

**REVENUE ESTIMATING CONFERENCE**

**TAX:** Sales & Use Tax

**ISSUE:** Entertainment Facilities Charges for Facilities Use

**BILL NUMBER(S):** PCB FTC 09-04

**SPONSOR(S):** House Finance & Tax Council

**MONTH/YEAR COLLECTION IMPACT BEGINS:** July 1, 2009

**DATE OF ANALYSIS:** April 17, 2009

**SECTION 1: NARRATIVE**

**a. Current Law:** s 212.031(10), F.S., states that "Separately stated charges imposed by a convention hall, exhibition hall, auditorium, stadium, theater, arena, civic center, performing arts center, or publicly owned recreational facility upon a lessee or licensee for food, drink, or services required or available in connection with a lease or license to use real property, including charges for laborers, stagehands, ticket takers, event staff, security personnel, cleaning staff, and other event-related personnel, advertising, and credit card processing, are exempt from the tax imposed by this section." It is repealed July 1, 2009, by section 2, chapter 2006-101, LOF.

**b. Proposed Change:** Section 8 of the bill removes the repeal date.

**SECTION 2: DESCRIPTION OF DATA AND SOURCES**

2009 Florida Tax Handbook

<http://www.flasports.com/pdfs/Directory08a.pdf>

Data from DOR audits in 1999

**SECTION 3: METHODOLOGY (INCLUDE ASSUMPTIONS AND ATTACH DETAILS)**

Original data are grown by the "tourism & recreation-related" taxable sales history and March 2009 REC forecast. This estimate was taken as the "low". Given the proliferation of organizations that are now exempt over recent years, the "high" estimate was assumed to be twice as large.

**SECTION 4: PROPOSED FISCAL IMPACT**

State Impact: All Funds	FY 2009-10 Annualized	FY 2009-10 Cash	FY 2010-11 Cash	FY 2011-12 Cash	FY 2012-13 Cash
High	(\$3.1m)	(\$3.1m)	(\$3.2m)	(\$3.5m)	(\$3.7m)
Middle					
Low	(\$1.6m)	(\$1.6m)	(\$1.6m)	(\$1.7m)	(\$1.9m)

**SECTION 5: CONSENSUS ESTIMATE (ADOPTED 4/18/09)** The conference adopted the low estimate.

	FY 2009-10 Annualized	FY 2009-10 Cash	FY 2010-11 Cash	FY 2011-12 Cash	FY 2012-13 Cash
General Revenue	(1.4)	(1.3)	(1.4)	(1.5)	(1.7)
State Trust	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)
Total State Impact	(1.4)	(1.3)	(1.4)	(1.5)	(1.7)
Revenue Sharing	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(.1)
Local Gov't Half Cent	(.1)	(.1)	(.1)	(.1)	(.2)
Local Option	(.1)	(.1)	(.1)	(.1)	(.2)
Total Local Impact	(.2)	(.2)	(.2)	(.2)	(.5)
Total Impact	(1.6)	(1.5)	(1.6)	(1.7)	(2.2)

	A	B	C	D	E	F
1	<b>Item #1. Entertainment Facilities Charges for Use, s.212.031(10), F.S.</b>					
2	<b>Item #2. Sports Authority or Commission Events, s. 212.04(2)(a)2.b., F.S.</b>					
3						
4		<b><u>Item #1</u></b>	<b><u>Item #2</u></b>	<b><u>% chg</u></b>		
5	FY 1999	\$1.2	\$0.4			
6	FY 2000	\$1.3	\$0.4	8.90%		
7	FY 2001	\$1.3	\$0.4	4.80%		
8	FY 2002	\$1.3	\$0.4	-2.60%		
9	FY 2003	\$1.3	\$0.4	0.80%		
10	FY 2004	\$1.4	\$0.4	7.60%		
11	FY 2005	\$1.5	\$0.5	9.10%		
12	FY 2006	\$1.6	\$0.5	7.50%		
13	FY 2007	\$1.7	\$0.5	2.80%		
14	FY 2008	\$1.7	\$0.5	1.10%		
15	FY 2009	\$1.6	\$0.5	-5.00%		
16	FY 2010	\$1.6	\$0.5	-4.00%		
17	FY 2011	\$1.6	\$0.5	4.20%		
18	FY 2012	\$1.7	\$0.5	6.40%		
19	FY 2013	\$1.9	\$0.6	7.20%		
20						
21						
22	Growth Rates are for "Ttourism & Recreation" taxable sales, REC 3/09					
23						
24						
25						
26		<b>FY 09-10 Annualized</b>	<b>FY 09-10 Cash</b>	<b>FY 10-11 Cash</b>	<b>FY 11-12 Cash</b>	<b>FY 12-13 Cash</b>
27	<b>Item #1</b>					
28	High	(\$3.1)	(\$3.1)	(\$3.2)	(\$3.5)	(\$3.7)
29	Middle					
30	Low	(\$1.6)	(\$1.6)	(\$1.6)	(\$1.7)	(\$1.9)
31						
32	<b>Item #2</b>					
33	High	(\$0.9)	(\$0.9)	(\$1.0)	(\$1.0)	(\$1.1)
34	Middle					
35	Low	(\$0.5)	(\$0.5)	(\$0.5)	(\$0.5)	(\$0.6)
36						