

TAX: Sales and use
 ISSUE: OSTRICH FEED
 BILL NUMBER(S): SB 234
 SPONSOR(S): SEN. POSEY
 MONTH/YEAR COLLECTION IMPACT BEGINS: 7/1/2004
 DATE OF ANALYSIS: 1/27/04

SECTION 1: NARRATIVE

a. Current Law:

Section 212.08(7)(d) F.S. exempts ostrich feed from sales and use tax

b. Proposed Change:

Bill strikes exemption for ostrich feed

SECTION 2: DESCRIPTION OF DATA & SOURCES

St. Petersburg Times Article March 24, 2002 - "Ostrich Market Fails to Take Off"
 March 2003 phone calls to remaining ostrich farms

SECTION 3: ASSUMPTIONS & RATIONALE

1. Average annual cost to feed an ostrich - \$250
2. Number of ostriches in Florida - High 2,000 - Low 1,000

SECTION 4: METHODOLOGY

HIGH: 2,000 birds * \$250 * 6% = \$30,000

LOW : 1,000 birds * \$250 * 6% = \$15,000

SECTION 5: IMPACT SUMMARY (DETAILS ATTACHED)

State Impact - All Funds	FY 2004-2005 Annualized	FY 2004-2005 Cash	FY 2005-2006 Cash
High	\$ 30,000	\$27,500	\$30,000
Middle			
Low	\$ 15,000	\$13,750	\$15,000

Consensus Estimate Adopted: 1/30/04	FY 2003-2004 Annualized	FY 2003-2004 Cash	FY 2004-2005 Cash
General Revenue	Insignificant	Insignificant	Insignificant
State Trust	Insignificant	Insignificant	Insignificant
Total State Impact			
Local Tax Impact	Insignificant	Insignificant	Insignificant
Total Impact			