M)	(\$1.6 M)	(\$0.3 M)	(\$0.3 M)	(\$0.0 M)	(\$0.0 M)
2017-18	(\$1.6 M)	(\$1.6 M)	(\$0.3 M)	(\$0.3 M)	(\$0.0 M)	(\$0.0 M)
2018-19	(\$1.6 M)	(\$1.6 M)	(\$0.3 M)	(\$0.3 M)	(\$0.0 M)	(\$0.0 M)
2019-20	(\$1.6 M)	(\$1.6 M)	(\$0.3 M)	(\$0.3 M)	(\$0.0 M)	(\$0.0 M)
2020-21	(\$1.6 M)	(\$1.6 M)	(\$0.3 M)	(\$0.3 M)	(\$0.0 M)	(\$0.0 M)

Homestead Impact

School

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	(\$4.9 M)	(\$4.9 M)	(\$0.1 M)	(\$0.1 M)	(\$0.0 M)	(\$0.0 M)
2017-18	(\$4.9 M)	(\$4.9 M)	(\$0.1 M)	(\$0.1 M)	(\$0.0 M)	(\$0.0 M)
2018-19	(\$4.9 M)	(\$4.9 M)	(\$0.1 M)	(\$0.1 M)	(\$0.0 M)	(\$0.0 M)
2019-20	(\$4.9 M)	(\$4.9 M)	(\$0.1 M)	(\$0.1 M)	(\$0.0 M)	(\$0.0 M)
2020-21	(\$4.9 M)	(\$4.9 M)	(\$0.1 M)	(\$0.1 M)	(\$0.0 M)	(\$0.0 M)

Non-School

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	(\$7.4 M)	(\$7.4 M)	(\$0.2 M)	(\$0.2 M)	(\$0.0 M)	(\$0.0 M)
2017-18	(\$7.4 M)	(\$7.4 M)	(\$0.2 M)	(\$0.2 M)	(\$0.0 M)	(\$0.0 M)
2018-19	(\$7.4 M)	(\$7.4 M)	(\$0.2 M)	(\$0.2 M)	(\$0.0 M)	(\$0.0 M)
2019-20	(\$7.4 M)	(\$7.4 M)	(\$0.2 M)	(\$0.2 M)	(\$0.0 M)	(\$0.0 M)
2020-21	(\$7.4 M)	(\$7.4 M)	(\$0.2 M)	(\$0.2 M)	(\$0.0 M)	(\$0.0 M)

List of affected Trust Funds: Ad Valorem Group

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Value Adjustment Boards

Bill Number(s): CS/CS/HB 499 Enrolled

Section 5: Consensus Estimate (Adopted: 05/24/2016): The Conference adopted the middle impact.

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	(0.3)	(0.3)	(0.5)	(0.5)	(0.8)	(0.8)
2017-18	(0.3)	(0.3)	(0.5)	(0.5)	(0.8)	(0.8)
2018-19	(0.3)	(0.3)	(0.5)	(0.5)	(0.8)	(0.8)
2019-20	(0.3)	(0.3)	(0.5)	(0.5)	(0.8)	(0.8)
2020-21	(0.3)	(0.3)	(0.5)	(0.5)	(0.8)	(0.8)

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	0.0	0.0	0.0	0.0	(0.8)	(0.8)	(0.8)	(0.8)
2017-18	0.0	0.0	0.0	0.0	(0.8)	(0.8)	(0.8)	(0.8)
2018-19	0.0	0.0	0.0	0.0	(0.8)	(0.8)	(0.8)	(0.8)
2019-20	0.0	0.0	0.0	0.0	(0.8)	(0.8)	(0.8)	(0.8)
2020-21	0.0	0.0	0.0	0.0	(0.8)	(0.8)	(0.8)	(0.8)

	A	B	C	D	E	F	G	H	I	J	
1							Less (Miami- Dade) Limitation Absent				
2							Miami-Dade Palm Beach				
3	2015 Homestead Assessment Limitation						\$186,914,000,000	\$36,592,000,000	\$150,322,000,000	\$23,601,000,000	
4	2015 Non Homestead Residential Assessment Limitation Differential						\$38,524,000,000	\$12,882,769,870	\$25,641,230,130		
5	2015 Non Residential Assessment Limitation Differential						\$23,160,000,000	\$8,034,521,919	\$15,125,478,081		
6							High	Middle	Low		
7	Assumed cap amount subject to penalty and interest - non-homestead						0.50%	0.10%	0.00%		
8	2015-16 Millage Rates -						Assumed Taxable Value				
9	School	7.2946					\$203,833,541	\$40,766,708	\$0		
10	Non-school	10.9023					Tax Impact				
11		18.1969					\$3,709,139	\$741,828	\$0		
12			Penalty				50%	\$1,854,569	\$370,914	\$0	
13			Interest - assumption				2 years	1 year			
14							\$834,556	\$166,911	\$0		
15							Total Impact				
16							\$2,689,125	\$537,825	\$0		
17							School				
18							\$1,077,991	\$215,598	\$0		
19							NonSchool				
20							\$1,611,134	\$322,227	\$0		
21											
22	Homestead						All counties		Palm Beach Only		
23	Assumed cap amount subject to penalty and interest - Homestead						0.50%	0.10%	0.00%		
24	2015-16 Millage Rates -						Assumed Taxable Value				
25	School	7.2946					\$934,570,000	\$23,601,000	\$0		
26	Non-school	10.9023					Tax Impact				
27		18.1969					\$17,006,277	\$429,465	\$0		
28			Penalty				50%	\$8,503,138	\$214,733	\$0	
29			Interest - assumption				2 years	1 year			
30							\$3,826,412	\$96,630	\$0		
31							Total Impact				
32							\$12,329,551	\$311,362	\$0		
33							School				
34							\$4,942,553	\$124,816	\$0		
							NonSchool				
							\$7,386,998	\$186,546	\$0		

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Value Adjustment Boards

Bill Number(s): CS/CS/HB 499 Enrolled

Entire Bill

Partial Bill: Sections 3, 4, 9 and 14

Sponsor(s): Rep. Avila

Month/Year Impact Begins: 7/1/2016 (Certain other effective dates – see section by section analysis)

Date of Analysis: 5/18/2016

Section 1: Narrative

a. Current Law: See Section by Section Analysis

VAB Completed Earlier

Subsection 193.122 (1) reads: (1) The value adjustment board shall certify each assessment roll upon order of the board of county commissioners pursuant to s. [197.323](#), if applicable, and again after all hearings required by s. [194.032](#) have been held. These certificates shall be attached to each roll as required by the Department of Revenue.

Reduced Interest Rate from 12% to Prime Rate

Subsection 194.014 (2) reads: (2) If the value adjustment board determines that the petitioner owes ad valorem taxes in excess of the amount paid, the unpaid amount accrues interest at the rate of 12 percent per year from the date the taxes became delinquent pursuant to s. [197.333](#) until the unpaid amount is paid. If the value adjustment board determines that a refund is due, the overpaid amount accrues interest at the rate of 12 percent per year from the date the taxes became delinquent pursuant to s. [197.333](#) until a refund is paid. Interest does not accrue on amounts paid in excess of 100 percent of the current taxes due as provided on the tax notice issued pursuant to s. [197.322](#).

PPFAM Levied at 75% of prior Year PPFAM

Section 1011.62(4)(e) reads in part:

Prior period funding adjustment millage.—

1. There shall be an additional millage to be known as the Prior Period Funding Adjustment Millage levied by a school district if the prior period unrealized required local effort funds are greater than zero. The Commissioner of Education shall calculate the amount of the prior period unrealized required local effort funds as specified in subparagraph 2. and the millage required to generate that amount as specified in this subparagraph. The Prior Period Funding Adjustment Millage shall be the quotient of the prior period unrealized required local effort funds divided by the current year taxable value certified to the Commissioner of Education pursuant to sub-subparagraph (a)1.a. This levy shall be in addition to the required local effort millage certified pursuant to this subsection. Such millage shall not affect the calculation of the current year's required local effort, and the funds generated by such levy shall not be included in the district's Florida Education Finance Program allocation for that fiscal year. For purposes of the millage to be included on the Notice of Proposed Taxes, the Commissioner of Education shall adjust the required local effort millage computed pursuant to paragraph (a) as adjusted by paragraph (b) for the current year for any district that levies a Prior Period Funding Adjustment Millage to include all Prior Period Funding Adjustment Millage. For the purpose of this paragraph, there shall be a Prior Period Funding Adjustment Millage levied for each year certified by the Department of Revenue pursuant to sub-subparagraph (a)2.a. since the previous year certification and for which the calculation in sub-subparagraph 2.b. is greater than zero.

2.a. As used in this subparagraph, the term:

(I) "Prior year" means a year certified under sub-subparagraph (a)2.a.

(II) "Preliminary taxable value" means:

(A) If the prior year is the 2009-2010 fiscal year or later, the taxable value certified to the Commissioner of Education pursuant to sub-subparagraph (a)1.a.

(B) If the prior year is the 2008-2009 fiscal year or earlier, the taxable value certified pursuant to the final calculation as specified in former paragraph (b) as that paragraph existed in the prior year.

(III) "Final taxable value" means the district's taxable value as certified by the property appraiser pursuant to s. 193.122(2) or (3), if applicable. This is the certification that reflects all final administrative actions of the value adjustment board.

b. For purposes of this subsection and with respect to each year certified pursuant to sub-subparagraph (a)2.a., if the district's prior year preliminary taxable value is greater than the district's prior year final taxable value, the prior period unrealized required local effort funds are the difference between the district's prior year preliminary taxable value and the district's prior year final taxable value, multiplied by the prior year district required local effort millage. If the district's prior year preliminary taxable value is less than the district's prior year final taxable value, the prior period unrealized required local effort funds are zero.

c. **For the 2015-2016 fiscal year only**, if a district's prior period unrealized required local effort funds and prior period district required local effort millage cannot be determined because such district's final taxable value has not yet been certified pursuant to

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Value Adjustment Boards

Bill Number(s): CS/CS/HB 499 Enrolled

s. 193.122(2) or (3), for the 2015 tax levy, the Prior Period Funding Adjustment Millage for such fiscal year shall be levied, if not previously levied, in 2015 in an amount equal to 75 percent of such district's most recent unrealized required local effort for which a Prior Period Funding Adjustment Millage was determined as provided in this section. Upon certification of the final taxable value for the 2012, 2013, or 2014 tax rolls in accordance with s. 193.122(2) or (3), the Prior Period Funding Adjustment Millage levied in 2015 and 2016 shall be adjusted to include any shortfall or surplus in the prior period unrealized required local effort funds that would have been levied in 2014 or 2015, had the district's final taxable value been certified pursuant to s. 193.122(2) or (3) for the 2014 or 2015 tax levy. If this adjustment is made for a surplus, the reduction in prior period millage may not exceed the prior period funding adjustment millage calculated pursuant to subparagraph 1. and sub-subparagraphs a. and b. and any additional reduction shall be carried forward to the subsequent fiscal year.

b. Proposed Change: See Section by Section Analysis

VAB Completed Earlier (Sections 3 and 4 of CS/CS/HB 499 Enrolled)

Amends subsection 193.122 (1) to read: (1) The value adjustment board shall certify each assessment roll upon order of the board of county commissioners pursuant to s. 197.323, if applicable, and again after all hearings required by s. 194.032 have been held. These certificates shall be attached to each roll as required by the Department of Revenue. Notwithstanding an extension of the roll by the board of county commissioners pursuant to s. 197.323, the value adjustment board must complete all hearings required by s. 194.032 and certify the assessment roll to the property appraiser by June 1 following the assessment year. The June 1 requirement shall be extended until December 1 in each year in which the number of petitions filed increased by more than 10 percent over the previous year.

Provides in section 4 of the legislation that the above change will first apply beginning with the 2018 tax roll.

Reduced Interest Rate from 12% to Prime Rate (Section 9 of CS/CS/HB 499 Enrolled)

Amends subsection 194.014(2) to read: (2) If the value adjustment board or the property appraiser determines that the petitioner owes ad valorem taxes in excess of the amount paid, the unpaid amount accrues interest at an annual percentage rate equal to the bank prime loan rate on July 1, or the first business day thereafter if July 1 is a Saturday, Sunday, or legal holiday, of the rate of 12 percent per year, beginning on ~~from~~ the date the taxes became delinquent pursuant to s. 197.333 until the unpaid amount is paid. If the value adjustment board or the property appraiser determines that a refund is due, the overpaid amount accrues interest at an annual percentage rate equal to the bank prime loan rate on July 1, or the first business day thereafter if July 1 is a Saturday, Sunday, or legal holiday, of the tax ~~the rate of 12 percent per year, beginning on~~ ~~from~~ the date the taxes became delinquent pursuant to s. 197.333 until a refund is paid. Interest on an overpayment related to a petition shall be funded proportionately by each taxing authority that was overpaid. Interest does not accrue on amounts paid in excess of 100 percent of the current taxes due as provided on the tax notice issued pursuant to s. 197.322. For purposes of this subsection, the term "bank prime loan rate" means the average predominant prime rate quoted by commercial banks to large businesses as published by the Board of Governors of the Federal Reserve System.

PPFAM Levied at 75% of prior Year PPFAM (Section 14 of CS/CS/HB 499 Enrolled)

Amends sub-subparagraph 1011.62(4)(e)2.c. to read (in part): . ~~For the 2015-2016 fiscal year only,~~ If a district's prior period unrealized required local effort funds and prior period district required local effort millage cannot be determined because such district's final taxable value has not yet been certified pursuant to s. 193.122(2) or (3), ~~for the 2015 tax levy,~~ the Prior Period Funding Adjustment Millage for such fiscal year shall be levied, if not previously levied, ~~in 2015~~ in an amount equal to 75 percent of such district's most recent unrealized required local effort for which a Prior Period Funding Adjustment Millage was determined as provided in this section. Upon certification of the final taxable value in accordance with s. 193.122(2) or (3) for a the 2012, 2013, or 2014 tax roll ~~rolls for which a 75 percent Prior Period Funding Adjustment Millage was levied in accordance with s. 193.122(2) or (3),~~ the next Prior Period Funding Adjustment Millage ~~levied in 2015 and 2016~~ shall be adjusted to include any shortfall or surplus in the prior period unrealized required local effort funds that would have been levied ~~in 2014 or 2015~~, had the district's final taxable value been certified pursuant to s. 193.122(2) or (3) for the 2014 or 2015 tax levy. If this adjustment is made for a surplus, the reduction in prior period millage may not exceed the prior period funding adjustment millage calculated pursuant to subparagraph 1. and sub-subparagraphs a. and b., or pursuant to this sub-subparagraph, whichever is applicable, and any additional reduction shall be carried forward to the subsequent fiscal year.

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Value Adjustment Boards

Bill Number(s): CS/CS/HB 499 Enrolled

Section 2: Description of Data and Sources

Florida Department of Education Prior Period Funding Adjustment Millage for 2014

VAB completion dates for recent years

Historic VAB Reductions

Interest payment data for Miami-Dade County with respect to partial payments required under s. 194.014, Florida Statutes

Prime rate from December 2015 National Economic Estimating Conference

Section 3: Methodology (Include Assumptions and Attach Details)

For those issues that would result in the VAB ending earlier, particularly by June 1, it was assumed that those jurisdictions that had been completing the VAB proceedings after the July roll certification date and therefore had that year’s Prior Period Funding Adjustment Millage roll forward a year would experience a one-time non-recurring gain from the earlier completion date and earlier receipt of a PPFAM.

For section 6 interest rate change, the impact was simulated on the historic Miami-Dade data and extrapolated to statewide application. With respect to the impact on the interest rate, in addition to the impact from the reduction of the rate from 12% to Prime rate, there are potential impacts from requiring certification of post VAB results by June 1 and from allowing interest to be paid on adjustments made by the property appraiser. It is assumed that these two impacts offset. Also, the provision requiring the interest on an overpayment related to a petition to be funded proportionately by each taxing authority that was overpaid is current administration and as such has no impact.

For the impact to the 75% imposition of the PPFAM, it was assumed that due to the requirement that the 2018 tax roll be certified by June 1 of 2019 that there would be 75% PPFAM levied in 2016-17 and 2017-18 and that what would have normally been levied in 2018-19 would be offset by the 75% levied in 2017-18 and credited against 2018-19 PPFAM. No growth was assumed over the three years, resulting in the 2017-18 impact being zero as the 75% PPFAM levied in 2017-18 is offset by the credit for the 2016-17 levy.

Section 4: Proposed Fiscal Impact

Sections 3 and 4 - VAB completed earlier

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17						
2017-18						
2018-19						
2019-20	\$55.3 M		\$50.3 M		\$49.8 M	
2020-21						

Section 9 – Reduced Interest Rate from 12% to Prime Rate

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	\$10.2 M	\$10.2 M	\$5.7 M	\$5.7 M	\$5.0 M	\$5.0 M
2017-18	\$8.9 M	\$8.9 M	\$5.0 M	\$5.0 M	\$4.4 M	\$4.4 M
2018-19	\$7.5 M	\$7.5 M	\$4.2 M	\$4.2 M	\$3.7 M	\$3.7 M
2019-20	\$7.4 M	\$7.4 M	\$4.1 M	\$4.1 M	\$3.7 M	\$3.7 M
2020-21	\$7.4 M	\$7.4 M	\$4.1 M	\$4.1 M	\$3.7 M	\$3.7 M

Section 14 PPFAM Levied at 75% of prior Year PPFAM

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17			\$37.7 M			
2017-18			\$0			
2018-19			\$0			
2019-20			(\$37.7 M)			
2020-21						

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Value Adjustment Boards

Bill Number(s): CS/CS/HB 499 Enrolled

List of affected Trust Funds:

Ad valorem Group

Section 5: Consensus Estimate (Adopted: 05/24/2016): The Conference adopted the low for *Sections 3 and 4 - VAB completed earlier*; the middle for *Section 9 – Reduced interest rate from 12% to Prime*; and the middle for *Section 14 – PPFAM Levied at 75% of prior year PPFAM*.

Sections 3 and 4 - VAB completed earlier

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2017-18	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2018-19	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2019-20	0.0	0.0	0.0	0.0	(49.8)	0.0	(49.8)	0.0
2020-21	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Section 9 – Reduced Interest Rate from 12% to Prime Rate

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	0.0	0.0	0.0	0.0	5.7	5.7	5.7	5.7
2017-18	0.0	0.0	0.0	0.0	5.0	5.0	5.0	5.0
2018-19	0.0	0.0	0.0	0.0	4.2	4.2	4.2	4.2
2019-20	0.0	0.0	0.0	0.0	4.1	4.1	4.1	4.1
2020-21	0.0	0.0	0.0	0.0	4.1	4.1	4.1	4.1

Section 14- PPFAM Levied at 75% of prior Year PPFAM

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	0.0	0.0	0.0	0.0	37.7	0.0	37.7	0.0
2017-18	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2018-19	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2019-20	0.0	0.0	0.0	0.0	(37.7)	0.0	(37.7)	0.0
2020-21	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	VAB Finishing Sooner		Sections 2 and 7					High		Middle		Historic VAB Completion date		
2	County #	County	Certified 2014 Tax Roll	Certified 2014 Required Local Effort (RLE) Millage Rate	Required Local Effort From Taxes	Prior Period Funding Adjustment Millage (PPFAM) Rate	2014 PPFAM Revenues generated	VAB Completion date occurs a year earlier (1 = yes, 0 = no)	Non Recurring Impact	VAB Completion date occurs a year earlier (1 = yes, 0 = no)	Non Recurring Impact	2011	2012	2013
3	11	Alachua	12,880,292,156	5.115	63,247,387	0.047	\$605,374		\$0		\$0	After July Certification	After July Certification	June
4	12	Baker	864,205,602	4.997	4,145,698				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
5	13	Bay	15,255,322,318	4.936	72,288,260	0.005	\$76,277		\$0		\$0	March	June	Prior to March 1 st
6	14	Bradford	918,870,261	5.007	4,416,752				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
7	15	Brevard	31,249,030,561	5.089	152,665,264	0.002	\$62,498		\$0		\$0	March	March	Prior to March 1 st
8	16	Broward	153,539,753,728	5.025	740,675,772	0.066	\$10,133,624	1	\$10,133,624	1	\$10,133,624	After July Certification	After July Certification	After July Certification
9	17	Calhoun*	434,647,404	4.908	2,047,919	0.01	\$4,346		\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
10	18	Charlotte	13,916,896,537	5.064	67,656,158	0.053	\$737,596		\$0		\$0	After July Certification	After July Certification	May
11	19	Citrus	8,574,272,129	5.017	41,296,438	0.039	\$334,397		\$0		\$0	March	March	April
12	20	Clay	9,562,278,859	4.968	45,605,185	0.006	\$57,374		\$0		\$0	Prior to March 1 st	April	March
13	21	Collier	67,908,476,883	3.327	216,894,242	0.005	\$339,542		\$0		\$0	April	March	March
14	22	Columbia	2,586,922,695	4.884	12,129,149				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
15	23	Miami-Dade	234,803,018,608	5.231	1,179,124,407	0.169	\$39,681,710	1	\$39,681,710	1	\$39,681,710	After July Certification	After July Certification	After July Certification
16	24	DeSoto	1,443,172,914	5.005	6,934,157				\$0		\$0	April	April	May
17	25	Dixie	509,399,610	5.105	2,496,466	0.01	\$5,094		\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
18	26	Duval	54,409,900,219	4.896	255,735,237	0.092	\$5,005,711	1	\$5,005,711		\$0	After July Certification	After July Certification	After July Certification
19	27	Escambia	15,847,196,929	5.237	79,672,100				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
20	28	Flagler	7,427,310,732	5.198	37,062,875				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
21	29	Franklin*	1,743,862,095	3.55	5,943,082	0.008	\$13,951		\$0		\$0	June	Prior to March 1 st	Prior to March 1 st
22	30	Gadsden	1,457,275,422	4.884	6,832,640				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
23	31	Gilchrist	654,561,791	5.058	3,178,343				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
24	32	Glades	594,270,980	4.956	2,827,399	0.01	\$5,943		\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
25	33	Gulf	1,440,593,495	4.605	6,368,576	0.009	\$12,965		\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
26	34	Hamilton	794,814,986	4.892	3,732,706				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
27	35	Hardee	1,504,397,149	4.938	7,131,565				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
28	36	Hendry	1,861,583,611	5.038	9,003,512				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
29	37	Hernando	8,111,249,542	4.876	37,968,435	0.043	\$348,784		\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
30	38	Highlands	4,801,972,834	5.03	23,187,766			1	\$0		\$0	March	March	After July Certification
31	39	Hillsborough	74,647,722,426	5.094	365,045,278	0.011	\$821,125		\$0		\$0	After July Certification	April	March
32	40	Holmes	478,612,307	5.006	2,300,096	0.003	\$1,436		\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
33	41	Indian River	14,342,586,540	5.141	70,785,828			1	\$0		\$0	Prior to March 1 st	Prior to March 1 st	After July Certification
34	42	Jackson	1,599,264,085	5.036	7,731,738	0.006	\$9,596		\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
35	43	Jefferson	613,687,241	5.265	3,101,821				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
36	44	Lafayette	260,979,824	4.904	1,228,651				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
37	45	Lake	17,261,898,909	4.998	82,823,972				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
38	46	Lee	64,429,903,676	5.16	319,159,971	0.008	\$515,439		\$0		\$0	Prior to March 1 st	March	March
39	47	Leon	15,146,430,145	5.136	74,680,383				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
40	48	Levy	1,740,365,270	5.031	8,405,547				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
41	49	Liberty	233,421,305	5.079	1,138,125				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
42	50	Madison	692,390,471	5.058	3,362,027				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
43	51	Manatee	27,937,345,188	5.124	137,424,918	0.004	\$111,749		\$0		\$0	April	Prior to March 1 st	Prior to March 1 st
44	52	Marion	15,967,927,413	5.022	76,983,294	0.028	\$447,102		\$0		\$0	April	April	April
45	53	Martin	18,922,294,476	4.89	88,828,819			1	\$0		\$0	April	May	March
46	54	Monroe	21,945,711,246	1.865	39,291,601	0.013	\$285,294		\$0		\$0	May	April	May
47	55	Nassau	7,000,077,808	5.068	34,057,339				\$0		\$0	After July Certification	April	Prior to March 1 st
48	56	Okaloosa	15,447,645,328	5.184	76,877,370	0.009	\$139,029		\$0		\$0	April	Prior to March 1 st	Prior to March 1 st
49	57	Okeechobee	1,595,050,482	5.143	7,875,211				\$0		\$0	March	Prior to March 1 st	Prior to March 1 st
50	County #	County	Certified 2014 Tax Roll	Certified 2014 Required Local Effort (RLE) Millage Rate	Required Local Effort From Taxes	Prior Period Funding Adjustment Millage (PPFAM) Rate	2014 PPFAM Revenues generated	VAB Completion date extended into following year due to increased activity (1 = yes, 0 = no)	Non Recurring Impact	VAB Completion date extended into following year due to increased activity (1 = yes, 0 = no)	Non Recurring Impact	2011	2012	2013
51	58	Orange	96,456,454,963	5.207	482,158,811	0.019	\$1,832,673		\$0		\$0	March	April	March
52	59	Osceola	19,627,447,692	5.104	96,171,353	0.023	\$451,431		\$0		\$0	Prior to March 1 st	March	Prior to March 1 st
53	60	Palm Beach	150,103,001,478	5.084	732,598,713	0.012	\$1,801,236		\$0		\$0	June	May	May
54	61	Pasco	22,408,154,786	4.901	105,429,472				\$0		\$0	March	March	April
55	62	Pinellas	65,276,216,864	5.084	318,589,715	0.009	\$587,486		\$0		\$0	Prior to March 1 st	March	Prior to March 1 st

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
56	63	Polk	27,985,171,909	4.96	133,254,195				\$0		\$0	Prior to March 1 st	April	March
57	64	Putnam	3,620,975,824	4.956	17,227,734				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
58	65	Saint Johns	20,116,240,174	5.094	98,373,242				\$0		\$0	March	Prior to March 1 st	April
59	66	Saint Lucie	17,187,371,996	4.993	82,383,886				\$0		\$0	March	March	Prior to March 1 st
60	67	Santa Rosa	8,665,370,772	5.281	43,931,350	0.014	\$121,315		\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
61	68	Sarasota	46,981,167,444	4.519	203,815,580	0.01	\$469,812	1	\$469,812	1	\$469,812	June	May	May
62	69	Seminole	28,356,450,098	4.94	134,477,629	0.009	\$255,208		\$0		\$0	Prior to March 1 st	March	March
63	70	Sumter	9,854,178,693	3.913	37,017,025				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
64	71	Suwannee	1,586,921,865	5.062	7,711,679				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
65	72	Taylor	1,311,227,474	5.175	6,514,178				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
66	73	Union*	255,988,043	5.121	1,258,478				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
67	74	Volusia	28,893,765,446	5.079	140,881,377	0.009	\$260,044		\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
68	75	Wakulla	1,155,384,924	5.116	5,674,511	0.008	\$9,243		\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
69	76	Walton	13,346,011,092	2.85	36,514,686				\$0		\$0	March	Prior to March 1 st	Prior to March 1 st
70	77	Washington	889,962,208	5.156	4,405,099				\$0		\$0	Prior to March 1 st	Prior to March 1 st	Prior to March 1 st
71									\$55,290,856		\$50,285,146			

72														
73	High - all counties finishing after July certification in 2013 happen one year earlier								\$55,290,856					
74	Middle - all counties finishing after July certification in 2014 happen one year earlier								\$50,285,146					
75	Low - Broward and Miami								\$49,815,334					
76														
77														

Section 14 - Prior Period Funding Adjustment Millage Provision

Counties not certified by July 1, 2015	2014 PPFAM Revenues	2016-17 @75% of 2014	Current Law PPFAM	75% PPFAM due to law change	Credit against current year PPFAM due to levy of 75% PPFAM	Net impact
Broward	\$10,133,624	\$7,600,218	2016-17	\$50,285,146	\$37,713,859	\$37,713,859
Miami-Dade	\$39,681,710	\$29,761,283	2017-18	\$50,285,146	\$37,713,859	\$0
Sarasota	\$469,812	\$352,359	2018-19	\$50,285,146	\$37,713,859	\$0
Total Impact		\$37,713,859	2019-20	\$50,285,146	0	(\$37,713,859)

Section 9 Reduced interest rate from 12% to prime

Interest Payments on VAB refunds	Year	Interest Payment	Annualized base	Prime rate	Interest at Prime Rate	Impact
	2011	\$15,387,407	\$128,228,392	3.25%	\$4,167,423	\$11,219,984
	2012	\$8,658,877	\$72,157,308	3.25%	\$2,345,113	\$6,313,764
	2013	\$7,634,496	\$63,620,798	3.25%	\$2,067,676	\$5,566,820

National Economic Prime Rate		High	Middle	Low	
					2011 Activity
	Jul-16	4.04	\$10,206,980	\$5,743,722	\$5,064,216
	Jul-17	5.04	\$8,924,696	\$5,022,149	\$4,428,008
	Jul-18	6.2	\$7,437,247	\$4,185,124	\$3,690,006
	Jul-19	6.25	\$7,373,133	\$4,149,045	\$3,658,196
	Jul-20	6.25	\$7,373,133	\$4,149,045	\$3,658,196

HB 499 Section by Section analysis								
Section	Statutory Provision	Current Law	Proposed Change	Effective Date	Previous Determination on Revenue Impact?	Is this version the same as prior version analyzed?	Analyst recommendation on Revenue Impact if Not Previously analyzed?	Suggested action
1	Section 192.0105	Establishes the taxpayer bill of rights for property taxes and assessments	Revises the right to be represented to a person specified in s. 194.034 (1)(a)	July 1, 2016	No revenue Impact (HB 499, Section 2)	No. Version previously analyzed referenced S. 194.0134 (1)(a). This version references s. 194.034 (a),(b), and (c). Also revises the referenced authority for the bill of rights provision	No revenue Impact	No Action
2	Section 193.073	Specifies the steps to be taken by the property appraiser when it is discovered that there is an erroneous or incomplete statement of personal property filed by a taxpayer or that all property of a taxpayer has not been returned.	Requires the property appraiser to mail a notice informing the taxpayer that an erroneous or incomplete statement of personal property. Provides that the taxpayer has 30 days after the date the notice is filed to provide the property appraiser with a complete return listing all property for taxation.	July 1, 2016	Not previously analyzed		No revenue impact	No Action
3	Section 193.122(1)	The value adjustment board shall certify each assessment roll upon order of the board of county commissioners pursuant to s. 197.323, if applicable, and again after all hearings required by s. 194.032 have been held. These certificates shall be attached to each roll as required by the Department of Revenue.	Adds: Notwithstanding an extension of the roll pursuant to s. 197.323, the value adjustment board must complete all hearings required by s. 194.032 and certify the assessment roll to the property appraiser by June 1 following the tax year in which the assessments were made. the June 1 requirement shall be extended to December 1 in each year in which the number of petitions filed increased by more than 10 percent over the previous year.	July 1, 2016 and first applying to the 2018 tax roll	Potential Revenue Impact (HB 499,Section 3)	Slight wording differences	Wording difference does not effect the previously adopted impact	Write-up to reflect statutory references. No changes to impact
4	N/A	N/A	Specifies that the amendments made by this act to ss. 193.122 , Florida Statutes, first apply beginning with the 2018 tax roll	July 1, 2016	Potential Revenue Impact - Timing (HB 499, Section 4)	Previous version also specified that changes to s. 194.032 (4) would also first apply beginning with the 2018 tax roll.	Enrolled bill does not amend s. 194.032(4), so no revenue impact.	Write-up to reflect statutory references. No changes to impact
5	Section 193.155	Provides that upon the determination of the property appraiser that a person not entitled to the homestead property assessment limitation was granted such, the property appraiser shall record a notice of tax lien in the public records.	Amends the section to require the appraiser to serve the owner of the property a notice of intent to record in the public records of the county . Specifies that before a lien may be filed, the person or entity must be given 30 days to pay the taxes and any applicable penalty or interest. If the property appraiser improperly grants the property assessment limitation as a result of a clerical mistake or an omission, the person or entity receiving the property assessment limitation may not be assessed a penalty or interest	July 1, 2016	Not previously analyzed	No prior version	Possible Revenue Impact	Create new write-up

HB 499 Section by Section analysis								
6	Section 193.1554 (10)	Provides that upon the determination of the property appraiser that a person not entitled to the property assessment limitation was granted such, the property appraiser shall record a notice of tax lien in the public records.	Amends the section to require the appraiser to serve the owner of the property a notice of intent to record in a lien in the public records of the county . Specifies that before a lien may be filed, the person or entity must be given 30 days to pay the taxes and any applicable penalty or interest. If the property appraiser improperly grants the property assessment limitation as a result of a clerical mistake or an omission, the person or entity receiving the property assessment limitation may not be assessed a penalty or interest	July 1, 2016	Revenue Impact - (CS/HB 499, Section 7)	<p>This version requires the property appraiser to provide notice of intent to record lien in the public records.</p> <p>The previous version analyzed also created a new subsection (11) providing that a taxpayer may appeal the implementation of the property assessment limitation for the current tax year by filing a petition with the VAB. The enrolled version does not include this language.</p>	No impact beyond what previously adopted.	Revise previous write-up to reflect enrolled version. No change to impact
7	Section 193.1555 (10)	Provides that upon the determination of the property appraiser that a person not entitled to the property assessment limitation was granted such, the property appraiser shall record a notice of tax lien in the public records.	Amends the section to require the appraiser to serve the owner of the property a notice of intent to record in a lien in the public records of the county . Specifies that before a lien may be filed, the person or entity must be given 30 days to pay the taxes and any applicable penalty or interest. If the property appraiser improperly grants the property assessment limitation as a result of a clerical mistake or an omission, the person or entity receiving the property assessment limitation may not be assessed a penalty or interest	July 1, 2016	Revenue Impact - (CS/HB 499, Section 8)	<p>This version requires the property appraiser to provide notice of intent to record lien in the public records.</p> <p>The previous version analyzed also created a new subsection (11) providing that a taxpayer may appeal the implementation of the property assessment limitation for the current tax year by filing a petition with the VAB. The enrolled version does not include this language.</p>	No impact beyond what previously adopted.	Revise previous write-up to reflect enrolled version. No change to impact
8	Section 194.011 (3)	Provides for the criteria for a complete petition to the VAB	Amends the section to require that the petition must be filed by the taxpayer or be accompanied at the time of the filing by the taxpayer's signature or written authorization or power of attorney, unless the person is listed in s. 194.034 (1)(a). Such person may file a petition on behalf of a taxpayer without written authorization. Provides penalties for violations. Amends (3)(h) to clarify that the paragraph does not authorize the individual, agent, or legal entity to access the taxpayer's confidential information without written authorization from the taxpayer	July 1, 2016	No revenue Impact (HB 499, Section 5)	<p>The previous version was structurally different but substantively the same with respect to the amendments to subsection 3. The previous version also amended subsection 4 dealing with the property record card</p>	No revenue Impact	No Action

HB 499 Section by Section analysis								
9	Section 194.014 (2)		<p>Revises subsection (2) to provide that the value adjustment board or the property appraiser may determine an overpayment or underpayment for purposes of accruing interest.</p> <p>Revise the interest rate to be an annual percentage rate equal to the bank prime loan rate on July 1, or the first business day thereafter if July 1 is a Saturday, Sunday, or legal holiday.</p> <p>Interest on an overpayment related to a petition shall be funded proportionately by each taxing authority that was overpaid.</p> <p>Further provides that for the purposes of this subsection, the term "bank prime loan rate" means the average predominant prime rate quoted by commercial banks to large businesses as determined by the Board of Governors of the Federal Reserve System</p>	July 1, 2016	Revenue Impact - (HB 499, Section 6)	The provision that interest on an overpayment related to a petition shall be funded proportionately by each taxing authority that was overpaid was not in the previously analyzed version. Otherwise the language is identical	Need to investigate if the new provision results in any different impact for write-up.	Revise write-up to reflect final language. revise impact if necessary.
10	Section 194.032 (1)(a) and (2)	Subsection (1) provides for the meeting purposes of the board. Subsection (2) provides that the property appraiser must provide a copy of the property record card if the petitioner checks a box requesting such and provides for the petitioner to reschedule the hearing one time.	<p>Revises subsection (1) to provide that the board shall meet for the purposes of hearing appeals from determinations that a change of ownership under 193.155(3), a change of ownership and control under s. 193.1554(5) or s. 193.1555(5) or a qualifying improvement under s. 193.1555(5), has occurred</p> <p>Revises subsection (2) removes the requirement that the petitioner check a box to request the property record card and requires the property appraiser to provide the property record card unless online in which case the property appraiser must notify the petitioner the card is online.</p>	July 1, 2016	Revenue Impact (HB 499, Section 8 - dealing with requirement for the VAB to complete all hearings by July 1)	<p>Prior version did not amend subsection (1). Subsection (2) changes were identical with the exception that the earlier version provided that good cause includes, but is not limited to, the failure by the property appraiser's office to comply with the statutory evidence exchange deadlines.</p> <p>Previous version also provided that the VAB must complete all hearings by July 1</p>	Subsection 1 amendment needs to be analyzed. The rest of the section does not	No Impact. Current administration with regard to VAB hearing cases related to change of ownership, ownership and control, or qualifying improvements.

HB 499 Section by Section analysis								
11	Section 194.034 (1) and (2)	<p>Paragraph (1)(a) provides that a taxpayer may be represented by an attorney or agent. Subsection (1)(j) provides an assessment may not be contested until a return required by s. 193.052 has been filed.</p> <p>Subsection(2) provides that decisions of the board must contain findings of fact and conclusions of law.</p>	<p>Paragraph (1)(a) provides that a petitioner may be represented by an employee of the taxpayer or an affiliated entity, an attorney of who is a member of the Florida Bar, a real estate appraiser licensed under chapter 475, a real estate broker licensed under chapter 475, or a certified public accountant licensed under chapter 473.</p> <p>Paragraph 1(b) provides that a petitioner may be represented by a person with a power of attorney and further specifies that conditions for such representation.</p> <p>Paragraph 1(c) provides that a petitioner may be represented by a person with written authorization to act on the taxpayer's behalf, for which the person receives no compensation and further specifies the conditions of such representation.</p> <p>Paragraph (1)(j) is amended to provide that an assessment may not be contested unless the return as required by s. 193.052 was timely filed and further defines "timely filed".</p> <p>Subsection 2 is amended to provide that Findings of Fact must be based on admitted evidence or lack thereof.</p>	July 1, 2016	No Revenue Impact (HB 499, section 9)	No. Version previously analyzed only amended paragraph (1)(a). Those amendments were different than those in the enrolled version.	Paragraph (1)(a) amendments - no Revenue Impact Paragraph (1)(j) amendments - need further analysis to determine if the change creates a potential fiscal impact Subsection 2 amendment - no Impact	Write-up change to paragraph (1)(j)
12	Section 194.035 (1)	Provides requirements for the appointment of a special magistrate. Provides that a special magistrate appointed to hear issues of exemptions and classifications shall be a member of the Florida Bar with no less than 5 years experience in the area of ad valorem taxation.	<p>Adds determination that a change of ownership, a change of ownership or control, or a qualifying improvement has occurred.</p> <p>Further provides that when appointing special magistrates or when scheduling special magistrates for specific hearings, the board, the board attorney, and the board clerk may not consider the dollar amount or percentage of any assessment reductions recommended by any special magistrate in the current year or in any previous year.</p>	July 1, 2016	No Revenue Impact (HB 499, section 10)	The prior version analyzed did not include the provision regarding changes in ownership, control, or qualifying improvements be heard by an attorney. The language regarding the assignment or scheduling of special magistrates is identical.	No revenue impact	No Action
13	Section 197.3632(4)(a) and (5)(a)	Establishes that a local government shall adopt a non-ad valorem assessment roll at a public hearing held between January 1 and September 15. requires certification of such roll to the tax collector by September 15.	Provides that for a county as defined in s. 125.011(1), the period to adopt a special assessment roll is between January 1 and September 25 and that the roll must be certified to the tax collector by September 25.	July 1, 2016	Not previously analyzed	No prior version	No Revenue Impact	No action

HB 499 Section by Section analysis								
14	Section 1011.62 (4)(e)	Provides that for the 2015-16 year only, if a districts prior period unrealized required local effort millage cannot be determined because such district's final taxable value has not yet been certified, the Prior Period Funding Adjustment Millage for such fiscal year, if not previously levied, in an amount equal to 75% of such district's most recent unrealized required local effort for which a Prior Period Funding Adjustment Millage was determined. Upon certification of the final taxable value the next Prior Period Funding Adjustment Millage shall be adjusted to include any shortfall or surplus.	Removes the provision that this application only applies to 2015-16 Fiscal year and provides that the next Prior Period Funding Adjustment millage is adjusted for any shortfall or surplus only with respect to a tax roll for which a 75% Prior Period Funding Adjustment Millage was levied.	July 1, 2016	Revenue Impact (HB 499, section 11)	Previous version only applied to 2016-17 State Fiscal Year.	Potential Revenue Impact	Revise write-up and impact to reflect enrolled bill
15	N/A	Subsections (4) and (5) of rule 12D-9.019, Florida Administrative Code are applicable	Repeals subsections (4) and (5) of rule 12D-9.019, Florida Administrative Code	July 1, 2016	Not previously analyzed	No prior version	No Revenue Impact	No action
16	N/A	N/A	The Legislature finds that this act fulfills an important state interest	July 1, 2016	No Revenue Impact (HB 499, section 12)	Identical	No Revenue Impact	No action
17	Effective date		Except as otherwise expressly provided in this act and except for this section, which shall take effect June 30,2016, this act shall take effect July 1, 2016.	As specified	No Revenue Impact	No - prior version read: Except as otherwise expressly provided in this act and except for this section, which shall take effect upon this act becoming a law, this act shall take effect July 1, 2016.	No Revenue Impact	No action

REVENUE ESTIMATING CONFERENCE

Tax: Highway Safety Fees

Issue: Vessel Registration Location Indicating Devices

Bill Number(s): CS/CS/HB 427

Entire Bill

Partial Bill:

Sponsor(s): Rep. Magar

Month/Year Impact Begins: 7/1/2016

Date of Analysis: 05/23/2016

Section 1: Narrative

a. Current Law:

Section 328.72, F.S., provides for vessels classifications; registration; fees and charges; disposition of fees; and fines. Section 328.76, F.S., provides for the Marine Resources Conservation Trust Fund; vessel registration funds; appropriation and distribution. Section 328.66, F.S., provides for county and municipality optional registration fee.

b. Proposed Change:

The bill would reduce vessel registration fees for recreational vessels when the vessel is equipped with an "Emergency Position Indicating Radio Beacon" (EPIRB) or the owner of the vessel owns a "Personal Locator Beacon" (PLB) and these devices are manufactured with the approval of the "International COSPAS-SARAT Programme" and registered with the "United States National Oceanic and Atmospheric Administration" (NOAA). These reductions to vessel fees would be supplemented by General Revenue in order to keep various trust funds whole. The amount counties charge in vessel registration fees would remain based on the full fee amount. The enrolled version of the bill limits the reduced fees to vessels registered between July 1, 2016 and June 30, 2017. This section expires July 1, 2017.

Section 2: Description of Data and Sources

January 4, 2016 HSMV REC revenue and transactions forecast through FY 2020-21.

HSMV REC History through 7/1/2015

Email communication with Jason Wilson, LTJG/NOAA Search and Rescue Satellite Aided Tracking (SARSAT) Operations Support Officer.

Section 3: Methodology (Include Assumptions and Attach Details)

Current:

Revenues from Vessel Registrations (annual and biennial) are forecasted in aggregate as part of the HSMV REC (last held on 01/04/2016). The various vessel registration fees are based on vessel type (commercial, pleasure, and dealer) and classification (class A-1 to Class 5), which are based on vessel length. Since this bill only applies to pleasure vessels, the analysis only focuses on pleasure vessels. Fiscal Year 2014-15 HSMV history was used to separate the "Vessels" forecast into its fee classification. To determine the number of registration transactions by classification, classification revenue was divided by the classification statutory fee. (See attached).

From yachtingworld.com: "When activated, an Emergency Position Indicating Radio Beacon (EPIRB) transmits its details on 406MHz and, if GPS-enabled, the vessel's position to within 100m. This signal is relayed by satellite to a base station, then the MRCC. Simultaneously, the EPIRB transmits a continuous signal on 121.5MHz, which allows search and rescue services to home in on its location using radio direction finders. EPIRBs can either be automatic or manual and are provided with standard or hydrostatic release brackets. They should have a 48-hour operational battery life with a five-year battery replacement. PLBs are miniature EPIRBs for personal use. They transmit on both 406MHz and 121.4MHz, but owing to their size the transmission battery life is only a minimum of 24 hours. They must be registered with the Maritime Rescue Co-ordination Centre (MRCC) in your country."

Low Impact:

Staff at the NOAA/SARSAT provided data regarding the number of EPIRBs and PLBs registered in Florida (**EPIRBs:** *Count of all EPIRB registrations with a registration number starting with "FL";* **PLBs:** *Count of all PLB registrations with mailing address in Florida that indicate Boat as type of usage*). Based on these data, approximately 10% of Vessels would be eligible for the reduced fees as of FY 15-16. The same fee classification distribution (FY 2014-15) was applied to these numbers to get an estimate of the number of EPIRBs and PLBs by vessel classification. To estimate the number of eligible reduced fee transactions during the forecast, the NOAA data by classification were grown by the REC growth rate, keeping the proportion of those eligible constant while accounting for the forecasted growth from the REC. These forecasted eligible reduced fee transactions were then multiplied by the classification fee to estimate the revenue from reduced fee registrations. The full fee revenue was recalculated to account for the reduced fee transactions. These revenue estimates (reduced fee and full fee) were summed together to get the new forecast accounting for reduced fees. To estimate the impact to revenue, the REC estimate was subtracted from this new estimate. (See attached)

REVENUE ESTIMATING CONFERENCE

Tax: Highway Safety Fees

Issue: Vessel Registration Location Indicating Devices

Bill Number(s): CS/CS/HB 427

Middle Impact:

Using the NOAA/SARSAT data as the FY2015-16 base eligible pool (approximately 10%), the middle impact grows this pool by 10% annually over the forecast. The full fee revenue was recalculated to account for the reduced fee transactions. These revenue estimate were summed together to get the new forecast accounting for reduced fees. To estimate the impact to revenue, the REC estimate was subtracted from this new estimate. There is a negative insignificant impact in the second year that is a biennial residual. (See attached).

High Impact:

This estimate assumes all vessels or vessel owners will be eligible for the fee reduction by acquiring and registering EPIRBs or PLBs (100% eligible pool). To estimate the impact to revenue, the REC estimate was subtracted from this new estimate. (See attached)

Section 4: Proposed Fiscal Impact

Impact	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17			(.3m)			
2017-18			(*)			
2018-19						
2019-20						
2020-21						

List of affected Trust Funds: General Revenue is to be transferred to HSMV in an amount equal to the difference in fees collected and distributed pursuant to s. 328.76.

Section 5: Consensus Estimate (Adopted: 05/24/2016): The Conference adopted the proposed estimate. The impact to HSOTF will be offset by a transfer from General Revenue that will make HSOTF whole. The negative insignificant impact to the 2nd year is biennial residuals.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	0.0	0.0	(0.3)	0.0	0.0	0.0	(0.3)	0.0
2017-18	0.0	0.0	(Insignificant)	0.0	0.0	0.0	(Insignificant)	0.0
2018-19	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2019-20	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2020-21	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Vessels Forecast (01/04/2016 HSMV REC)

		2016-17	2017-18	2018-19	2019-20	2020-21
328.72	VESSELS	14,471,020	14,671,799	14,915,359	15,150,059	15,364,387
328.72	Biennial	1,755,197	1,790,645	1,815,490	1,845,628	1,874,670
	TOTAL	16,226,217	16,462,444	16,730,849	16,995,687	17,239,057

FY 2-14-15 Vessel Type	
Commerical	6.2%
Pleasure	93.3%
Dealer	0.5%

		2016-17	2017-18	2018-19	2019-20	2020-21
Pleasure	VESSELS	13,507,209	13,694,615	13,921,954	14,141,022	14,341,075
Pleasure	Biennial	1,638,296	1,671,383	1,694,573	1,722,704	1,749,812
	TOTAL	15,145,505	15,365,998	15,616,527	15,863,725	16,090,887

FY 2014-15 Class Split		Annual Revenue Forecast (\$)				
Class A-1	4.03%	544,157	551,707	560,866	569,691	577,751
Class A-2	11.76%	1,588,563	1,610,604	1,637,340	1,663,105	1,686,633
Class 1	53.49%	7,224,582	7,324,820	7,446,416	7,563,588	7,670,591
Class 2	22.65%	3,059,457	3,101,906	3,153,399	3,203,019	3,248,332
Class 3	6.91%	933,590	946,543	962,256	977,397	991,225
Class 4	1.01%	136,952	138,852	141,157	143,378	145,406
Class 5	0.15%	19,909	20,185	20,520	20,843	21,138

Full Fee		Annual Effective Transactions (Revenue/Fee)				
Class A-1	5.5	98,938	100,310	101,976	103,580	105,046
Class A-2	16.25	97,758	99,114	100,759	102,345	103,793
Class 1	28.75	251,290	254,776	259,006	263,081	266,803
Class 2	78.25	39,098	39,641	40,299	40,933	41,512
Class 3	127.75	7,308	7,409	7,532	7,651	7,759
Class 4	152.75	897	909	924	939	952
Class 5	189.75	105	106	108	110	111

FY 2014-15 Class Split		Biennial Revenue Forecast (\$)				
Class A-1	4.03%	66,001	67,334	68,268	69,402	70,494
Class A-2	11.76%	192,678	196,569	199,296	202,605	205,793
Class 1	53.49%	876,273	893,970	906,374	921,420	935,919
Class 2	22.65%	371,083	378,577	383,830	390,202	396,342
Class 3	6.91%	113,236	115,522	117,125	119,070	120,943
Class 4	1.01%	16,611	16,946	17,182	17,467	17,742
Class 5	0.15%	2,415	2,464	2,498	2,539	2,579

Full Fee		Biennial Effective Transactions (Revenue/Fee)				
Class A-1	5.5	12,000	12,243	12,412	12,618	12,817
Class A-2	16.25	11,857	12,097	12,264	12,468	12,664
Class 1	28.75	30,479	31,095	31,526	32,049	32,554
Class 2	78.25	4,742	4,838	4,905	4,987	5,065
Class 3	127.75	886	904	917	932	947
Class 4	152.75	109	111	112	114	116
Class 5	189.75	13	13	13	13	14

FY 2014-15 Class Split		Revenue Forecast (\$)				
Class A-1	4.03%	610,158	619,041	629,134	639,093	648,244
Class A-2	11.76%	1,781,240	1,807,172	1,836,637	1,865,709	1,892,425
Class 1	53.49%	8,100,855	8,218,790	8,352,790	8,485,009	8,606,510
Class 2	22.65%	3,430,540	3,480,483	3,537,229	3,593,221	3,644,674
Class 3	6.91%	1,046,825	1,062,065	1,079,381	1,096,467	1,112,168
Class 4	1.01%	153,562	155,798	158,338	160,845	163,148
Class 5	0.15%	22,323	22,648	23,018	23,382	23,717

Full Fee		Effective Transactions (Revenue/Fee)				
Class A-1	5.5	110,938	112,553	114,388	116,198	117,863
Class A-2	16.25	109,615	111,211	113,023	114,813	116,457
Class 1	28.75	281,769	285,871	290,532	295,130	299,357
Class 2	78.25	43,840	44,479	45,204	45,920	46,577
Class 3	127.75	8,194	8,313	8,449	8,583	8,706
Class 4	152.75	1,006	1,020	1,036	1,053	1,068
Class 5	189.75	118	119	121	123	125

Low Impact: Florida EPIRB and PDL (Boat use indicated) Registered with NOAA as of 10/6/2015

	October, 2015
EPIRB*	12,295
PLB**	26,078
Total	38,373

* NOAA provided the count of all EPIRB registrations with a registration number starting with "FL"

** NOAA provided the count of all PLB registrations with mailing address in Florida that indicate Boat as type of usage

	FY 2014-15 Class Split	FL EPIRB	FL PLB	Total
Class A-1	4.03%	495	1,051	1,546
Class A-2	11.76%	1,446	3,067	4,513
Class 1	53.49%	6,576	13,948	20,525
Class 2	22.65%	2,785	5,907	8,692
Class 3	6.91%	850	1,802	2,652
Class 4	1.01%	125	264	389
Class 5	0.15%	18	38	57

	10/2015 Total	2016-17	2017-18	2018-19	2019-20	2020-21
		Reduced Fee Transaction Forecast				
Class A-1	1,546	1,523	1,544	1,570	1,595	1,617
Class A-2	4,513	4,447	4,509	4,584	4,656	4,722
Class 1	20,525	20,224	20,505	20,845	21,173	21,473
Class 2	8,692	8,565	8,683	8,828	8,966	9,093
Class 3	2,652	2,613	2,650	2,694	2,736	2,775
Class 4	389	383	389	395	401	407
Class 5	57	56	57	57	58	59

	Reduced Fee	Revenue Forecast with Reduced Fee (\$)				
Class A-1	4.24	6,459	6,548	6,657	6,762	6,858
Class A-2	13.77	61,235	62,085	63,115	64,108	65,015
Class 1	24.83	502,170	509,138	517,590	525,734	533,172
Class 2	68.56	587,188	595,335	605,217	614,741	623,438
Class 3	112.31	293,519	297,591	302,532	307,292	311,639
Class 4	134.41	51,530	52,245	53,112	53,948	54,711
Class 5	167.11	9,313	9,443	9,599	9,750	9,888

Subtotal	1,511,414	1,532,384	1,557,823	1,582,336	1,604,721
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	Full Fee	Revenue Forecast with Full Fee (\$)				
Class A-1	5.5	601,782	610,547	620,499	630,318	639,351
Class A-2	16.25	1,708,981	1,733,913	1,762,141	1,790,057	1,815,701
Class 1	28.75	7,519,411	7,629,274	7,753,491	7,876,254	7,989,168
Class 2	78.25	2,760,323	2,801,005	2,846,456	2,891,614	2,933,098
Class 3	127.75	712,962	723,482	735,237	746,941	757,709
Class 4	152.75	95,066	96,431	97,890	99,537	100,961
Class 5	189.75	11,763	11,858	12,060	12,268	12,491

Subtotal	13,410,289	13,606,511	13,827,774	14,046,987	14,248,480
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Total	14,921,703	15,138,895	15,385,597	15,629,323	15,853,201
Difference	-223,802	-227,103	-230,930	-234,402	-237,686

Middle Impact: Low Impact base (approx. 10%) grown by 10% annually

		2016-17	2017-18	2018-19	2019-20	2020-21
	10/2015 Total	Reduced Fee Transaction Forecast				
Class A-1	1,546	1,701	1,871	2,058	2,263	2,490
Class A-2	4,513	4,964	5,461	6,007	6,607	7,268
Class 1	20,525	22,577	24,835	27,318	30,050	33,055
Class 2	8,692	9,561	10,517	11,569	12,726	13,998
Class 3	2,652	2,917	3,209	3,530	3,883	4,271
Class 4	389	428	471	518	570	627
Class 5	57	62	68	75	83	91

	Reduced Fee	Revenue Forecast with Reduced Fee (\$)				
Class A-1	4.24	7,210	7,931	8,724	9,597	10,556
Class A-2	13.77	68,358	75,194	82,714	90,985	100,083
Class 1	24.83	560,586	616,645	678,309	746,140	820,754
Class 2	68.56	655,493	721,042	793,146	872,461	959,707
Class 3	112.31	327,663	360,429	396,472	436,119	479,731
Class 4	134.41	57,524	63,277	69,604	76,565	84,221
Class 5	167.11	10,397	11,436	12,580	13,838	15,222

Subtotal	1,687,231	1,855,954	2,041,550	2,245,705	2,470,275
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	Full Fee	Revenue Forecast with Full Fee (\$)				
Class A-1	5.5	600,807	608,753	617,817	626,640	634,553
Class A-2	16.25	1,700,575	1,718,442	1,739,013	1,758,340	1,774,318
Class 1	28.75	7,451,773	7,504,795	7,567,399	7,621,052	7,656,184
Class 2	78.25	2,682,364	2,657,530	2,631,966	2,597,469	2,549,302
Class 3	127.75	674,124	652,006	628,382	600,403	566,508
Class 4	152.75	88,254	83,894	79,147	73,834	67,424
Class 5	189.75	10,533	9,594	8,675	7,626	6,435

Subtotal	13,208,430	13,235,015	13,272,400	13,285,364	13,254,724
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Total	14,895,662	15,090,970	15,313,950	15,531,069	15,724,999
Difference	-249,843	-275,028	-302,577	-332,657	-365,888

High Impact: All Vessels Eligible for Fee Reduction

		2016-17	2017-18	2018-19	2019-20	2020-21
	Reduced Fee	Revenue Forecast with Reduced Fee (\$)				
Class A-1	4.24	485,498	477,225	485,005	492,680	499,739
Class A-2	13.77	1,538,805	1,531,375	1,556,327	1,580,975	1,603,613
Class 1	24.83	7,115,804	7,098,177	7,213,910	7,328,078	7,433,034
Class 2	68.56	3,051,642	3,049,480	3,099,186	3,148,275	3,193,319
Class 3	112.31	933,997	933,633	948,907	963,957	977,771
Class 4	134.41	137,177	137,098	139,249	141,534	143,550
Class 5	167.11	19,961	19,886	20,220	20,555	20,889

Total	13,282,884	13,246,875	13,462,804	13,676,053	13,871,915
Difference	-1,862,621	-2,119,123	-2,153,723	-2,187,673	-2,218,972

REVENUE ESTIMATING CONFERENCE

Tax: Other Taxes and Fees
Issue: Health Practitioner Licenses
Bill Number(s): CS/CS/HB 941

- Entire Bill**
 Partial Bill: Sections 12 and 19

Sponsor(s): Gonzalez
Month/Year Impact Begins: July 1, 2016
Date of Analysis: May 23, 2016

Section 1: Narrative

a. **Current Law:** *Clinical Hours for Military Health Practitioners.* Military health practitioners that are unable to get adequate clinical training hours at their assigned military station desire an ability to obtain clinical hours at civilian hospitals. Currently, there is no simple licensing procedure designed for this purpose.

Licenses for Chiropractors. Chiropractors attend training and convention events within Florida and demonstrate equipment in the state. Currently, these chiropractors may be required to obtain a license.

b. **Proposed Change:** *Clinical Hours for Military Health Practitioners – Certificate Program.* A new certificate program is authorized for military practitioners to obtain clinical training in civilian hospitals. The DOH is authorized to set the certificate and renewal fee by rule, not to exceed \$50.

Licenses for Chiropractors. Chiropractors are authorized to demonstrate equipment within the state without obtaining a chiropractic license within the state.

Section 2: Description of Data and Sources

DOH

Section 3: Methodology (Include Assumptions and Attach Details)

No data is available concerning military health practitioners that will apply for the new certificate that allows them to obtain clinical experience in civilian hospitals or chiropractors that will now not obtain a license due to the exemption for demonstrating equipment.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17			**	**		
2017-18			**	**		
2018-19			**	**		
2019-20			**	**		
2020-21			**	**		

List of affected Trust Funds:

DOH

Section 5: Consensus Estimate (Adopted: 05/24/2016): The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	**	**	**	**	0.0	0.0	**	**
2017-18	**	**	**	**	0.0	0.0	**	**
2018-19	**	**	**	**	0.0	0.0	**	**
2019-20	**	**	**	**	0.0	0.0	**	**
2020-21	**	**	**	**	0.0	0.0	**	**

REVENUE ESTIMATING CONFERENCE

Tax: Other taxes and fees; penalties

Issue: Option to purchase license

Bill Number(s): HB 7013 (Chapter 2016-107, L.O.F.)

Entire Bill

Partial Bill: Section 20

Sponsor(s): Agriculture & Natural Resources Subcommittee; Combee and others

Month/Year Impact Begins: July, 2016

Date of Analysis: 5/24/16

Section 1: Narrative

a. Current Law:

Individuals who wish to hunt or fish recreationally in Florida must obtain the appropriate license and permit, unless exempted by s. 379.353(2), F.S.¹ Individuals who violate the hunting and fishing license and permit requirements in s. 379.354(1) through (15), F.S., commit a Level 1 violation.² Persons convicted of this must pay a \$50 fine, plus the cost of the appropriate license and permit, for the first offense. Persons who commit a second offence within 36 months of the first offense must pay a \$100 fine, plus the cost of the appropriate license and permit.³

b. Proposed Change:

The bill amends s. 379.401(1)(c)1. and 2., F.S., to offer violators of recreational fishing and hunting license provisions, except for a person who violates s. 379.354(6), (7), (8)(f), or (8)(h), F.S.,⁴ the option to purchase the appropriate license or permit in addition to the fine rather than just paying the cost of the license or permit. Thus, these individuals will possess the appropriate license and permit in the future. The bill also amends s. 379.401(1)(f), F.S., to provide a method to provide proof of compliance with the penalty.

The relevant amendments in the bill to s. 379.401(1)(c)1. and 2., F.S., are as follows:

(c)1. The civil penalty for committing a Level One violation involving the license and permit requirements of s. 379.354 is \$50 plus the cost of the license or permit, unless subparagraph 2. applies. Alternatively, except for a person who violates s. 379.354(6), (7), (8)(f), or (8)(h), a person who violates the license and permit requirements of s. 379.354 and is subject to the penalties of this subparagraph may purchase the license or permit, provide proof of such license or permit, and pay a civil penalty of \$50.

2. The civil penalty for committing a Level One violation involving the license and permit requirements of s. 379.354 is \$250 ~~\$100~~ plus the cost of the license or permit if the person cited has previously committed the same Level One violation within the preceding 36 months. Alternatively, except for a person who violates s. 379.354(6), (7), (8)(f), or (8)(h), a person who violates the license and permit requirements of s. 379.354 and is subject to the penalties of this subparagraph may purchase the license or permit, provide proof of such license or permit, and pay a civil penalty of \$250.

¹ Section 379.354, F.S.

² Section 379.401(1)(a)5., F.S.

³ Section 379.401(1)(c)1. and 2., F.S.

⁴ Section 379.354(6), F.S., pertains to pier licenses, s. 379.354(7), F.S., pertains to vessel licenses, and s. 379.354(8)(f) and (h), F.S., pertains to special use permits for limited entry permits and permits for recreational hunting on lands leased from FWC by nongovernmental owners.

REVENUE ESTIMATING CONFERENCE

Tax: Other taxes and fees; penalties

Issue: Option to purchase license

Bill Number(s): HB 7013 (Chapter 2016-107, L.O.F.)

Section 2: Description of Data and Sources

House Final Bill Analysis for HB 7013, dated March 28, 2016

FWC, 2016 Agency Legislative Bill Analysis, Fish and Wildlife Conservation Commission, dated October 23, 2015

Section 3: Methodology (Include Assumptions and Attach Details)

Several sections of this proposal entail changes to amounts assessed for recreational fish and wildlife violations. In analyzing the impact of these potential changes, FWC relied on resource citation data from the Division of Law Enforcement. The Division uses a suite of software applications created by CTS-America, which allows for the issuance of electronic citations. The geographic environment that FWC officers work within does not always allow for the use of electronic citations and handwritten citations are often still issued. Since October 2014, all citations issued by officers both in handwritten and electronic format are stored in this central database.

Citation data in this analysis is from the period of October 2011 through September 2015. While this timeframe does not align with the annual state fiscal year, it does provide for the most recent full year of citation information (October 2014 – September 2015). Instead of using averages or trying to extrapolate data and make assumptions from partial data sets (to align with the state fiscal year), FWC felt it was important to use the most current 12 month period of data available. Further, multiple years of data was necessary in order to analyze changes to civil penalties for repeat offenders, which is defined as an offender who has committed the same violation within a 36 month period.

Section 379.2203, F.S., requires that all moneys collected from fines and penalties of persons convicted under this chapter shall be deposited in the fine and forfeiture fund established pursuant to s. 142.01, F.S., (unless there is an exception as outlined further in the chapter). It is important to note that this analysis is based on citations issued and does not consider the disposition of the offenses as charged. Defendants have thirty days to pay the fine or arrange for a court appearance for further consideration.

Listed below are estimates of the fiscal impact of penalty changes within section 20 of this bill.

Resident Citations Recreational Licenses/Permits 10/01/14 - 9/30/15										
Statutory Reference	Violation	# Citation	Penalty Amount	License Cost	Permit Cost	Total Fine	Amount to Clerks of Court	Amount to FWC	Revised Amount to Clerks of Court*	Revised Amount to FWC*
379.354(8)(e)1	Archery	15	50.00	0.00	5.00	55.00	825.00	0.00	750.00	75.00
379.354(8)(e)2	Crossbow	1	50.00	0.00	5.00	55.00	55.00	0.00	50.00	5.00
379.354(8)(i)	Deer Permit	32	50.00	0.00	5.00	55.00	1,760.00	0.00	1,600.00	160.00
379.354(1) or (3)	Fish/Hunt	24	50.00	31.00	0.00	81.00	1,944.00	0.00	1,200.00	744.00
379.354(1) or (3)	Freshwater	779	50.00	15.50	0.00	65.50	51,024.50	0.00	38,950.00	12,074.50
379.354(1) or (3)	Hunt	164	50.00	15.50	0.00	65.50	10,742.00	0.00	8,200.00	2,542.00
379.354(8)(d)	Lobster	5	50.00	0.00	5.00	55.00	275.00	0.00	250.00	25.00
379.354(8)(g)1	WMA Permit	47	50.00	0.00	30.00	80.00	3,760.00	0.00	2,350.00	1,410.00
379.354(8)(e)3	Muzzleloading	10	50.00	0.00	5.00	55.00	550.00	0.00	500.00	50.00
379.354(6)	Pier	1	50.00	500.00	0.00	550.00	550.00	0.00	50.00	500.00

REVENUE ESTIMATING CONFERENCE

Tax: Other taxes and fees; penalties

Issue: Option to purchase license

Bill Number(s): HB 7013 (Chapter 2016-107, L.O.F.)

379.354(1)	Quota Hunt	128	50.00	0.00	0.00	50.00	6,400.00	0.00	6,400.00	0.00
379.354(1) or (3)	Saltwater	953	50.00	15.50	0.00	65.50	62,421.50	0.00	47,650.00	14,771.50
379.354(8)(c)	Snook	11	50.00	0.00	10.00	60.00	660.00	0.00	550.00	110.00
379.354(1) or (3)	Stamp	78	50.00	0.00	10.00	60.00	4,680.00	0.00	3,900.00	780.00
379.354(8)(b)1	Turkey Stamp	13	50.00	0.00	10.00	60.00	780.00	0.00	650.00	130.00
379.354(8)(a)	Waterfowl	22	50.00	0.00	5.00	55.00	1,210.00	0.00	1,100.00	110.00
	TOTAL	2283					147,637.00	0.00	114,150.00	33,487.00
Non Resident Citations 10/01/14 - 9/30/15										
Statutory Reference	Violation	# Citation	Penalty Amount	License Cost	Permit Cost	Total Fine	Amount to Clerks of Court	Amount to FWC	Revised Amount to Clerks of Court*	Revised Amount to FWC*
379.354(1) or (3)	Freshwater	82	50.00	45.50	0.00	95.50	7,831.00	0.00	4,100.00	3,731.00
379.354(1) or (3)	Hunt	15	50.00	150.00	0.00	200.00	3,000.00	0.00	750.00	2,250.00
379.354(8)(d)	Lobster	2	50.00	0.00	5.00	55.00	110.00	0.00	100.00	10.00
379.354(1) or (3)	Quota Hunt	16	50.00	0.00	0.00	50.00	800.00	0.00	800.00	0.00
379.354(1) or (3)	Saltwater	228	50.00	45.50	0.00	95.50	21,774.00	0.00	11,400.00	10,374.00
379.354(8)(b)1	Turkey Stamp	3	50.00	0.00	125.00	175.00	525.00	0.00	150.00	375.00
379.354(4)(g)	Trapping	1	50.00	25.00	0.00	75.00	75.00	0.00	50.00	25.00
379.354(1) or (3)	WMA Permit	2	50.00	0.00	30.00	80.00	160.00	0.00	100.00	60.00
	TOTAL	349					34,275.00	0.00	17,450.00	16,825.00
Total Resident and Non Resident							181,912.00	0.00	131,600.00	50,312.00

*Assumes all violators would choose the option to buy the license/permit, rather than pay an equal amount as part of the fine.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17			50,312	50,312	*	*
2017-18			50,312	50,312	*	*
2018-19			50,312	50,312	*	*
2019-20			50,312	50,312	*	*
2020-21			50,312	50,312	*	*

List of affected Trust Funds:

- Fine and forfeiture trust fund,⁵Dedicated License Trust Fund,⁶ Lifetime Fish and Wildlife Trust Fund,⁷ State Game Trust Fund⁸

⁵ Section 142.01, F.S.

⁶ Section 379.203, F.S.

⁷ Section 379.207, F.S.

⁸ Section 379.211, F.S.

REVENUE ESTIMATING CONFERENCE

Tax: Other taxes and fees; penalties

Issue: Option to purchase license

Bill Number(s): HB 7013 (Chapter 2016-107, L.O.F.)

Section 5: Consensus Estimate (Adopted: 05/24/2016): The Conference adopted positive insignificant for Trust, negative insignificant for Local which nets to a zero Total Impact.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	0.0	0.0	Insignificant	Insignificant	(Insignificant)	(Insignificant)	0.0	0.0
2017-18	0.0	0.0	Insignificant	Insignificant	(Insignificant)	(Insignificant)	0.0	0.0
2018-19	0.0	0.0	Insignificant	Insignificant	(Insignificant)	(Insignificant)	0.0	0.0
2019-20	0.0	0.0	Insignificant	Insignificant	(Insignificant)	(Insignificant)	0.0	0.0
2020-21	0.0	0.0	Insignificant	Insignificant	(Insignificant)	(Insignificant)	0.0	0.0

REVENUE ESTIMATING CONFERENCE

Tax: Other Taxes and Fees

Issue: Pest Control Certificates and Commercial Fertilizer Applicators

Bill Number(s): CS/CS/HB7007, Enrolled. Chapter No. 2016-61

Entire Bill

Partial Bill: Sections 2. and 3.

Sponsor(s): State Affairs Committee; Agriculture and Natural Resources Appropriations Subcommittee; Agriculture and Natural Resources Subcommittee; Raburn

Month/Year Impact Begins: July 1, 2016

Date of Analysis: May 24, 2016

Section 1: Narrative

a. Current Law:

Pest Control Operators

Under current law, persons seeking certification pay an examination fee of \$300, and then must pay an additional \$150 to obtain the certificate after passing the examination. The \$150 payment is due to the department within 60 days after the postmark date of written notification of passing the examination. During a period of 30 calendar days following expiration of the 60-day period, an original certificate may be issued; however, a late issuance charge of \$50 is assessed and must be paid in addition to the issuance fee.

Commercial Fertilizer Application

As of January 1, 2014, a person who applies commercial fertilizer to an urban landscape must obtain a certificate from the DACS and pay a \$25 certification fee. A certificate holder must pay a \$25 renewal fee every four years at least 90 days before the expiration of the current certificate. A late fee of \$50 per month is assessed 30 days after the date the application for recertification is due and must be paid in addition to the renewal fee.

b. Proposed Change:

Pest Control Operators

The bill removes the \$150 issuance fee and applicants will only pay the application and examination fee of \$300. The bill also removes the \$50 late fee.

Commercial Fertilizer Application

Applicants no longer need to renew their certification 90 days before the expiration date. The law also removes the \$50 per month late fee.

Section 2: Description of Data and Sources

Discussion with the Department of Agriculture and Consumer Services
Department of Agriculture and Consumer Services Agency Analysis

Section 3: Methodology (Include Assumptions and Attach Details)

Pest Control Operators

The DACS provided data on revenue from FY12/13 to FY15/16, YTD, for the pest control operator's certification but did not provide data for the \$50 late fee. DACS is not aware as to why in FY14/15 revenue increased at such a high rate.

High Estimate: uses the three-year average growth rate (3 percent) and does not consider FY14/15 an outlier.

Low Estimate: uses the growth rate derived from excluding FY14/15, 4 percent. This assumes that FY14/15 is an outlier.

Commercial Fertilizer Application

The DACS indicates that they began collecting revenue for the Limited Commercial Urban Fertilizer License on May 17, 2010. Late fee revenue collected in FY 2014/15 and FY 2015/16, YTD, was \$2,500 and \$1,000, respectively. The estimated fiscal impact is negative insignificant throughout the forecast window.

Current law requires licensees to renew their license 90-days before the expiration date. The new law removes this requirement, which will shift the timing of payments received by DACS for certain licensees who renew within a

REVENUE ESTIMATING CONFERENCE

Tax: Other Taxes and Fees

Issue: Pest Control Certificates and Commercial Fertilizer Applicators

Bill Number(s): CS/CS/HB7007, Enrolled. Chapter No. 2016-61

few month range surrounding a new Fiscal Year. For example, a person whose license expires in August is required to make a renewal payment in June of the prior fiscal year. Another example is a person whose license expires in mid-June of a given fiscal year. This person will now make a renewal payment by the middle of July in a subsequent fiscal year. This payment-shifting is estimated to have an insignificant fiscal impact. (There were 329 licenses renewed in FY 14/15 with total revenue of \$8,225. In FY 15/16, YTD, there were 200 licenses renewed with a total revenue of \$5,000.)

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	(0.1)	(0.1)			(0.1)	(0.1)
2017-18	(0.1)	(0.1)			(0.1)	(0.1)
2018-19	(0.1)	(0.1)			(0.1)	(0.1)
2019-20	(0.1)	(0.1)			(0.1)	(0.1)
2020-21	(0.1)	(0.1)			(0.1)	(0.1)

List of affected Trust Funds:

Section 5: Consensus Estimate (Adopted: 05/24/2016): The Conference adopted the low estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	(Insignificant)	(Insignificant)	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)
2017-18	(Insignificant)	(Insignificant)	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)
2018-19	(Insignificant)	(Insignificant)	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)
2019-20	(Insignificant)	(Insignificant)	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)
2020-21	(Insignificant)	(Insignificant)	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)

REVENUE ESTIMATING CONFERENCE

Tax: Other Taxes and Fees

Issue: Pest Control Certificates and Commercial Fertilizer Applicators

Bill Number(s): CS/CS/HB7007, Enrolled. Chapter No. 2016-61

Fiscal Year	Revenue	Growth Rate	High	Low			3-yr Average Growth:	2.9%
2012-13	\$ 70,965						Growth without 2014-15	1.9%
2013-14	\$ 73,410	3.4%						
2014-15	\$ 83,810	14.2%						
2015-16*	\$ 76,416	-8.8%						
2016-17			\$ 78,655	\$ 77,843				
2017-18			\$ 80,960	\$ 79,297				
2018-19			\$ 83,332	\$ 80,777				
2019-20			\$ 85,773	\$ 82,286				
2020-21			\$ 88,287	\$ 83,822				
* FY 2015-16 is YTD and DACS reports, as of May 1, 2016, the revenue is:							\$	63,680
The \$76,416 revenue is annualized accordingly.								

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: School Sales Tax Holiday, 3 days, \$60 Clothing/Shoes, \$15 School Supplies, No Computers, Dealer Opt Out Provision

Bill Number(s): HB 7099 (Ch. 2016-220, L.O.F.)

Entire Bill

Partial Bill: Section 24

Sponsor(s): Representative Gaetz

Month/Year Impact Begins: The bill is effective July 1, 2016. The sales tax holiday will affect August activity and, subsequently, September collections.

Date of Analysis: May 23, 2016

Section 1: Narrative

a. Current Law:

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

b. Proposed Change:

Clothing: The bill exempts sales of “clothing, wallets, or bags, including handbags, backpacks, fanny packs, and diaper bags, but excluding briefcases, suitcases, and other garment bags” from the Sales and Use Tax for a three-day period beginning on Friday, August 5, and ending on Sunday, August 7, 2016, as long as the sales price of the item does not exceed \$60. Clothing is defined as “any article of wearing apparel intended to be worn on or about the human body, excluding watches, watchbands, jewelry, umbrellas, and handkerchiefs,” and including all footwear except for “skis, swim fins, roller blades, and skates.”

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

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

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

Section 2: Description of Data and Sources

- Clothing and Shoes expenditures forecast, DEC 2015 National Economic Estimating Conference.
- U.S. Population (total and 65+), 3rd Quarter estimates, DEC 2015 National Economic Estimating Conference.
- Florida Population (total and 65+), 3rd Quarter estimates, DEC 2015 Demographic Estimating Conference.
- Estimates of Florida public school enrollment, JAN 2016 K-12 Enrollment Estimating Conference.
- Estimates of Florida private school enrollment, Department of Education Office of K-12 School Choice.
- Estimates of Florida public and private college/university fall enrollment, Integrated Postsecondary Education Data System (National Center for Education Statistics). Available at www.nces.ed.gov/ipeds. Estimates include Florida College System institutions, State Universities, career centers, and private institutions eligible to participate in the FRAG or ABLE tuition assistance programs. Last accessed 1/20/2016.
- Back-to-School Planned Spending data, National Retail Federation. Available at <https://nrf.com/resources/back-school-headquarters>. Accessed 9/10/2015.
- Selected school supply lists from various Florida school districts.

Section 3: Methodology (Include Assumptions and Attach Details)

Clothing/Shoes/Backpacks: Florida expenditures for clothing and shoes are derived from total national expenditures for clothing and shoes using Florida population (adjusted for ages 65+), and adjusted for an assumed 10 percent non-taxed mail order items. The annual total Florida expenditures are converted to a ten-day amount, and it is assumed that 66 percent of expenditures would be under the \$60 limit. The 66 percent factor is derived from prior REC impacts for a \$50 limit and a \$75 limit. For backpacks, it is assumed that 20 percent of students would purchase a backpack, and each backpack is assumed to cost \$25. These percentages are reduced by 2.5 percentage points (to 63.5% and 17.5%, respectively) to adjust for the dealer opt out

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: School Sales Tax Holiday, 3 days, \$60 Clothing/Shoes, \$15 School Supplies, No Computers, Dealer Opt Out Provision

Bill Number(s): HB 7099 (Ch. 2016-220, L.O.F.)

provision. Using a base ten-day matrix (which is derived from a 14-day matrix developed to estimate the impact for a prior hurricane sales tax holiday) to spread expenditure levels by each day of the forecast period, the level of spending for a three-day weekend is derived (=62.4% of the ten-day total). The 62.4% factor is applied to the sales tax portion of ten days of spending to estimate the impact for the three-day holiday

School Supplies: For school supplies, an amount of expenditure is assumed per student, by grade level, for ten days, which is multiplied by the estimated number of students enrolled in public or private elementary and secondary schools, Florida Colleges, State Universities, career centers, and private colleges/universities. Based on a review of National Retail Federation information and selected public school supply lists, the estimated expenditure amount per student was increased from the 2015 estimate as follows: PreK through 5th grade—plus 25%; 6th through 8th grades—plus 10%; and 9th through 12th grades and higher education—plus 5%. The estimated total expenditure by students is increased by a factor of 25% for business spending. A 2.5 percentage point adjustment is made for the dealer opt out, and the 62.4% matrix adjustment is also made to derive the three-day impact.

Section 4: Proposed Fiscal Impact: The impact is nonrecurring for FY 2016-17 only.

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17 Clothing/Shoes/Backpacks School Supplies Total			(21.0 M) <u>(4.9 M)</u> (25.9 M)			

List of affected Trust Funds:

Sales and Use Tax Grouping

Section 5: Consensus Estimate (Adopted: 05/24/2016): The Conference adopted the middle estimate.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	(22.9)	0.0	(Insignificant)	0.0	(0.8)	0.0	(2.2)	0.0
2017-18	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2018-19	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2019-20	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2020-21	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	(2.3)	0.0	(5.3)	0.0	(28.2)	0.0
2017-18	0.0	0.0	0.0	0.0	0.0	0.0
2018-19	0.0	0.0	0.0	0.0	0.0	0.0
2019-20	0.0	0.0	0.0	0.0	0.0	0.0
2020-21	0.0	0.0	0.0	0.0	0.0	0.0

**HB 7099 (Ch. 2016-220, L.O.F.)
Sales Tax Holiday - Clothing, School Supplies**

3 Days, August 5-7, 2016

(NONRECURRING)

Expenditure Type		Estimate
1	Clothing & Shoes - \$60 or Less	\$ (21.0)
2	School Supplies - \$15 or Less	\$ (4.9)
3	Total Impact	\$ (25.9)

HB 7099 (Ch. 2016-220, L.O.F.)
SALES TAX HOLIDAY - CLOTHING

3 Days
\$60 Limit

2016-17	<u>Estimate</u>
1 National Personal Expenditure on Clothing and Shoes	389,300.0
2 Florida Share based on Population Forecast	24,292.8
3 Florida Expenditures on Apparel & Shoes (adjusted for 65+)	23,123.1
4 Est. Florida-based Sales of Apparel & Shoes (10% mail order adj.)	20,810.8
5 Sales Tax at 6%	1,248.6
6 Exempted Amount (66%)	824.1
7 Exempted Amount with Dealer Opt Out (63.5%)	792.9
8 Preliminary 10-day Fiscal Impact in Florida	(21.7)
9 Seasonal Factor set to 1 (no seasonal factor)	1.0
10 Behavioral Factor based on New York History and Florida Experience	1.5
11 Adjusted 10-day Fiscal Impact in Florida	(32.6)
12 Backpacks (20% x Number of Students x \$25/backpack))	(1.2)
13 Backpacks with Dealer Opt Out (17.5% x Number of Students x \$25/backpack))	(1.1)
14 Total Impact 3 Day (62.4% Adjustment)	(\$21.0)

HB 7099 (Ch. 2016-220, L.O.F.)
SALES TAX HOLIDAY - SCHOOL SUPPLIES

**3 Days
 \$15 Limit**

2016-17

	Grade Level	Expenditures per Student	Number of Students	Total Expenditures
1	PreK	20.00	64,704	1.3
2	KG	20.00	227,691	4.6
3	1	20.00	231,383	4.6
4	2	20.00	239,131	4.8
5	3	25.00	252,361	6.3
6	4	27.00	245,556	6.6
7	5	27.00	242,713	6.6
8	6	32.00	236,933	7.6
9	7	32.00	235,519	7.5
10	8	32.00	237,934	7.6
11	9	35.00	244,654	8.6
12	10	35.00	241,560	8.5
13	11	35.00	228,574	8.0
14	12	35.00	214,566	7.5
15	Total PK-12		3,143,279	90.0
16	Total HigherEd	36.00	1,021,475	36.8
17	Total All Students		4,164,754	126.8
18	Advantage Buying by Business, General Public			
19	25% Factor + 10% for Expanded List			44.4
20			<u>Estimate</u>	
21	Total Sales Tax for 10 Days (75% x 95.9%)		(8.0)	
22	Total Sales Tax for 10 Days with Dealer Opt Out (72.5% x 95.9%)		(7.8)	
23	Total Impact 3 Day (62.4% Adjustment)			(\$4.9)

Clothing and School Supplies Tax Holiday Impacts

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

Assume:

Depending upon what SET OF DAYS are included, the most impact will come from the weekend.
 As long as an ENTIRE WEEKEND is included, the most impact will occur on Friday, Saturday and Sunday.

Weekdays add less to the impact.

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

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Pension Liability Surtax

Bill Number(s): CS/HB1297- Enrolled

Entire Bill

Partial Bill:

Sponsor(s): Community Affairs ; Senator Bradley ; Senator Bean

Month/Year Impact Begins: July 1, 2016

Date of Analysis: 5/20/2016

Section 1: Narrative

a. Current Law: There is currently no pension liability surtax.

b. Proposed Change: Section 1. Subsection (6) of section 112.64, Florida Statutes, is renumbered as subsection (7), and a new subsection (6) is added to that section, to read:

112.64 Administration of funds; amortization of unfunded liability.—

(6)(a) Notwithstanding any other provision of this part, the proceeds of a pension liability surtax imposed by a county pursuant to s. 212.055, which is levied for the purpose of funding or amortizing the unfunded liability of a defined benefit retirement plan or system, excluding the Florida Retirement System, shall be actuarially recognized, and the county shall apply the present value of the total projected proceeds of the surtax to reduce the unfunded liability or to amortize it as part of the county’s annual required contribution, beginning with the fiscal year immediately following approval of the pension liability surtax. The unfunded liability amortization schedule must be adjusted beginning with the fiscal year immediately following approval of the pension liability surtax and amortized over a period of 30 years. (b) The payroll of all employees in classifications covered by a closed retirement plan or system that receives funds from the pension liability surtax must be included in determining the unfunded liability amortization schedule for the closed plan, regardless of the plan in which the employees currently participate, and the payroll growth assumption must be adjusted to reflect the payroll of those employees when calculating the amortization of the unfunded liability.

(9) PENSION LIABILITY SURTAX.— (a) The governing body of a county may levy a pension liability surtax to fund underfunded defined benefit retirement plans or systems, pursuant to an ordinance conditioned to take effect upon approval by a majority vote of the electors of the county voting in a referendum, at a rate that may not exceed 0.5 percent. The county may not impose a pension liability surtax unless the underfunded defined benefit retirement plan or system is below 80 percent of actuarial funding at the time the ordinance or referendum is passed. The most recent actuarial report submitted to the Department of Management Services pursuant to s. 112.63 must be used to establish the level of actuarial funding for purposes of determining eligibility to impose the surtax. The governing body of a county may only impose the surtax if:

1. An employee, including a police officer or firefighter, who enters employment on or after the date when the local government certifies that the defined benefit retirement plan or system formerly available to such an employee has been closed may not enroll in a defined benefit retirement plan or system that will receive surtax proceeds.
2. The local government and the collective bargaining representative for the members of the underfunded defined benefit retirement plan or system or, if there is no representative, a majority of the members of the plan or system, mutually consent to requiring each member to make an employee retirement contribution of at least 10 percent of each member’s salary for each pay period beginning with the first pay period after the plan or system is closed.
3. The pension board of trustees for the underfunded defined benefit retirement plan or system, if such board exists, is prohibited from participating in the collective bargaining process and engaging in the determination of pension benefits.
4. The county currently levies a local government infrastructure surtax pursuant to subsection (2) which is scheduled to terminate and is not subject to renewal.
5. The pension liability surtax does not take effect until the local government infrastructure surtax described in subparagraph 4. is terminated.

- (b) A referendum to adopt a pension liability surtax must meet the requirements of s. 101.161 and must include a brief and general description of the purposes for which the surtax proceeds will be used.
- (c) Pursuant to s. 212.054(4), the proceeds of the surtax collected under this subsection, less an administrative fee that may be retained by the department, shall be distributed by the department to the local government.
- (d) The local government may use the pension liability surtax proceeds in the following manner:

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Pension Liability Surtax

Bill Number(s): CS/HB1297- Enrolled

1. If the proceeds of the pension liability surtax have been actuarially recognized as provided in s. 112.64(6), the local government must distribute the proceeds to an eligible defined benefit retirement plan or system, not including the Florida Retirement System.

2. If the proceeds of the pension liability surtax have not been actuarially recognized, the local government is authorized to distribute the proceeds to an eligible defined benefit retirement plan or system, not including the Florida Retirement System, to pledge the proceeds of the surtax to repay debts incurred for the purpose of making advanced payments toward the unfunded liability of an underfunded defined benefit retirement plan or system, and to reimburse itself from the proceeds of the surtax for any borrowing costs associated with such debts.

(e) The ordinance providing for the imposition of the pension liability surtax must specify how the proceeds will be used:

1. The ordinance must specify the method of determining the percentage of the proceeds, and the frequency of such payments, distributed to each eligible defined benefit retirement plan or system if the proceeds of the pension liability surtax are actuarially recognized as provided in s. 112.64(6).

2. The ordinance must specify the local government's intention to incur debt for the purpose of making advanced payments toward the unfunded liability of an underfunded defined benefit retirement plan or system if the proceeds of the pension liability surtax are not actuarially recognized as provided in s. 112.64(6).

(f) A pension liability surtax imposed pursuant to this subsection shall terminate on December 31 of the year in which the actuarial funding level is expected to reach or exceed 100 percent for the defined benefit retirement plan or system for which the surtax was levied or December 31, 2060, whichever occurs first. The most recent actuarial report submitted to the Department of Management Services pursuant to s. 112.63 must be used to establish the level of actuarial funding.

(g) Notwithstanding any other provision of this section, a county may not levy local option sales surtaxes authorized in this subsection and subsections (2), (3), (4), and (5) in excess of a combined rate of 1 percent.

c. Section 2: Description of Data and Sources

2016 Local Discretionary Sales Surtax Rates in Florida's Counties

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

General Revenue – Sales Tax Growth Rates – Jan 2016

Section 3: Methodology (Include Assumptions and Attach Details)

Those counties that currently levy a local government infrastructure surtax were identified as eligible. The 2016 local discretionary sales surtax estimates were used to develop the maximum 0.5 percent estimate. The high estimate indicates that all eligible counties would levy the pension liability surtax. The middle estimate assumes only Duval county would levy the surtax while the low has zero counties levying it. Estimates are grown at total sales tax growth.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	\$544.1m		\$85.4m		\$0	
2017-18	\$571.8m		\$89.8m		\$0	
2018-19	\$598.1m		\$93.9m		\$0	
2019-20	\$623.9m		\$97.9m		\$0	
2020-21	\$650.1m		\$102.1m		\$0	

List of affected Trust Funds:

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Pension Liability Surtax

Bill Number(s): CS/HB1297- Enrolled

Section 5: Consensus Estimate (Adopted: 05/24/2016): The Conference adopted a zero cash impact and a zero/ positive indeterminate impact for the recurring.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	0.0	0.0	0.0	0.0	0.0	0/**	0.0	0/**
2017-18	0.0	0.0	0.0	0.0	0.0	0/**	0.0	0/**
2018-19	0.0	0.0	0.0	0.0	0.0	0/**	0.0	0/**
2019-20	0.0	0.0	0.0	0.0	0.0	0/**	0.0	0/**
2020-21	0.0	0.0	0.0	0.0	0.0	0/**	0.0	0/**

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Post Harvest Activities

Bill Number(s): HB 7099 Enrolled

Entire Bill

Partial Bill: Section 12: Postharvest Activities (in part)

Sponsor(s): N/A

Month/Year Impact Begins: July 1, 2016 with a one month lag to collections

Date of Analysis: January 8, 2016

Section 1: Narrative

a. Current Law: Current law does not contain an exemption for postharvest machinery and equipment.

b. Proposed Change: Adds Eligible postharvest activity business to the current exemption in in 212.08 (7) (kkk) F.S.
The proposed language also adds necessary definitions and certificate language.

b. "Eligible postharvest activity business" means any business whose primary business activity, at the location where the postharvest machinery and equipment is located, is within NAICS code 115114.

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

f. "Postharvest activities: (NAICS 115114) means services performed on crops, subsequent to their harvest, with the intent of preparing them for market or further processing. Postharvest activities, include, but are not limited to, crop cleaning, sun drying, shelling, fumigating, curing, sorting, grading, packing, and cooling.

g. Postharvest machinery and equipment: means tangible personal property or other property that has a depreciable life of 3 years or more and that is used primarily for postharvest activities. A building and its structural components are not postharvest industrial machinery and equipment unless the building or structural component is so closely related to the postharvest machinery and equipment that it houses or supports, that the building or structural component can be expected to be replaced when the postharvest machinery and equipment are replaced. Heating and air conditioning systems are not postharvest machinery and equipment unless the sole justification for their installation is to meet the requirements of the postharvest activities process, even though the system may provide incidental comfort to employees or serve, to an insubstantial degree, non-postharvest activities.

3. Postharvest machinery and equipment purchased by an eligible postharvest activity business which is used at a fixed location in this state is exempt from the tax imposed by this chapter. All labor charges for the repair of, and parts and materials used in the repair of and incorporated into such postharvest machinery and equipment, is also exempt. 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 subparagraph, 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.

Section 2: Description of Data and Sources

2015 Department of Revenue Tangible Personal Property Tax Roll Data

Section 3: Methodology (Include Assumptions and Attach Details)

The tangible personal property (TPP) tax roll was used to find all the properties operating under the 115114 NAICS code. This total number, \$40.6 million, was used as the starting point for the analysis. It is assumed that, on average, the equipment is halfway through its service life. This means that the acquisition cost of the equipment would be twice the TPP value at \$81.2 million. Based on conversations with industry representatives this industry has been in steep decline, but appears to have stabilized. The overall concern in this industry is for further contraction. For this reason the 2015 levels are maintained throughout the estimate. The high estimate is based on a 10 year service life. Using this service life it is assumed that 10% of the equipment is replaced each year, and that 10% of the acquisition cost is spent on repairs each year. The middle and low use estimate use service lives of 15 and 20 years respectively. The middle estimate uses 6.7% each on repair and replacement. The low estimate uses 5% each on repair and replacement.

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Post Harvest Activities

Bill Number(s): HB 7099 Enrolled

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	\$(0.89 M)	\$(0.97 M)	\$(0.60 M)	\$(0.65 M)	\$(0.45 M)	\$(0.49 M)
2017-18	\$(0.97 M)	\$(0.97 M)	\$(0.65 M)	\$(0.65 M)	\$(0.49 M)	\$(0.49 M)
2018-19	\$(0.97 M)	\$(0.97 M)	\$(0.65 M)	\$(0.65 M)	\$(0.49 M)	\$(0.49 M)
2019-20	\$(0.97 M)	\$(0.97 M)	\$(0.65 M)	\$(0.65 M)	\$(0.49 M)	\$(0.49 M)
2020-21	\$(0.97 M)	\$(0.97 M)	\$(0.65 M)	\$(0.65 M)	\$(0.49 M)	\$(0.49 M)

List of affected Trust Funds: Sales and Use Tax Group

Section 5: Consensus Estimate (Adopted: 05/24/2016): The Conference adopted the high estimate.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	(0.8)	(0.9)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2017-18	(0.9)	(0.9)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2018-19	(0.9)	(0.9)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2019-20	(0.9)	(0.9)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2020-21	(0.9)	(0.9)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	(0.1)	(0.1)	(0.2)	(0.2)	(1.0)	(1.1)
2017-18	(0.1)	(0.1)	(0.2)	(0.2)	(1.1)	(1.1)
2018-19	(0.1)	(0.1)	(0.2)	(0.2)	(1.1)	(1.1)
2019-20	(0.1)	(0.1)	(0.2)	(0.2)	(1.1)	(1.1)
2020-21	(0.1)	(0.1)	(0.2)	(0.2)	(1.1)	(1.1)

Proposed Language
PostHarvest Activities

	A	B	C	D	E	F	G
1							
2	2015 TPP JV Total	\$ 40,588,920					
3							
4	Assume All Equipment is depreciated by half						
5							
6	Acquisition cost	\$ 81,177,840					
7							
8	Growth rates						
9	2016-17	0%					
10	2017-18	0%					
11	2018-19	0%					
12	2019-20	0%					
13	2020-21	0%					
14							
15	Sales Tax						
16	2016-17	\$ 4,870,670					
17	2017-18	\$ 4,870,670					
18	2018-19	\$ 4,870,670					
19	2019-20	\$ 4,870,670					
20	2020-21	\$ 4,870,670					
21							
22	Service Life of Equipment						
23		Years	Repair	Replacement			
24	High service life	10	10.0%	10.0%			
25	Middle Service life	15	6.7%	6.7%			
26	Low Service life	20	5.0%	5.0%			
27							
28							
29		High		Middle		Low	
30		Cash	Recurring	Cash	Recurring	Cash	Recurring
31	2016-17	\$ (0.89 M)	\$ (0.97 M)	\$ (0.60 M)	\$ (0.65 M)	\$ (0.45 M)	\$ (0.49 M)
32	2017-18	\$ (0.97 M)	\$ (0.97 M)	\$ (0.65 M)	\$ (0.65 M)	\$ (0.49 M)	\$ (0.49 M)
33	2018-19	\$ (0.97 M)	\$ (0.97 M)	\$ (0.65 M)	\$ (0.65 M)	\$ (0.49 M)	\$ (0.49 M)
34	2019-20	\$ (0.97 M)	\$ (0.97 M)	\$ (0.65 M)	\$ (0.65 M)	\$ (0.49 M)	\$ (0.49 M)
35	2020-21	\$ (0.97 M)	\$ (0.97 M)	\$ (0.65 M)	\$ (0.65 M)	\$ (0.49 M)	\$ (0.49 M)

County Number	ACCT_ID	JV_TOTAL	OWN_NAM	OWN_CITY
11	539475 0000	2020.00	SANTA FE VEGETABLE GROWERS	ALACHUA
16	600000008365	181492.00	AYCOLD FRESH INC	POMPANO BEACH
16	600000028233	5000.00	GROWERS DIRECT	HALLANDALE BEACH
21	85000011496	283429.00	D & M PRODUCE INC	IMMOKALEE
21	85000058954	1566657.00	GARGIULO INC-N NAPLES P/H & OF	NAPLES
21	85000075157	5536778.00	FLORIDA PACKING LLC	IMMOKALEE
21	85000083314	2093917.00	FLORIDA PACKING LLC	IMMOKALEE
21	85000137859	2489513.00	TOMATO PAC	NAPLES
21	85000194915	267248.00	SOUTHERN CORPORATION PACKERS	IMMOKALEE
21	85000254392	828759.00	FLORIDA PACKING LLC	IMMOKALEE
21	85000261152	198871.00	J G L PRODUCE INC	POMPANO BEACH
21	85000290385	21255.00	SIX L'S PACKING COMPANY INC	IMMOKALEE
21	85000305966	2500.00	GARGIULO INC - EAST TRAIL P/H	NAPLES
21	85000308659	4255.00	NATURE QUALITY VINE RIPE PROD	FELDA
21	85000379471	482528.00	CUSTOM PAK INC	IMMOKALEE
21	85000381676	3695585.00	FLORIDA SPECIALTIES LLC	IMMOKALEE
21	85000582378	33011.00	L F C MANAGEMENT SERVICES INC	IMMOKALEE
21	85000582446	475372.00	L F C MANAGEMENT SERVICES INC	IMMOKALEE
21	85000582527	13545.00	L F C MANAGEMENT SERVICES INC	IMMOKALEE
21	85000582637	16840.00	L F C MANAGEMENT SERVICES INC	IMMOKALEE
23	1606662905	25632.00	FLORIDA VEGETABLE INC	HOMESTEAD
23	3040279248	24663.00	A1A TROPICALS LAND RENTAL	JONESVILLE
23	3040292247	15500.00	MARTINEZ FARMS	HOMESTEAD
35	P-01134-000	6150.00	MONROE HARRISON	ZOLFO SPRINGS
35	P-01784-000	244014.00	ORANGE ENTERPRISES INC	ZOLFO SPRINGS
35	P-01806-000	180747.00	PARKER FARMS INC	BOWLING GREEN
35	P-03159-000	125792.00	SEVERT & SONS PRODUCE INC	WAUCHULA
35	P-04143-000	597335.00	ESTRADA & SONS INC	ZOLFO SPRINGS
35	P-04357-000	61863.00	VEG KING OF FLORIDA INC	ZOLFO SPRINGS
35	P-04663-000	12882.00	MTR FARMS, INC	WAUCHULA
35	P-05063-000	500.00	ESTRADA PACKERS & SHIPPERS INC	ONA
36	B 1005769	1181810.00	MAGNOLIA PACKING INC	AMERICUS
38	B153941	2499980.00	HOWARD FERTILIZER & CHEMICAL C	ORLANDO
38	B006365	169500.00	FLORIDA GROVE HEDGERS INC	LAKE PLACID
38	B406214	9730.00	HIGHLANDS LAND FUMIGATION INC	AVON PARK
39	0420021297	165070.00	GRIMES PRODUCE CO LLC	PLANT CITY
39	0420034483	155340.00	ASTIN STRAWBERRY EXCHANGE LLC	PLANT CITY
39	0420156099	99800.00	CENTRAL FLORIDA FRUIT COOLING	LITHIA
41	0006300 0000	121265.00	FULFORD CITRUS INC	VERO BEACH
41	0007100 0000	49858.00	GRAVES BROTHERS CO	VERO BEACH
41	0043750 0000	11944.00	ESTES CITRUS INC	VERO BEACH
41	0057675 0000	5343.00	HYATT FRUIT COMPANY	VERO BEACH
41	0059650 0000	1682.00	W C LEE INC	VERO BEACH
41	0060225 0000	11251.00	METZ, JACK C	VERO BEACH
41	0061690 0000	849794.00	QUALITY FRUIT PACKER OF IR INC	VERO BEACH
41	0061970 0000	1013213.00	RIVERFRONT PACKING CO LLC	VERO BEACH
41	0065450 0000	449365.00	LEROY SMITH INC	VERO BEACH
41	0077400 0000	373341.00	INDIAN RIVER EXCHANGE PKRS INC	VERO BEACH

41 0081000 0000	584436.00 OSLO CITRUS GROWERS ASSC INC	VERO BEACH
41 0081500 0000	16602.00 POINSETTIA GROVES INC	VERO BEACH
41 0111950 0000	74095.00 ESTES CITRUS INC	VERO BEACH
41 0165799 0000	183620.00 SEALD SWEET LLC	VERO BEACH
41 0172160 0000	2176.00 SUNSWEET FRUIT INC	VERO BEACH
41 0190409 0000	2296.00 GOLD COAST CARETAKING INC	VERO BEACH
41 0193119 0000	16112.00 MARINARO, KELLY	VERO BEACH
41 0197143 0000	9369.00 RIVERSIDE DRENCHING INC	VERO BEACH
41 0202193 0000	15203.00 GREENE RIVER MARKETING INC	VERO BEACH
41 0203666 0000	1175849.00 GREENE RIVER PACKING INC	VERO BEACH
41 0204279 0000	59.00 STOCKER, LAURA	VERO BEACH
41 0205693 0000	33078.00 FLORIDA INDIAN RIVER GROVES	VERO BEACH
41 0208601 0000	8714.00 KERR, JAMES C	FELLSMERE
41 0209806 0000	2082317.00 IMG CITRUS INC	VERO BEACH
41 0212286 0000	2674909.00 PREMIER CITRUS PACKERS LLC	VERO BEACH
41 0212421 0000	316875.00 PACKERS OF IND RIVER (THE)	FT PIERCE
41 0218746 0000	32075.00 UNITED INDIAN RIVER PACKERS	MICCO
41 0219316 0000	701622.00 SOUTHERN FULFILLMENT, SERVICES	VERO BEACH
41 0219440 0000	1180711.00 SOUTHERN FULFILLMENT, SERVICES	VERO BEACH
41 0220353 0000	2258.00 SOUTHERN FULFILLMENT, SERVICES	VERO BEACH
41 0221268 0000	624.00 WC LEE INC	VERO BEACH
42 11840 000	121806.00 HAM PEANUT & SEED CLEANERS	GREENWOOD
51 90000002642	1717067.00 PACIFIC TOMATO GROWERS LTD	PALMETTO
51 90001104429	1488378.00 TAYLOR & FULTON PACKING LLC	BRADENTON
58 REG077307	2929.00 BROWN'S INTERIOR FOLIAGE	ORLANDO
60 119803	147098.00 SUN CORN JOINT VENTURE-1	LOXAHATCHEE
60 180263	488742.00 PERO DISTRIBUTION CENTER LLC	DELRAY BEACH
60 185452	166416.00 CYPRESS COOLING	BELLE GLADE
60 200059	190778.00 SCOTLYNN SWEETPAC GROWERS LLC	FORT MYERS
63 10029063	19048.00 C YOUNG HAULING INC	EAGLE LAKE
63 10165716	14654.00 FRESH STAR PACKING AND COLD ST	AUBURNDALE
63 20021996	263107.00 PUTNAM DUDLEY INC	BARTOW
63 20112712	520.00 SANCHEZ CITRUS INC	BARTOW
63 20123394	582.00 MEZA FERNANDO HARVESTING INC	FORT MEADE
63 20154042	61187.00 AGRIPAK LLC	WINTER HAVEN
63 30002402	5827.00 AUBURNDALE FRUIT CO INC	AUBURNDALE
66 008303	34162.00 Southeastern Aerial Crop Servi	Fort Pierce
67 0001454712	91680.00 GRISWOLD PEANUT COMPANY LLC	JAY
	\$ 40,588,920	
	\$ 81,177,840.00	
	\$ 4,870,670.40	
\$ 974,134.08	\$ 324,711.36	\$ 487,067.04

REVENUE ESTIMATING CONFERENCE

Tax: Tuition and Fees

Issue: Purple Heart Tuition Waiver Expansion

Bill Number(s): HB 1157 (Ch. 2016-136, L.O.F.)

Entire Bill

Partial Bill: Section 3

Sponsor(s): Representative Raburn

Month/Year Impact Begins: July 1, 2016

Date of Analysis: May 24, 2016

Section 1: Narrative

- a. Current Law:** State universities, Florida College System institutions, and career centers are required to waive tuition for undergraduate college credit and career certificate programs for recipients of a Purple Heart or other combat decoration superior in precedence who is currently a Florida resident and was a Florida resident at the time of the military action that resulted in the awarding of the combat decoration.

The Purple Heart waiver was originally created in FY 2006-07. The following table shows the history of waivers by sector. The career centers have not reported any waivers.

	Florida College System			State University System		
	Number of Waivers	Total Amount Waived	Amount per Waiver	Number of Waivers	Total Amount Waived	Amount per Waiver
FY 2006-07	63	\$52,960	\$841	18	\$30,059	\$1,670
FY 2007-08	107	\$143,475	\$1,341	29	\$104,683	\$3,610
FY 2008-09	135	\$201,054	\$1,489	37	\$136,826	\$3,698
FY 2009-10	158	\$233,405	\$1,477	43	\$213,263	\$4,960
FY 2010-11	154	\$248,565	\$1,614	57	\$196,427	\$3,446
FY 2011-12	168	\$269,580	\$1,605	50	\$220,283	\$4,406
FY 2012-13	107	\$196,277	\$1,834	46	\$151,896	\$3,302
FY 2013-14	115	\$248,640	\$2,162	32	\$113,224	\$3,538
FY 2014-15	100	\$230,007	\$2,300	<i>Not Yet Available</i>		

- b. Proposed Change:** The bill expands the eligibility criteria to qualify for a waiver to include recipients of a Purple Heart or superior decoration who are currently residents of Florida **or** were residents of Florida at the time of the military action resulting in the combat decoration. This will allow current Florida residents who earned the combat decoration as residents of other states, as well as non-Florida residents who earned the combat decoration while a resident of Florida, to qualify for a waiver. The waiver only applies to tuition; therefore, non-Florida residents will still be required to pay the out-of-state fee to enroll in a Florida postsecondary institution.

Section 2: Description of Data and Sources

1. State University System Waivers Reports, provided by Board of Governors staff.
2. Florida College System Waivers Reports, provided by Department of Education staff.
3. Career Center Waivers Reports, provided by Department of Education staff.

REVENUE ESTIMATING CONFERENCE

Tax: Tuition and Fees

Issue: Purple Heart Tuition Waiver Expansion

Bill Number(s): HB 1157 (Ch. 2016-136, L.O.F.)

Section 3: Methodology (Include Assumptions and Attach Details)

See attached details. There are two components of the estimate:

1. **Number of Waivers:** The Department of Education and the Board of Governors provided data on the number and value of waivers that have been awarded since FY 2006-07. An estimated number of waivers for FY 2015-16 is derived using the most recent 3-year average number of waivers for each sector, which resulted in 43 university waivers and 107 college waivers.

To develop the impact, a number of additional waivers per year is assumed as follows: High = 8 additional university waivers and 20 additional college waivers; Middle = 6 additional university waivers and 15 additional college waivers; and Low = 4 additional university waivers and 10 additional college waivers. For the career centers, it is assumed there will continue to be no waivers provided at these institutions.

2. **Amount Waived:** The annual amount waived is assumed to be the most recent 3-year average, which is \$3,749 for universities and \$2,099 for colleges.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(*)	(*)
2017-18	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(*)	(*)
2018-19	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(*)	(*)
2019-20	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(*)	(*)
2020-21	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(*)	(*)

List of Affected Trust Funds:

None. Tuition and fee revenue is maintained locally by each college, state university, and career center and is not included in a state trust fund.

Section 5: Consensus Estimate (Adopted: 05/24/2016): The Conference adopted the high estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2016-17	0.0	0.0	0.0	0.0	(0.1)	(0.1)	(0.1)	(0.1)
2017-18	0.0	0.0	0.0	0.0	(0.1)	(0.1)	(0.1)	(0.1)
2018-19	0.0	0.0	0.0	0.0	(0.1)	(0.1)	(0.1)	(0.1)
2019-20	0.0	0.0	0.0	0.0	(0.1)	(0.1)	(0.1)	(0.1)
2020-21	0.0	0.0	0.0	0.0	(0.1)	(0.1)	(0.1)	(0.1)

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Institution	NUMBER OF ADDITIONAL WAIVERS			AMOUNT WAIVED	TOTAL COST IMPACT		
	HIGH	MIDDLE	LOW		HIGH	MIDDLE	LOW
State University System							
2016-17	8	6	4	\$3,749	(\$29,992)	(\$22,494)	(\$14,996)
2017-18	8	6	4	\$3,749	(\$29,992)	(\$22,494)	(\$14,996)
2018-19	8	6	4	\$3,749	(\$29,992)	(\$22,494)	(\$14,996)
2019-20	8	6	4	\$3,749	(\$29,992)	(\$22,494)	(\$14,996)
2020-21	8	6	4	\$3,749	(\$29,992)	(\$22,494)	(\$14,996)
Florida College System							
2016-17	20	15	10	\$2,099	(\$41,980)	(\$31,485)	(\$20,990)
2017-18	20	15	10	\$2,099	(\$41,980)	(\$31,485)	(\$20,990)
2018-19	20	15	10	\$2,099	(\$41,980)	(\$31,485)	(\$20,990)
2019-20	20	15	10	\$2,099	(\$41,980)	(\$31,485)	(\$20,990)
2020-21	20	15	10	\$2,099	(\$41,980)	(\$31,485)	(\$20,990)
Career Centers							
2016-17	0	0	0	\$0	\$0	\$0	\$0
2017-18	0	0	0	\$0	\$0	\$0	\$0
2018-19	0	0	0	\$0	\$0	\$0	\$0
2019-20	0	0	0	\$0	\$0	\$0	\$0
2020-21	0	0	0	\$0	\$0	\$0	\$0

	HIGH (\$ millions)	MIDDLE (\$ millions)	LOW (\$ millions)
2016-17	(\$0.1)	(\$0.1)	(\$0.0)
2017-18	(\$0.1)	(\$0.1)	(\$0.0)
2018-19	(\$0.1)	(\$0.1)	(\$0.0)
2019-20	(\$0.1)	(\$0.1)	(\$0.0)
2020-21	(\$0.1)	(\$0.1)	(\$0.0)

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Waivers	Florida Colleges # Waivers	Florida Colleges Total Amount Waived	Florida Colleges \$ per Waiver	State Universities # Waivers	State Universities Total Amount Waived	State Universities \$ per Waiver	
FY 2006-07	63	\$52,960	\$841	18	\$30,059	\$1,670	
FY 2007-08	107	\$143,475	\$1,341	29	\$104,683	\$3,610	
FY 2008-09	135	\$201,054	\$1,489	37	\$136,826	\$3,698	
FY 2009-10	158	\$233,405	\$1,477	43	\$213,263	\$4,960	
FY 2010-11	154	\$248,565	\$1,614	57	\$196,427	\$3,446	
FY 2011-12	168	\$269,580	\$1,605	50	\$220,283	\$4,406	
FY 2012-13	107	\$196,277	\$1,834	46	\$151,896	\$3,302	
FY 2013-14	115	\$248,640	\$2,162	32	\$113,224	\$3,538	
FY 2014-15	100	\$230,007	\$2,300	43		\$3,749	3-yr average
FY 2015-16	107		\$2,099	43		\$3,749	3-yr average
FY 2016-17	107		\$2,099	43		\$3,749	3-yr average
FY 2017-18	107		\$2,099	43		\$3,749	3-yr average
FY 2018-19	107		\$2,099	43		\$3,749	3-yr average
FY 2019-20	107		\$2,099	43		\$3,749	3-yr average
FY 2020-21	107		\$2,099	43		\$3,749	3-yr average