

REVENUE ESTIMATING CONFERENCE

Tax: Local Permit Fees

Issue: Local Right-of-Way Permit Fees

Bill Number(s): HB 303

Entire Bill

Partial Bill: Sections: 32

Sponsor(s): Representative Grant

Month/Year Impact Begins: October 1, 2013 (with one month lag to collections)

Date of Analysis: January 30, 2013

Section 1: Narrative

- a. **Current Law:** Section 202.24 F.S., Specifies that the limitations on local taxes and fees imposed on dealers of communications services does not apply to permit fees related to placing or maintaining facilities in or on public roads or rights of way pursuant to s. 337.401. Where the local government is instructed to choose between levying a higher communications services tax rate and levying the permit fees.
- b. **Proposed Change:** The proposed language removes the permit fees related to plac placing or maintaining facilities in or on public roads or rights of way pursuant to s. 337.401. As such, the local governments may no longer levy those permit fees on dealers of communications services.

Section 2: Description of Data and Sources

Discussion with local administration in Collier, Hernando, and Orange County
 April 2012 REC Demographic estimates less inmates
 Fall 2012 REC Gross Receipts Tax and Communications Services Tax forecast growth rates

Section 3: Methodology (Include Assumptions and Attach Details)

Three counties have made the permit fee election Collier County, Hernando County, and Orange County. Of these three counties one county, Hernando, has not collected permit fees under this statute. For this reason Hernando county is looking into raising their Local Communications Services Tax Rate and foregoing the permit fees. The remaining two counties have collected permit fees with Collier County reporting they have collected \$20,000 per year on right-of-way permits on dealers of communications, and with Orange County reporting they have collected \$447,000 in permit fees. The Orange County permit fee number includes permit fees charged to other types of utilities. Orange County further reported that their collections in 2006 were in closer to \$750,000.

The Collier County permit fees and population were used to modify the amounts reported by Orange County to try to get closer to the permit fees assessed on just communications services providers. The Collier county permit fees were divided by the Collier County population estimate less the inmates to get a per capita amount for right-of-way fees assessed on dealers of communications services. This amount was multiplied by the population in Orange County to get \$71,109 of permit fees assessed on dealers of communications services. The calculated fee was added to the fee amount given by Collier County and that total was grown using the Fall 2012 REC growth rates for Gross Receipts. This gross receipts growth rate was used because it is assessed at a fixed rate and is applied to the same base as the Local Communications Services Tax.

The effective date of the bill is October 1, 2013 there will be a one month lag to collections. For this reason the cash value for 2013-14 is 8 months of the total year.

Section 4: Proposed Fiscal Impact

Net Effect of Tax Rate Changes

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14			\$(.06 M)	\$(.09 M)		
2014-15			\$(.09 M)	\$(.09 M)		
2015-16			\$(.09 M)	\$(.09 M)		
2016-17			\$(.09 M)	\$(.09 M)		
2017-18			\$(.09 M)	\$(.09 M)		

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Tax: Local Permit Fees

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Bill Number(s): HB 303

List of affected Trust Funds: None

Section 5: Consensus Estimate (Adopted: 02/08/13) The conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14					(0.1)	(0.1)	(0.1)	(0.1)
2014-15					(0.1)	(0.1)	(0.1)	(0.1)
2015-16					(0.1)	(0.1)	(0.1)	(0.1)
2016-17					(0.1)	(0.1)	(0.1)	(0.1)
2017-18					(0.1)	(0.1)	(0.1)	(0.1)

	A	B	C	D	E	F
1						
2						
3		County	Population	Permit fees	Per Capita Fees	CST permit fees
4		Collier	329,775.00		\$ 0	\$ 20,000
5		Orange	1,172,493.00	\$ 447,000		\$ 71,109
6					Total	\$ 91,109
7						
8			Middle			
9			Cash	Recurring	REC Growth rates	
10		2012-13		\$ (.09 M)	-4.1%	
11		2013-14	\$ (.06 M)	\$ (.09 M)	-0.8%	
12		2014-15	\$ (.09 M)	\$ (.09 M)	0.0%	
13		2015-16	\$ (.09 M)	\$ (.09 M)	0.4%	
14		2016-17	\$ (.09 M)	\$ (.09 M)	0.7%	
15		2017-18	\$ (.09 M)	\$ (.09 M)	0.7%	

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem Tax
Issue: Military Housing
Bill Number(s): HB531/SB354

- Entire Bill**
- Partial Bill:**

Sponsor(s): Senator Thrasher, Rep. Patronis
Month/Year Impact Begins: July 1, 2013
Date of Analysis: 2/4/13

Section 1: Narrative

a. Current Law: All property of the United States is immune from ad valorem taxation.

Relevant Case Law:

Leon County Educational Facilities Authority v. Hartsfield, 698 So.2d 526 (Fla. 1997) (county authority was equitable owner of project, making portion of project used for exempt purposes exempt from taxation), and First Union National Bank of Florida v. Ford, 636 So.2d 523 (Fla. 5th DCA 1993). In the First Union case, the Fifth District Court of Appeal concluded that the County had retained sufficient rights in the property to make it the equitable owner. The Court also concluded that the bank was merely holding bare legal title.

b. Proposed Change: The bill amends s.196.199, FS to clarify that the federal immunity extends to leasehold interests on federal land that were constructed under the federal Military Housing Privatization Initiative (MHPI) of 1996; provides for a retroactive application of January 1, 2007.

Section 2: Description of Data and Sources

Military Housing Privatization Initiative (MHPI) Overview, Department of Defense
 Basic Allowance for Housing (BAH), Department of Defense
 Nov 2012 REC Ad Valorem
 2012 DOR County Millage Rates

Section 3: Methodology (Include Assumptions and Attach Details)

The department believes there is sufficient evidence present for the property appraiser to determine that the U.S. government has equitable ownership of the improvements. This evidence can be summarized by saying that during the lease term the US government has sufficient control over the use of the improvements, and with the fact that the improvements revert to the US government at the end of the lease, that it can be fairly said the US government has adequate indicia of ownership, if not virtually all the burdens and benefits of ownership. The improvements revert to the US government at the end of the 50 year lease. This is a shorter time for the lessee to hold the property than case law has considered in regarding a lessee the owner. We believe under the case law these factors make the US government the equitable owner of the improvements. Therefore the proposed amendment would not alter the current administration of the law.

An analysis was done to determine the potential magnitude of the subjected properties on ad valorem taxation. Only eight developments have been constructed in Florida due to MHPI. To get the development’s taxable value, the following assumptions were made: a 10% vacancy rate, operating expenses at 40% of gross income, a market capitalization rate of 10%, and monthly rental income estimated to be the average BAH in the area. Gross income, net operating income and taxable value were estimated from these assumptions (see attachment for formulas). 2012 county-wide millage rates were used to determine each development’s tax liability. Future tax liabilities are grown at forecasted non-homestead residential values.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14			0	0		
2014-15			0	0		
2015-16			0	0		
2016-17			0	0		
2017-18			0	0		

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem Tax
Issue: Military Housing
Bill Number(s): HB531/SB354

List of affected Trust Funds: None

Section 5: Consensus Estimate (Adopted: 02/08/2013) The conference adopted the proposed estimate. This issue is in litigation (Southeast Housing v. Borglum) in Monroe County. The total amount in dispute (including penalty and interest) is \$11.5 million. The 2012 taxable value of the property in question is \$167,851,781.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14					0	0	0	0
2014-15					0	0	0	0
2015-16					0	0	0	0
2016-17					0	0	0	0
2017-18					0	0	0	0

	A	B	C	D	E	F
1	Developer	Military Base	County	# Units	Est. Rental Price	
2	AETC Group 1	Tyndall Air Force Base	Bay	306	\$1,655	
3	AMC East	McDill Air Force Base	Hillsborough	572	\$2,123	
4	Falcon Group	Patrick Air Force Base	Brevard	616	\$1,827	
5	Balfour Beatty Communities	Navy Southeast	Duval	532	\$1,696	
6	Balfour Beatty Communities	Navy Southeast	Monroe	895	\$2,901	
7	Balfour Beatty Communities	Navy Southeast (2)	Duval	921	\$1,492	
8	Balfour Beatty Communities	Navy Southeast	Escambia	549	\$1,696	
9	Balfour Beatty Communities	Navy Southeast	Santa Rosa	346	\$1,492	
10			Total:	4,737		
11						
12	Est. Valuation of Properties					
13	Military Base	Est. Annual Gross Income*	Est. Net Operating Income**	Est. Taxable Value^	Millage Rate	Potential Tax Rev
14	Tyndall Air Force Base	\$5,469,444	\$3,281,666	\$27,894,164	10.548	\$294,228
15	McDill Air Force Base	\$13,114,273	\$7,868,564	\$66,882,790	14.7526	\$986,695
16	Patrick Air Force Base	\$12,153,834	\$7,292,300	\$61,984,553	14.3817	\$891,443
17	Navy Southeast:Duval	\$9,743,819	\$5,846,292	\$49,693,479	7.9658	\$395,848
18	Navy Southeast:Monroe	\$28,044,691	\$16,826,814	\$143,027,923	3.1229	\$446,662
19	Navy Southeast (2):Duval	\$14,841,869	\$8,905,121	\$75,693,532	7.3	\$552,563
20	Navy Southeast:Escambia	\$10,055,182	\$6,033,109	\$51,281,428	14.7735	\$757,606
21	Navy Southeast:Santa Rosa	\$5,575,773	\$3,345,464	\$28,436,441	13.8033	\$392,517
22					Total:	\$4,717,562
23	Vacancy Rate	10%	Operating Expenses	40%		
24	Capitalization Rate	10%	Eighth Criterion	15%		
25						
26						
27	Military Base	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18
28	Tyndall Air Force Base	\$295,993	\$302,061	\$310,519	\$321,387	\$333,599
29	McDill Air Force Base	\$987,682	\$1,000,522	\$1,020,032	\$1,045,533	\$1,059,647
30	Patrick Air Force Base	\$900,358	\$911,612	\$924,375	\$938,703	\$953,722
31	Navy Southeast:Duval	\$400,994	\$405,205	\$413,511	\$425,710	\$439,759
32	Navy Southeast:Monroe	\$456,712	\$467,901	\$479,833	\$492,548	\$505,847
33	Navy Southeast (2):Duval	\$559,746	\$565,623	\$577,219	\$594,247	\$613,857
34	Navy Southeast:Escambia	\$747,378	\$753,731	\$769,183	\$793,797	\$823,167
35	Navy Southeast:Santa Rosa	\$376,227	\$372,465	\$378,983	\$390,353	\$404,015
36	Total:	\$4,725,090	\$4,779,120	\$4,873,654	\$5,002,276	\$5,133,613
37						
38						
39	Formulas					
40	*Annual Gross Income: Rental Price X # Units X(1-Vacancy Rate)X 12					
41	**Net Operating Income: Annual Gross Income X (1-Operating Expense)					
42	^Taxable Value: Net Operating Income/ Capitalization Rate X (1-Eighth Criterion)					

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use tax

Issue: Exempt parts and labor charge from sales and use tax for rotary wing aircrafts > 2k pounds & < 10k or 10.3k

Bill Number(s): SB 432

Entire Bill

Partial Bill:

Sponsor(s): Senator Altman

Month/Year Impact Begins: July 1, 2013 (with a one month collection lag)

Date of Analysis: 2/5/2013

Section 1: Narrative

a. Current Law: 212.08(7)(ee) Aircraft repair and maintenance labor charges.—There shall be exempt from the tax imposed by this chapter all labor charges for the repair and maintenance of qualified aircraft, aircraft of more than 2,000 pounds maximum certified takeoff weight, and rotary wing aircraft of more than 10,000 pounds maximum certified takeoff weight. Except as otherwise provided in this chapter, charges for parts and equipment furnished in connection with such labor charges are taxable.

212.08(7)(rr) Equipment used in aircraft repair and maintenance.—There shall be exempt from the tax imposed by this chapter replacement engines, parts, and equipment used in the repair or maintenance of qualified aircraft, aircraft of more than 2,000 pounds maximum certified takeoff weight, and rotary wing aircraft of more than 10,300 pounds maximum certified takeoff weight, when such parts or equipment are installed on such aircraft that is being repaired or maintained in this state.

b. Proposed Change:

Revise (ee) and (rr) to exempt the rotary wing aircraft between 2000 to 10,000 (10,300) pounds from sales tax for its repair and maintenance which includes parts and labor.

A **rotorcraft** or **rotary wing aircraft** is a heavier-than-air flying machine that uses lift generated by wings, called rotor blades, that revolve around a mast. Several rotor blades mounted on a single mast are referred to as a rotor. The International Civil Aviation Organization (ICAO) defines a rotorcraft as "supported in flight by the reactions of the air on one or more rotors". Rotorcraft generally include those aircraft where one or more rotors are required to provide lift throughout the entire flight, such as helicopters, cyclocopters, autogyros, and gyrodynes. Compound rotorcraft may also include additional thrust engines or propellers and static lifting surfaces

Section 2: Description of Data and Sources

FAA data published Feb 2013

DOR sales tax data kind code 27 aircraft

REC Dec 2012 Transportation aviation growth rate

The first year cash is 11/12 of recurring

Section 3: Methodology (Include Assumptions and Attach Details)

Piggyback on FY 2012 HB 7087 exemption of sales tax on repair of aircrafts with takeoff weight between 2k to 15k pounds

Adopted the middle estimates

Method 2 is attached.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	(\$2.3m)	(\$2.5m)	(\$1.6m)	(\$1.7m)	(\$0.8m)	(\$0.8m)
2014-15	(\$2.6m)	(\$2.6m)	(\$1.8m)	(\$1.8m)	(\$0.9m)	(\$0.9m)
2015-16	(\$2.7m)	(\$2.7m)	(\$1.8m)	(\$1.8m)	(\$0.9m)	(\$0.9m)
2016-17	(\$2.8m)	(\$2.8m)	(\$1.9m)	(\$1.9m)	(\$0.9m)	(\$0.9m)
2017-18	(\$2.9m)	(\$2.9m)	(\$1.9m)	(\$1.9m)	(\$1.0m)	(\$1.0m)

List of affected Trust Funds:

Sales tax group

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use tax

Issue: Exempt parts and labor charge from sales and use tax for rotary wing aircrafts > 2k pounds & < 10k or 10.3k

Bill Number(s): SB 432

Section 5: Consensus Estimate (Adopted: 02/08/2013) The conference adopted the average of the middle and low estimates.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	(1.1)	(1.0)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2014-15	(1.2)	(1.2)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2015-16	(1.2)	(1.2)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2016-17	(1.2)	(1.2)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2017-18	(1.3)	(1.3)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	(0.1)	(0.1)	(0.2)	(0.2)	(1.3)	(1.2)
2014-15	(0.1)	(0.1)	(0.2)	(0.2)	(1.4)	(1.4)
2015-16	(0.1)	(0.1)	(0.2)	(0.2)	(1.4)	(1.4)
2016-17	(0.1)	(0.1)	(0.2)	(0.2)	(1.4)	(1.4)
2017-18	(0.1)	(0.1)	(0.2)	(0.2)	(1.5)	(1.5)

	A	B	C	D	E	F	G	H	
1									
2			empty	max takeoff					
3		rotary wing aircraft	weight	weight	price	seating	engine		
4		Piston Cessna-172	1,600	2,400					
5		Cessna-182	1,900	3,010					
6		Citation Bravo	8,000	15,000					
7		Mu-2	7,500	11,500					
8		Pilatus PC-12	6,000	10,500					
9	beechcraft	King Air 200/B200	7,700	12,500					
10		Enstrom 480B	1,820	3,000					
11		Turbo Skylane JT-A	2,092	3,100					
12		Piston Skycather	843	1,320					
13		Piston Skyhawk SP	1,721	2,550					
14		Piston Cavillas TTX	2,600	3,600					
15		Enstrom F28F	1,640	2,600					
16	Beechcraft	Baron G58	4,000	5,500				2	
17	beechcraft	Bonanza G36	2,630	3,650					
18	beechcraft	Premier IA	8,600	12,500					
19	Piper Aircraft	archer LX	1,688	2,550	\$341,900	trainer 4		1	
20	Piper Aircraft	Arrow	1,800	2,750	\$431,490	trainer 4		1	
21	Piper Aircraft	seminole	2,600	3,800	\$663,500	trainer 4		1	
22	Piper Aircraft	seneca V	3,300	4,750	\$835,000	6		2	
23	Piper Aircraft	matrix	3,000	4,340	\$939,950	6		1	
24	Piper Aircraft	mirage	3,050	4,340	\$1,078,875	6		1	
25	Piper Aircraft	meridian	3,400	5,100	\$2,176,325	6		1	
26									
27	General aviation fleet of US								
28		fixed wing	fixed wing	fixed wing					
29		turbojet	turboprop	piston	rotocraft	experimental	all aircraft	tot active	
30	1990	4,100	5,300	175,200	6,900				
31	1995	4,559	4,995	152,788	5,830	15,176			
32	1998	6,066	6,174	162,963	7,425	16,503			
33	1999	7,120	5,680	171,924	7,448	20,528	219,464		
34	2000	7,001	5,763	170,513	7,150	20,406	217,533		
35	2001	7,787	6,596	163,314	6,783	20,421	211,446		
36	2002	8,355	6,841	161,087	6,648	21,936	211,244		
37	2003	7,997	7,689	160,938	6,525	20,550	209,708		
38	2004	9,298	8,379	165,189	7,821	22,800	219,426		
39	2005	9,823	7,942	167,608	8,728	23,627	224,352		
40	2006	10,379	8,063	163,742	9,159	23,047	221,943		
41	2007	10,385	9,514	166,907	9,567	23,228	231,607		
42	2008	11,042	8,906	163,013	9,876	23,364	228,663		
43	2009	11,266	9,055	157,123	9,984	24,419	223,877		
44	2010	11,484	9,369	155,419	10,102	24,784	233,370	223,370	
45	source: statistical abstract of the United States							FL rotorcraft	
46	http://www.faa.gov/data_research/aviation_data_statistics/general_aviation/CY2010/								
47									
48		2010 total US	active US	%					
49	Piston	4,985	3,588	71.98%					
50	1 eng turbine	5,682	5,012	88.21%					
51	multi e turbine	1,610	1,502	93.29%					
52	turbine total	7,293	6,514	89.32%					
53	rotorcraft tot	12,278	10,102	82.28%					

	A	B	C	D	E	F	G	H	I	J	L
1											
2	FAA data 2010		1	2	3	4	5	6	7	8	9
3	Type of aircrafts	Glider	baloon	Blimp/dirigible	fixed wing/s	fixed wing/m	rotocraft	weight-shift-control	powered parachute	gyroplane	total
4	US	6,506	9,373	67	269,168	57,562	19,495	1,451	2,998	358	366,979
5	Florida	309	385	17	16,638	5,991	1,691	162	94	33	25,320
6	Florida %	4.75%	4.11%	25.37%	6.18%	10.41%	8.67%	11.16%	3.14%	9.22%	6.90%
7	FAA data Jan 2013										
8	US	6,186	8,563	60	257,976	55,048	18,878	1,459	3,016	318	351,504
9	Florida	296	365	18	15,999	5,463	1,647	156	95	31	24,070
10	Florida %	4.78%	4.26%	30.00%	6.20%	9.92%	8.72%	10.69%	3.15%	9.75%	6.85%
11							FAA 2010	FAA 1/2013			
12	registered by government					US	5,542	5,361			
13	(which are in category 4, 5 and 6)					Florida	699	702			
14							12.61%	13.09%			
15	http://www.faa.gov/licenses_certificates/aircraft_certification/aircraft_registry/releasable_aircraft_download/										
16	Average Weight Percentages				Fixed Wing Single Engine	Fixed Wing Multi Engine	Rotocraft	Average			
17	Up to 12,499				99.77%	27.93%	96.70%	74.80%			
18	12,500-19,999				0.16%	10.03%	2.55%	4.25%			
19	Greater than 20,000				0.07%	62.04%	0.75%	20.95%			
20											
21	Assumption > 2k lbs & < 15k lbs				Fixed Wing Single Engine	Fixed Wing Multi Engine	Rotocraft	Total			
22	High (100%)				15,988	2,074	1,635	19,696			
23	Medium (75%)				11,991	1,555	1,226	14,772			
24	Low (50%)				7,994	1,037	817	9,848			
25											
26				average price	\$300,000	\$1,000,000	\$300,000				
27	Aggregate Repair Cost assuming 30 Year Depreciable Life 1/30 (parts * labor)										
28					Fixed Wing Single Engine	Fixed Wing Multi Engine	Rotocraft	Total	Sales Tax		
29	High				\$159,878,007	\$69,125,160	\$16,346,475	\$245,349,642	\$14,720,979		
30	Medium				\$119,908,505	\$51,843,870	\$12,259,856	\$184,012,232	\$11,040,734		
31	Low				\$79,939,004	\$34,562,580	\$8,173,238	\$122,674,821	\$7,360,489		
32											
33	replicate the FY 2012 HB 7087				High	Middle	Low	REC Dec 2012	adopted Middle		
34	adopted middle estimates			FY 2013-14	\$14,720,979	\$11,040,734	\$7,360,489	aviation growth rates	\$11,660,155		
35				FY 2013-14 cash	\$13,494,230	\$10,120,673	\$6,747,115				
36				FY 2014-15	\$15,206,771	\$11,405,078	\$7,603,385	3.30%	\$12,091,581		
37				FY 2015-16	\$15,754,215	\$11,815,661	\$7,877,107	3.60%	\$12,502,695		
38	FY 2012 HB 7087 exemption of sales tax on repair of aircrafts with takeoff weight between 2k to 15k pounds			FY 2016-17	\$16,274,104	\$12,205,578	\$8,137,052	3.30%			
39				FY 2017-18	\$16,713,504	\$12,535,128	\$8,356,752	2.70%			
40											
41	The impact is the portion of the difference between High and Middle (>2k and <15k lbs) since 10k lbs are currently exempt										
42					Fixed Wing Single Engine	Fixed Wing Multi Engine	Rotocraft	Total	Sales Tax		
43	High				15,962	1,526	1,593	19,081			
44	Medium				11,972	1,144	1,194	14,311			
45	difference				3,991	381	398	4,770			
46	diff \$				\$39,905,506	\$12,715,133	\$3,981,623	\$56,602,261	\$3,396,136		
47	assuming the protion between 2k to 10k is 75%, 50% and 25%										
48					High (75%)	Middle (50%)	Low (25%)	REC Dec 2012	avg middle and low		
49				FY 2013-14	\$2,547,102	\$1,698,068	\$849,034	aviation growth	\$1,273,551		
50				FY 2013-14 cash	\$2,334,843	\$1,556,562	\$778,281		\$1,167,422		
51				FY 2014-15	\$2,631,156	\$1,754,104	\$877,052	3.30%	\$1,315,578		
52				FY 2015-16	\$2,725,878	\$1,817,252	\$908,626	3.60%	\$1,362,939		
53				FY 2016-17	\$2,815,832	\$1,877,221	\$938,611	3.30%	\$1,407,916		
54				FY 2017-18	\$2,891,859	\$1,927,906	\$963,953	2.70%	\$1,445,930		

SB 432 exempt parts and labor charge from sales and use tax for rotary wing aircrafts between 2k and 10k/10.3k pounds

	A	B	C	D	E	F	G
1	Method 2						
2							
3		Florida	Florida				
4		exempt	taxable	total	57% due to parts & labor		
5		sales	sales	sales tax	txbl sales	6% sales tax	
6		\$m	\$ m	kind 27 \$m	\$ m	\$ m	
21	2001	5,669.91	339.63	\$19.69	\$193.59	\$11.62	
22	2002	4,757.14	317.61	\$18.98	\$181.04	\$10.86	
23	2003	3,546.17	381.09	\$17.74	\$217.22	\$13.03	
24	2004	3,672.55	300.75	\$17.25	\$171.43	\$10.29	
25	2005	4,058.23	345.26	\$19.74	\$196.80	\$11.81	
26	2006	4,550.72	364.70	\$21.96	\$207.88	\$12.47	
27	2007	4,871.23	388.08	\$23.51	\$221.21	\$13.27	
28	2008	5,626.41	383.39	\$22.50	\$218.53	\$13.11	
29	2009	5,805.53	318.72	\$19.10	\$181.67	\$10.90	
30	2010	8,507.58	296.72	\$17.83	\$169.13	\$10.15	
57	2011	7,006.56	279.16	\$16.63	\$159.12	\$9.55	
58	2012	4,341.92	264.71	\$15.60	\$150.89	\$9.05	
59	Data: Florida Department of Revenue sales tax data business kind code 27						
60							
61	In 2011 REC impact conference, 43% was adopted as due to aircraft sales						
62							
63	using aviation growth rates						9%
64	2013		-6.40%		\$158.31	\$9.50	
65	2014		2.30%		\$161.95	\$9.72	\$0.87
66	2015		3.30%		\$167.29	\$10.04	\$0.90
67	2016		3.60%		\$173.31	\$10.40	\$0.94
68	2017		3.30%		\$179.03	\$10.74	\$0.97
69	2018		2.70%		\$183.87	\$11.03	\$0.99
70							
71	assuming 9% is for the rotorcraft between 2k to 10k lbs						

REVENUE ESTIMATING CONFERENCE

Tax: Sales / Corporate
Issue: Enterprise Zone Polk County
Bill Number(s): HB 221/SB 480

- Entire Bill**
 Partial Bill:

Sponsor(s): Representative Albritton / Senator Stargel
Month/Year Impact Begins: July 2013 (6 month lag)
Date of Analysis: 2/5/2013

Section 1: Narrative

- a. Current Law:** According to the Florida Enterprise Zone Act (F.S. s.290.001-290.016), counties and cities may submit an application to the Florida Department of Economic Opportunity for a designated enterprise zone area. No enterprise zone currently exists for Polk County, the City of Auburndale, the City of Bartow, the City of Eagle Lake, the City of Fort Meade, the City of Frostproof, the City of Lake Wales, the City of Mulberry, and the City of Polk City.
- b. Proposed Change:** The City of Auburndale, the City of Bartow, the City of Eagle Lake, the City of Fort Meade, the City of Frostproof, the City of Lake Wales, the City of Mulberry, and the City of Polk City may apply, individually, jointly with Polk County, or in any combination, to the department for designation of enterprise zones within Polk County.

Section 2: Description of Data and Sources

2013 Enterprise Zone Report
 Florida Economic Estimating Conference November 2012
 QuickFacts from the U.S. Census Bureau

Section 3: Methodology (Include Assumptions and Attach Details)

Assume 6 months for implementation
 Estimated \$ impact per square mile: \$7,306
 Growth rates used are an average of non-farm employment and private non-residential construction growth rates adopted at the November 2012 Florida Economic Estimating Conference

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14			(\$0.15m)	(\$0.30m)		
2014-15			(\$0.31m)	(\$0.31m)		
2015-16			(\$0.33m)	(\$0.33m)		
2016-17			(\$0.34m)	(\$0.34m)		
2017-18			(\$0.35m)	(\$0.35m)		

List of affected Trust Funds: Sales Tax Fund Grouping

REVENUE ESTIMATING CONFERENCE

Tax: Sales / Corporate
Issue: Enterprise Zone Polk County
Bill Number(s): HB 221/SB 480

Section 5: Consensus Estimate (Adopted:02/08/13) The conference adopted the statewide average for all enterprise zone miles (\$7,306) at 41 miles (\$299,563).

	GR Sales		GR Corporate		Total GR		Trust	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	(0.1)	0.0	(Insignificant)	0.0	(0.1)	0.0	(Insignificant)	0.0
2014-15	(0.2)	0.0	(0.1)	0.0	(0.3)	0.0	(Insignificant)	0.0
2015-16	(0.2)	0.0	(0.1)	0.0	(0.3)	0.0	(Insignificant)	0.0
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

	Revenue Sharing		Local Half Cent		Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	(Insignificant)	0.0	(Insignificant)	0.0	(Insignificant)	0.0	0.0	0.0	(0.1)	0.0
2014-15	(Insignificant)	0.0	(Insignificant)	0.0	(Insignificant)	0.0	0.0	0.0	(0.3)	0.0
2015-16	(Insignificant)	0.0	(Insignificant)	0.0	(Insignificant)	0.0	0.0	0.0	(0.3)	0.0
2016-17	0.0	0.0	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	0.0	0.0

HB 221/SB 480 Enterprise Zone - Polk County

	A	B	C	D	E	F	G	H	I	J	K	L
1												
2		Statewide Data - 2011/2012 (All)										
3						Zones						
4		Jobs Credit - Sales Tax			\$865,560	37						
5		Corp Jobs Credits			\$4,455,624							
6		Property Tax Credits			\$1,022,199			290.0055 Local nominating procedure.				
7		Building Materials Refunds			\$2,462,138	29		Population	Maximum Size (miles)			
8		Business Equipment Refunds			\$1,228,478	34		150k or more	20			
9		Electric Energy Exemption			\$900,476	8		50k-150k	10			
10		Total all zones			\$10,934,475			20k-50k	5			
11		Miles			1497			7.5K-20k	3			
12		Average per mile			\$7,306		299562.6	<7.5k	3			
13												
14		Statewide Data - 2011/2012 (Non-Rural)						HB 221/SB 480 Enterprise Zone Polk County				
15						Zones						
16		Jobs Credit - Sales Tax			\$507,043	17		Land (sq mi)	Population			
17		Corp Jobs Credits			\$3,950,819			Polk County	20	602,095		
18		Property Tax Credits			\$906,388			Auburndale	3	11,032		
19		Building Materials Refunds			\$2,322,627	15		Bartow	3	16,959		
20		Business Equipment Refunds			\$1,116,140	17		Eagle Lake	3	2,496		
21		Electric Energy Exemption			\$892,624	4		Fort Meade	3	5,691		
22		Total all zones			\$9,695,641			Frostproof	2.5	2,975		
23		Miles			308.65			Lake Wales	3	12,071		
24		Average per mile			\$31,413			Mulberry	3	3,230		
25								Polk City	0.8	1,516		
26		Statewide Data - 2011/2012 (Non-Rural, excluding Jax & Miami)							41.3			
27						Zones						
28		Jobs Credit - Sales Tax			\$56,102	15		41.3 miles	\$301,754.57			
29		Corp Jobs Credits			\$889,389							
30		Property Tax Credits			\$204,042			2013-14	\$0.15			
31		Building Materials Refunds			\$782,631	13		2014-15	\$0.31	3.8%		
32		Business Equipment Refunds			\$225,838	15		2015-16	\$0.33	4.0%		
33		Electric Energy Exemption			\$24,633	2		2016-17	\$0.34	3.5%		
34		Total all zones			\$2,182,635			2017-18	\$0.35	3.0%		
35		Miles			234.25							
36		Average per mile			\$9,318							

	A	B	C	D	E	F	G	H	I	
1										
2	Qualifying jurisdictions		Miles/Zone	Jobs Credit Sales Tax	Building Materials Refunds	Business Equipment Refunds	Sales Tax-Electric	Corp Jobs Credits	Property Tax Credits	
3	Alachua County	EZ-0101	9.97		\$20,849	\$5,000				
4	Broward County	EZ-0601	19.87	\$4,649	\$20,644	\$3,506				
5	Calhoun County	EZ-0701	19.58	\$1,211	\$6,187					
6	Cocoa	EZ-0501	1.73			\$1,019				
7	Collier County	EZ-1101	125		\$26,452	\$511				
8	Everglades City	EZ-1102	1.2	\$3,243						
9	Miami/Dade County	EZ-1301	51.55	\$412,826	\$1,474,634	\$610,700	\$94,924			
10	Jacksonville	EZ-1601	22.85	\$38,115	\$65,362	\$279,602	\$773,067			
11	Pensacola	EZ-1702	8.4	\$1,287	\$9,140	\$23,944				
12	Escambia County	EZ-1703	10.74		\$17,183					
13	Franklin County	EZ-1901	19.92	\$8,015						
14	Gadsden County	EZ-2001	19.95	\$13,672		\$8,204				
15	Glades County	EZ-2201	19.94	\$6,783	\$2,146					
16	Gulf County	EZ-2301	19.98	\$23,547	\$9,996	\$429				
17	Hamilton County	EZ-2401	19.88			\$5,000				
18	Hardee County	EZ-2501	18.64	\$36,745	\$2,911					
19	Hendry County	EZ-2601	389.6	\$35,859	\$21,789	\$7,296				
20	Highlands County	EZ-2801	19.93	\$101,834		\$1,543				
21	Tampa	EZ-2901	19.83	\$9,340	\$36,607	\$7,281				
22	Hillsborough	EZ-2902	3.1			\$2,694				
23	Holmes County	EZ-3001	16.61	\$5,721		\$2,754	\$2,888			
24	Indian River County/Vero Beach	EZ-3101	4.74	\$215	\$2,906	\$606				
25	Jackson County	EZ-3201	331.4	\$10,827	\$25,276	\$9,033				
26	Ft. Myers/Lee County	EZ-3601	9.68	\$1,534		\$57,815	\$1,687			
27	Tallahassee/Leon County	EZ-3701	19.95	\$3,560	\$189,434	\$8,453				
28	Levy County	EZ-3801	15.09	\$597		\$762				
29	Liberty County	EZ-3901	19.92	\$1,400						
30	Madison County	EZ-4001	19.92	\$11,705	\$10,000	\$762				
31	Bradenton	EZ-4101	3.06		\$4,790					
32	Palmetto/Manatee	EZ-4102	2.34		\$6,629					
33	Ocala	EZ-4201	9.83			\$10,000				
34	Crestview/Okaloosa County	EZ-4601	4.63	\$2,485						
35	Okeechobee County	EZ-4701	19.85	\$67,893	\$5,000					
36	Orange County	EZ-4801	16.8	\$292	\$436,403	\$1,808				
37	Kissimmee/Osceola	EZ-4901	5			\$67,992				
38	Palm Beach County	EZ-5002	10	\$2,235		\$9,396	\$21,478			
39	St. Petersburg	EZ-5201	10.46	\$16,806						
40	Lakeland	EZ-5301	7.38		\$5,000	\$628				
41	Putnam County	EZ-5401	18.6	\$14,414		\$371				
42	Fort Pierce	EZ-5601	6	\$4,013		\$78,423				
43	Sarasota County	EZ-5801	1.91	\$325	\$4,032	\$5,304	\$3,155			
44	Sumter County	EZ-6001	16	\$553						
45	Taylor County	EZ-6201	19.67	\$8,211	\$12,656	\$11,325				
46	Daytona Beach	EZ-6401	3.7		\$6,075					
47	Oak Hill	EZ-6402	4.13			\$412				
48	St. Marks	EZ-6501	3.17	\$640	\$514	\$3,240				
49	Wakulla County	EZ-6502	20	\$3,552			\$520			
50	DeFuniak Springs	EZ-6601	12.92		\$10,330	\$628				
51	Freeport	EZ-6602	17.51	\$1,774	\$27,939					
52	Walton County	EZ-6603	4.63	\$554						
53	Washington County	EZ-6701	20	\$9,128	\$1,254	\$2,037	\$2,757			
54	Totals		1496.56	\$865,560	\$2,462,138	\$1,228,478	\$900,476	\$4,455,624	\$1,022,199	
55										
56	Enterprise Zone data from 2013 report									
57	Total number of designated zones				65					
58	Estimated number of participating Zones									
59	% of zones participating				78.5%					
60	Number of Sq. miles in all zones				1598					
61	Number of Sq. miles in participating Zones				1497					
62	Average Sq miles of par. Zones				29.3					

	A	B	C	D
1	ZONES: SQUARE MILES AND POPULATION			
2	(as of January 01, 2013)			
3				
4	ZONE LOCATION	NUMBER	SQUARE MILES	ZONE RESIDENTS
5	Bradenton	EZ-4101	3.06	12,290
6	Brooksville/Hernando County	EZ-2701	3.6	3,492
7	Broward County	EZ-0601	19.87	95,000
8	Calhoun County	EZ-0701	19.58	5,244
9	Century	EZ-1701	3	2,395
10	Charlotte County	EZ-0801	16.08	17,762
11	Citrus County	EZ-0901	9.82	263
12	Clearwater	EZ-5202	0.35	432
13	Cocoa	EZ-0501	1.73	7,957
14	Columbia County	EZ-1202	0.75	0
15	Crestview/Okaloosa County	EZ-4601	4.63	3,351
16	Daytona Beach	EZ-6401	3.7	14,887
17	DeFuniak Springs	EZ-6601	12.92	1,620
18	DeSoto County	EZ-1401	19.8	700
19	Escambia County	EZ-1703	10.74	29,675
20	Everglades City	EZ-1102	1.2	369
21	Ft. Myers/Lee County	EZ-3601	9.68	26,404
22	Ft. Pierce	EZ-5601	6	23,139
23	Franklin County	EZ-1901	19.92	934
24	Freeport	EZ-6602	17.51	386
25	Gadsden County	EZ-2001	19.95	8,561
26	Gainesville	EZ-0101	9.97	19,905
27	Glades County	EZ-2201	19.94	2,380
28	Gulf County	EZ-2301	19.98	4,125
29	Hamilton County	EZ-2401	19.88	4,403
30	Hardee County	EZ-2501	18.64	8,942
31	Hendry County	EZ-2601	389.6	8,515
32	Highlands County	EZ-2801	19.93	4,241
33	Hillsborough County	EZ-2902	3.1	22,961
34	Holmes County	EZ-3001	16.61	5,360
35	Immokalee (Collier County)	EZ-1101	125	17,623
36	Indian River County/Vero Beach	EZ-3101	4.74	4,371
37	Jackson County	EZ-3201	331.4	1,050
38	Jacksonville	EZ-1601	22.85	78,015
39	Kissimmee/Osceola County	EZ-4901	5	5,188
40	Lake Apopka	EZ-4802	16.84	10,640
41	Lake County	EZ-3501	9.14	9,948
42	Lakeland	EZ-5301	7.38	21,227

	A	B	C	D
43	Levy County	EZ-3801	15.09	1,125
44	Liberty County	EZ-3901	19.92	31
45	Madison County	EZ-4001	19.92	4,878
46	Martin County	EZ-4301	9.66	6,990
47	Miami/Dade County	EZ-1301	51.55	219,660
48	Oak Hill	EZ-6402	4.13	965
49	Ocala	EZ-4201	9.83	11,421
50	Okeechobee County	EZ-4701	19.85	21,546
51	Orange County	EZ-4801	16.8	70,430
52	Pahokee	EZ-5001	6	5,985
53	Palm Bay	EZ-0502	1	1,538
54	Palm Beach County	EZ-5002	10	57,173
55	Palmetto/Manatee County	EZ-4102	2.34	6,181
56	Pensacola	EZ-1702	8.4	22,429
57	Putnam County	EZ-5401	18.6	3,063
58	St. Marks	EZ-6501	3.17	304
59	St. Petersburg	EZ-5201	10.46	48,725
60	Sarasota County	EZ-5801	1.91	7,272
61	Sumter County	EZ-6001	16	2,254
62	Suwannee County	EZ-6101	0.75	0
63	Tallahassee/Leon County	EZ-3701	19.95	52,790
64	Tampa	EZ-2901	19.83	80,276
65	Taylor County	EZ-6201	19.67	2,693
66	Wakulla County	EZ-6502	20	1,413
67	Walton County	EZ-6603	4.63	64
68	Washington County	EZ-6701	20	857
69	Winter Haven	EZ-5302	4.14	15,808
70	TOTALS	65 Zones	1,598	1,129,626

REVENUE ESTIMATING CONFERENCE

Tax: Sales/Corporate

Issue: Enterprise Zone designation- City of Delray Beach in Palm Beach County

Bill Number(s): HB255/SB574

Entire Bill

Partial Bill:

Sponsor(s): Rep. Berman/Hager/Rooney; Sen Sachs

Month/Year Impact Begins: January, 2014 (affecting the 2014/2015 Fiscal Year with one month collection lag)

Date of Analysis: February 5, 2013

Section 1: Narrative

- a. **Current Law:** According to the Florida Enterprise Zone Act (F.S. s. 290.001 - 290.016), Cities and Counties may submit an application to the Florida Department of Economic Opportunity to designate an enterprise zone area. Enterprise zones are designed to help revitalize distressed communities through tax exemptions or credits that incentivize private investment in the designated area. There are ten such tax exemptions/credits. There is currently no such enterprise zone in the City of Delray Beach.
- b. **Proposed Change:** Authorizes the City of Delray Beach to apply for an enterprise zone to encompass an area not to exceed 10 square miles. The application must be submitted by December 31, 2013.

Section 2: Description of Data and Sources

- 2013 Enterprise Zone Annual Report
- November 2012 Florida Economic Conference Growth Rates
- U.S. Census Bureau Delray Beach, Florida Quick Facts Report
- Bureau of Labor and Statistics Delray Beach, Florida Local Area Unemployment Statistics

Section 3: Methodology (Include Assumptions and Attach Details)

- Assumes an extension of in FS 290.001-290.014
- Assumes 6 months for implementation
- Growth rates used are an average of the non-farm employment and private non-residential construction growth rates from the November 2012 Florida Economic Conference

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14			0	0		
2014-15			(.07m)	(.08m)		
2015-16			(.08m)	(.08m)		
2016-17			(.08m)	(.08m)		
2017-18			(.08m)	(.08m)		

List of affected Trust Funds: General Sales Tax

Section 5: Consensus Estimate (Adopted: 02/08/2013) The conference adopted an assumption of an average of \$18,636 per mile refund for urban enterprise zones and assumed 5 miles with no growth rate.

	GR Sales		GR Corporate		Total GR		Trust	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2014-15	(0.1)	0.0	(Insignificant)	0.0	(0.1)	0.0	(Insignificant)	0.0
2015-16	(0.1)	0.0	(Insignificant)	0.0	(0.1)	0.0	(Insignificant)	0.0
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

REVENUE ESTIMATING CONFERENCE

Tax: Sales/Corporate

Issue: Enterprise Zone designation- City of Delray Beach in Palm Beach County

Bill Number(s): HB255/SB574

	Revenue Sharing		Local Half Cent		Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2014-15	(Insignificant)	0.0	(Insignificant)	0.0	(Insignificant)	0.0	0.0	0.0	(0.1)	0.0
2015-16	(Insignificant)	0.0	(Insignificant)	0.0	(Insignificant)	0.0	0.0	0.0	(0.1)	0.0
2016-17	0.0	0.0	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	0.0	0.0

	A	B	C	D	E	F	G	J	
1	Demographic Data for the City of Delray Beach								
2									
3	Square Mileage			15.81					
4	Population			61,209					
5	Unemployment Rate			8.2%	*as of Dec, 2012				
6									
7	Enterprise Zone designation in Delray Beach, FL								
8	Calculation of Rate per mile - 2012 Data								
9									
10	Enterprise Zone data from 2013 report								
11	Total number of designated zones			65					
12	Estimated number of participating Zones			51					
13	% of zones participating			78.5%					
14	Number of Sq. miles in all zones			1598					
15	Number of Sq. miles in participating Zones			1497					
16	Average Sq. miles of par. Zones			29.3					
17									
18	Statewide Data - 2011/2012 (excluding Community Contributions)								
19							Zones		
20	Jobs Credit - Sales Tax			\$865,560			37		
21	Corp Jobs Credits			\$4,455,624					
22	Property Tax Credits			\$1,022,199					
23	Building Materials Refunds			\$2,462,138			29		
24	Business Equipment Refunds			\$1,228,478			34		
25	Electric Energy Exemption			\$900,476			8		
26	Total all zones			\$10,934,475					
27	Average per mile			\$7,306					
28									
29	HB255/SB574 Enterprise Zone designation for Delray Beach, FL								
30	10 Miles			\$73,060					
31									
32	Growth Rates*		Cash	Recurring					
33	2013-14	3.9%	\$0.00	\$0.00					
34	2014-15**	3.8%	\$69,516.59	\$75,836.28					
35	2015-16	4.0%	\$78,869.73	\$78,869.73					
36	2016-17	3.5%	\$81,630.17	\$81,630.17					
37	2017-18	3.0%	\$84,079.08	\$84,079.08					
38									
39	*average of the non-farm employment and private non-residential								
40	construction growth rates from the November 2012 Florida Economic Conference.								
41	** the cash value for this year has been annualized for the one month lag in tax collections								
42									
43									
44									

All EZ

	A	B	C	D	E	F	G	J
45	Qualifying jurisdictions		Miles/Zone	Jobs Credit - Sales Tax	Building Materials Refunds	Business Equipment Refunds	Sales Tax-Electric	
46	Alachua County	EZ-0101	9.97		\$20,849	\$5,000		
47	Broward County	EZ-0601	19.87	\$4,649	\$20,644	\$3,506		
48	Calhoun County	EZ-0701	19.58	\$1,211	\$6,187			
49	Cocoa	EZ-0501	1.73			\$1,019		
50	Collier County	EZ-1101	125		\$26,452	\$511		
51	Everglades City	EZ-1102	1.2	\$3,243				
52	Miami/Dade County	EZ-1301	51.55	\$412,826	\$1,474,634	\$610,700	\$94,924	
53	Jacksonville	EZ-1601	22.85	\$38,115	\$65,362	\$279,602	\$773,067	
54	Pensacola	EZ-1702	8.4	\$1,287	\$9,140	\$23,944		
55	Escambia County	EZ-1703	10.74		\$17,183			
56	Franklin County	EZ-1901	19.92	\$8,015				
57	Gadsden County	EZ-2001	19.95	\$13,672		\$8,204		
58	Glades County	EZ-2201	19.94	\$6,783	\$2,146			
59	Gulf County	EZ-2301	19.98	\$23,547	\$9,996	\$429		
60	Hamilton County	EZ-2401	19.88			\$5,000		
61	Hardee County	EZ-2501	18.64	\$36,745	\$2,911			
62	Hendry County	EZ-2601	389.6	\$35,859	\$21,789	\$7,296		
63	Highlands County	EZ-2801	19.93	\$101,834		\$1,543		
64	Tampa	EZ-2901	19.83	\$9,340	\$36,607	\$7,281		
65	Hillsborough	EZ-2902	3.1			\$2,694		
66	Holmes County	EZ-3001	16.61	\$5,721		\$2,754	\$2,888	
67	Indian River Co	EZ-3101	4.74	\$215	\$2,906	\$606		
68	Jackson County	EZ-3201	331.4	\$10,827	\$25,276	\$9,033		
69	Ft. Myers/Lee County	EZ-3601	9.68	\$1,534		\$57,815	\$1,687	
70	Tallahassee/Leon County	EZ-3701	19.95	\$3,560	\$189,434	\$8,453		
71	Levy County	EZ-3801	15.09	\$597		\$762		
72	Liberty County	EZ-3901	19.92	\$1,400				
73	Madison Count	EZ-4001	19.92	\$11,705	\$10,000	\$762		
74	Bradenton	EZ-4101	3.06		\$4,790			
75	Palmetto/Man	EZ-4102	2.34		\$6,629			
76	Ocala	EZ-4201	9.83			\$10,000		

HB255/SB574

	A	B	C	D	E	F	G	J
77	Crestview/Oka	EZ-4601	4.63	\$2,485				
78	Okeechobee Cr	EZ-4701	19.85	\$67,893	\$5,000			
79	Orange County	EZ-4801	16.8	\$292	\$436,403	\$1,808		
80	Kissimmee/Osc	EZ-4901	5			\$67,992		
81	Palm Beach Co	EZ-5002	10	\$2,235		\$9,396	\$21,478	
82	St. Petersburg	EZ-5201	10.46	\$16,806				
83	Lakeland	EZ-5301	7.38		\$5,000	\$628		
84	Putnam County	EZ-5401	18.6	\$14,414		\$371		
85	Fort Pierce	EZ-5601	6	\$4,013		\$78,423		
86	Sarasota County	EZ-5801	1.91	\$325	\$4,032	\$5,304	\$3,155	
87	Sumter County	EZ-6001	16	\$553				
88	Taylor County Daytona	EZ-6201	19.67	\$8,211	\$12,656	\$11,325		
89	Beach	EZ-6401	3.7		\$6,075			
90	Oak Hill	EZ-6402	4.13			\$412		
91	St. Marks	EZ-6501	3.17	\$640	\$514	\$3,240		
92	Wakulla Count	EZ-6502	20	\$3,552			\$520	
93	DeFuniak Sprin	EZ-6601	12.92		\$10,330	\$628		
94	Freeport	EZ-6602	17.51	\$1,774	\$27,939			
95	Walton County	EZ-6603	4.63	\$554				
96	Washington County	EZ-6701	20	\$9,128	\$1,254	\$2,037	\$2,757	
97	Totals		1496.56	\$865,560	\$2,462,138	\$1,228,478	\$900,476	
98								
99		Corporate Jobs Credit Total	\$4,455,624					
100		Property Tax Credit	\$1,022,199					
101								
102	Statewide Data - 2011/2012 (Non-Rural)							
103				Zones				
104	Jobs Credit - Sales Tax			\$507,043			17	
105	Corp Jobs Credits			\$3,950,819				
106	Property Tax Credits			\$906,388				
107	Building Materials Refunds			\$2,322,627			15	
108	Business Equipment Refunds			\$1,116,140			17	
109	Electric Energy Exemption			\$892,624			4	
110	Total all zones			\$9,695,641				
111	Miles			308.65				
112	Average per mile			\$31,413				
113								
114								
115								

	A	B	C	D	E	F	G	J
116	Statewide Data - 2011/2012 (Non-Rural, excluding Jax & Miami)							
117	Zones							
118	Jobs Credit - Sales Tax			\$56,102	15			
119	Corp Jobs Credits			\$889,389				
120	Property Tax Credits			\$204,042				
121	Building Materials Refunds			\$782,631	13			
122	Business Equipment Refunds			\$225,838	15			
123	Electric Energy Exemption			\$24,633	2			
124	Total all zones			\$2,182,635				
125	Miles			234.25				
126	Average per mile			\$9,318				

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax/ Corporate Income Tax

Issue: Enterprise Zone – City of Lake Worth

Bill Number(s): HB101/SB270

Entire Bill

Partial Bill:

Sponsor(s): Representative Kerner; Senator Clemens

Month/Year Impact Begins: January 1, 2014, affects collections February 1, 2014

Date of Analysis: February 6, 2013

Section 1: Narrative

a. Current Law: According to the Florida Enterprise Zone Act (F.S. s. 290.001 - 290.016), counties and/or cities may submit an application to the Florida Department of Economic Opportunity to designate an enterprise zone area. Enterprise zones are designed to help revitalize distressed communities through tax exemptions or credits that incentivize private investment in the designated area. There are ten such tax exemptions/credits. No enterprise zone currently exists for the City of Lake Worth, Florida.

b. Proposed Change: This bill authorizes The City of Lake Worth within Palm Beach County to apply for one enterprise zone which can encompass an area no more than five (5) square miles within the City of Lake Worth. The application must be submitted by December 31, 2013 and must comply with the requirements of Florida Statute s. 290.0055.

Section 2: Description of Data and Sources

2013 Florida Enterprise Zone Program Annual Report

Growth Rates from the Florida Economic Estimating Conference, November 2012

Lake Worth Quickfacts from the U.S. Census Bureau <http://quickfacts.census.gov/qfd/states/12/1239075.html>

U.S. Bureau of Labor Statistics – Local Area Unemployment Statistics for Lake Worth City, FL <http://data.bls.gov/cgi-bin/dsrv>

Section 3: Methodology (Include Assumptions and Attach Details)

Assume 6 months for implementation.

Assume enterprise zones do not expire December 31, 2015.

Estimated impact per square mile = \$7,306 (see cell N21).

Growth rates used are an average of the non-farm employment and private non-residential construction growth rates from the November 2012 Florida Economic Impact Conference.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14			0	0		
2014-15			\$ (.04 M)	\$ (.04 M)		
2015-16			\$ (.04 M)	\$ (.04 M)		
2016-17			\$ (.04 M)	\$ (.04 M)		
2017-18			\$ (.04 M)	\$ (.04 M)		

List of affected Trust Funds:

Sales Tax Fund Grouping

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax/ Corporate Income Tax

Issue: Enterprise Zone – City of Lake Worth

Bill Number(s): HB101/SB270

Section 5: Consensus Estimate (Adopted: 02/08/2013) The conference adopted the statewide average for all enterprise zones and assumed a 5 mile zone would be created.

	GR Sales		GR Corporate		Total GR		Trust	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2014-15	(Insignificant)	0.0	(Insignificant)	0.0	0.0	0.0	(Insignificant)	0.0
2015-16	(Insignificant)	0.0	(Insignificant)	0.0	0.0	0.0	(Insignificant)	0.0
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

	Revenue Sharing		Local Half Cent		Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2014-15	(Insignificant)	0.0	(Insignificant)	0.0	(Insignificant)	0.0	0.0	0.0	0.0	0.0
2015-16	(Insignificant)	0.0	(Insignificant)	0.0	(Insignificant)	0.0	0.0	0.0	0.0	0.0
2016-17	0.0	0.0	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	0.0	0.0

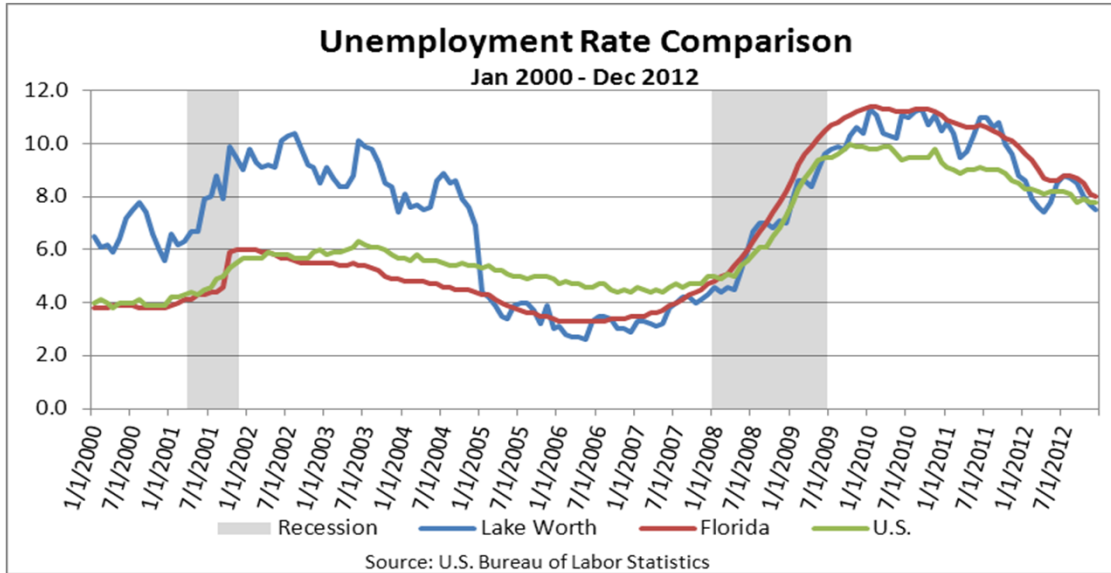
HB101/SB270 - Enterprise Zone for City of Lake Worth, FL

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
2	Qualifying jurisdictions		Miles/Zone	Jobs Credit - Sales Tax	Building Materials Refunds	Business Equipment Refunds	Sales Tax-Electric	Corp Jobs Credits	Property Tax Credits							
3	Alachua County	EZ-0101	9.97		\$20,849	\$5,000					Enterprise Zone data from 2013 report					
4	Broward County	EZ-0601	19.87	\$4,649	\$20,644	\$3,506					Total number of designated zones				65	
5	Calhoun County	EZ-0701	19.58	\$1,211	\$6,187						Estimated number of participating Zones					51
6	Cocoa	EZ-0501	1.73			\$1,019					% of zones participating				78.5%	
7	Collier County	EZ-1101	125		\$26,452	\$511					Number of Sq. miles in all zones				1598	
8	Everglades City	EZ-1102	1.2	\$3,243							Number of Sq. miles in participating Zones				1497	
9	Miami/Dade County	EZ-1301	51.55	\$412,826	\$1,474,634	\$610,700	\$94,924				Average Sq miles of par. Zones				29.3	
10	Jacksonville	EZ-1601	22.85	\$38,115	\$65,362	\$279,602	\$773,067				Statewide Data - 2011/2012 (All)					
11	Pensacola	EZ-1702	8.4	\$1,287	\$9,140	\$23,944									Zones	
12	Escambia County	EZ-1703	10.74		\$17,183						Jobs Credit - Sales Tax		\$865,560		37	
13	Franklin County	EZ-1901	19.92	\$8,015							Corp Jobs Credits		\$4,455,624			
14	Gadsden County	EZ-2001	19.95	\$13,672		\$8,204					Property Tax Credits		\$1,022,199			
15	Glades County	EZ-2201	19.94	\$6,783	\$2,146						Building Materials Refunds		\$2,462,138		29	
16	Gulf County	EZ-2301	19.98	\$23,547	\$9,996	\$429					Business Equipment Refunds		\$1,228,478		34	
17	Hamilton County	EZ-2401	19.88			\$5,000					Electric Energy Exemption		\$900,476		8	
18	Hardee County	EZ-2501	18.64	\$36,745	\$2,911						Total all zones		\$10,934,475			
19	Hendry County	EZ-2601	389.6	\$35,859	\$21,789	\$7,296					Miles		1497			
20	Highlands County	EZ-2801	19.93	\$101,834		\$1,543					Average per mile		\$7,306		\$	36,532
21	Tampa	EZ-2901	19.83	\$9,340	\$36,607	\$7,281					Statewide Data - 2011/2012 (Non-Rural)					
22	Hillsborough	EZ-2902	3.1			\$2,694									Zones	
23	Holmes County	EZ-3001	16.61	\$5,721		\$2,754	\$2,888				Jobs Credit - Sales Tax		\$507,043		17	
24	Indian River County/Vero Beach	EZ-3101	4.74	\$215	\$2,906	\$606					Corp Jobs Credits		\$3,950,819			
25	Jackson County	EZ-3201	331.4	\$10,827	\$25,276	\$9,033					Property Tax Credits		\$906,388			
26	Ft. Myers/Lee County	EZ-3601	9.68	\$1,534		\$57,815	\$1,687				Building Materials Refunds		\$2,322,627		15	
27	Tallahassee/Leon County	EZ-3701	19.95	\$3,560	\$189,434	\$8,453					Business Equipment Refunds		\$1,116,140		17	
28	Levy County	EZ-3801	15.09	\$597		\$762					Electric Energy Exemption		\$892,624		4	
29	Liberty County	EZ-3901	19.92	\$1,400							Total all zones		\$9,695,641			
30	Madison County	EZ-4001	19.92	\$11,705	\$10,000	\$762					Miles		308.65			
31	Bradenton	EZ-4101	3.06		\$4,790						Average per mile		\$31,413			
32	Palmetto/Manatee	EZ-4102	2.34		\$6,629						Statewide Data - 2011/2012 (Non-Rural, excluding Jax & Miami)					
33	Ocala	EZ-4201	9.83			\$10,000									Zones	
34	Crestview/Okaloosa County	EZ-4601	4.63	\$2,485							Jobs Credit - Sales Tax		\$56,102		15	
35	Okeechobee County	EZ-4701	19.85	\$67,893	\$5,000						Corp Jobs Credits		\$889,389			
36	Orange County	EZ-4801	16.8	\$292	\$436,403	\$1,808					Property Tax Credits		\$204,042			
37	Kissimmee/Osceola	EZ-4901	5			\$67,992					Building Materials Refunds		\$782,631		13	
38	Palm Beach County	EZ-5002	10	\$2,235		\$9,396	\$21,478				Business Equipment Refunds		\$225,838		15	
39	St. Petersburg	EZ-5201	10.46	\$16,806							Electric Energy Exemption		\$24,633		2	
40	Lakeland	EZ-5301	7.38		\$5,000	\$628					Total all zones		\$2,182,635			
41	Putnam County	EZ-5401	18.6	\$14,414		\$371					Miles		234.25			
42	Fort Pierce	EZ-5601	6	\$4,013		\$78,423					Average per mile		\$9,318			
43	Sarasota County	EZ-5801	1.91	\$325	\$4,032	\$5,304	\$3,155				HB101/SB270 Enterprise Zone in City of Lake Worth, FL					
44	Sumter County	EZ-6001	16	\$553							5.0 square miles				\$36,532.03	
45	Taylor County	EZ-6201	19.67	\$8,211	\$12,656	\$11,325					Growth Rate		Cash		Recurring	
46	Daytona Beach	EZ-6401	3.7		\$6,075						2013-2014		3.9%		0	0
47	Oak Hill	EZ-6402	4.13			\$412					2014-2015		3.8%		\$37,920.25	\$37,920.25
48	St. Marks	EZ-6501	3.17	\$640	\$514	\$3,240					2015-2016		4.0%		\$39,437.06	\$39,437.06
49	Wakulla County	EZ-6502	20	\$3,552			\$520				2016-2017		3.5%		\$40,817.35	\$40,817.35
50	DeFuniak Springs	EZ-6601	12.92		\$10,330	\$628					2017-2018		3.0%		\$42,041.87	\$42,041.87
51	Freeport	EZ-6602	17.51	\$1,774	\$27,939											
52	Walton County	EZ-6603	4.63	\$554												
53	Washington County	EZ-6701	20	\$9,128	\$1,254	\$2,037	\$2,757									
54	Totals		1496.56	\$865,560	\$2,462,138	\$1,228,478	\$900,476	\$4,455,624	\$1,022,199							
55	Note: Shaded zones indicates rural designation															

Lake Worth, FL Demographic Information

	2011 Population Estimate	December 2012 Unemployment Rate	Persons below poverty level, 2007 -2011	Median household income, 2007-2011	High school graduate or higher, percent of persons age 25+, 2007-2011
Lake Worth	35,306	7.7%	27.8%	\$37,288	67.0%
FL	19,082,262	8.0%	14.7%	\$47,827	85.5%
US	311,587,816	7.0%	14.3%	\$52,762	85.4%

Source: U.S. Census Quickfacts



REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Designate New Spaceport Territory in Brevard County

Bill Number(s): HB 135

Entire Bill

Partial Bill:

Sponsor(s): Representative Goodson

Month/Year Impact Begins: June 1, 2013 (with a one month collection lag)

Date of Analysis: February 6, 2013

Section 1: Narrative

a. Current Law: In section 331.304 spaceport territory is currently defined as the following:

- (1). Certain real property located in Brevard County that is included within the 1998 boundaries of Patrick Air Force Base, Cape Canaveral Air Force Station, or John F. Kennedy Space Center.
- (2). Certain real property located in Santa Rosa, Okaloosa, Gulf, and Walton Counties which is included within the 1997 boundaries of Eglin Air Force Base.
- (3). Certain real property located in Duval County which is included within the boundaries of Cecil Airport and Cecil Commerce Center.
- (4). Real property within the state which is a spaceport licensed by the Federal Aviation Administration, as designated by the board of directors of Space Florida.

Section 212.02(22) F.S. defines “Spaceport activities” as those directed or sponsored by Space Florida on spaceport territory pursuant to its powers and responsibilities under the Space Florida Act. According to statute 212.08, industrial machinery and equipment purchased for exclusive use by a new or expanding business in spaceport activities, or for use in new businesses that manufacture, process, compound, or produce for sale items of tangible personal property are exempt from sales tax.

b. Proposed Change: Expands the list of spaceport territory to include: “Certain Real property located in Brevard County which is included within the boundaries of Space Coast Regional Airport and Space Coast Regional Airport Industrial Park.” The effective date for the bill is upon becoming law.

Section 2: Description of Data and Sources

- Florida Tax Handbook 2012
- Air Force Personnel Center – Database
- Fall 2012 Revenue Estimating Conference growth rates for business investment

Section 3: Methodology (Include Assumptions and Attach Details)

The high impact is derived by multiplying the square mileage for the Space Coast Regional Airport and the Space Coast Regional Airport Industrial Park by the machinery and equipment tax exemption per mile. The per square mile exemption works out to be \$27,794/Mi², which is the total amount of allocated tax exemptions for spaceports, divided by the square mileage of such locations. The out year are grown by the business investment sales tax growth rates from the Fall 2012 general revenue estimating conference. The middle estimate is 50% of the high estimate and the low estimate is 25% of the high estimate.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	\$(.07 M)	\$(.08 M)	\$(.04 M)	\$(.04 M)	\$(.02 M)	\$(.02 M)
2014-15	\$(.08 M)	\$(.08 M)	\$(.04 M)	\$(.04 M)	\$(.02 M)	\$(.02 M)
2015-16	\$(.09 M)	\$(.09 M)	\$(.05 M)	\$(.05 M)	\$(.02 M)	\$(.02 M)
2016-17	\$(.10 M)	\$(.10 M)	\$(.05 M)	\$(.05 M)	\$(.02 M)	\$(.02 M)
2017-18	\$(.10 M)	\$(.10 M)	\$(.05 M)	\$(.05 M)	\$(.03 M)	\$(.03 M)

List of affected Trust Funds: Sales Tax Fund Grouping

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Designate New Spaceport Territory in Brevard County

Bill Number(s): HB 135

Section 5: Consensus Estimate (Adopted: 02/08/2013) The conference adopted the high estimate.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	(0.1)	(0.1)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)
2014-15	(0.1)	(0.1)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)
2015-16	(0.1)	(0.1)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)
2016-17	(0.1)	(0.1)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)
2017-18	(0.1)	(0.1)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2014-15	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2015-16	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2016-17	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2017-18	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)

	A	B	C	D	E	F	G	H
1	Space Territory	Mi²	Employees					
2	Cape Canaveral AFS	25	406					
3	Kennedy Space Center	219	11000					
4	Eglin AFB	724	4466					
5	Patrick AFB	25	1488					
6	Cecil	36	2500					
7								
8	Space Coast Regional	2.6						
9								
10	Current Exemption	\$28,600,000.00						
11	Exemption Per Mi ²	\$27,794.0						
12	Space Coast Regional Impact	\$72,681.2						
13								
14				High		Middle		Low
15	Year	Growth Rate	Cash	Recurring	Cash	Recurring	Cash	Recurring
16	2011-12		\$ (.07 M)	\$ (.07 M)	\$ (.04 M)	\$ (.04 M)	\$ (.02 M)	\$ (.02 M)
17	2012-13	4.40%	\$ (.08 M)	\$ (.08 M)	\$ (.04 M)	\$ (.04 M)	\$ (.02 M)	\$ (.02 M)
18	2013-14	4.9%	\$ (.07 M)	\$ (.08 M)	\$ (.04 M)	\$ (.04 M)	\$ (.02 M)	\$ (.02 M)
19	2014-15	6.5%	\$ (.08 M)	\$ (.08 M)	\$ (.04 M)	\$ (.04 M)	\$ (.02 M)	\$ (.02 M)
20	2015-16	6.3%	\$ (.09 M)	\$ (.09 M)	\$ (.05 M)	\$ (.05 M)	\$ (.02 M)	\$ (.02 M)
21	2016-17	6.3%	\$ (.10 M)	\$ (.10 M)	\$ (.05 M)	\$ (.05 M)	\$ (.02 M)	\$ (.02 M)
22	2017-18	6.3%	\$ (.10 M)	\$ (.10 M)	\$ (.05 M)	\$ (.05 M)	\$ (.03 M)	\$ (.03 M)

REVENUE ESTIMATING CONFERENCE

Tax: Communications Services Tax

Issue: Statewide CST Rate, Remove Exemption for Residential Landline Services

Bill Number(s): HB 303

Entire Bill

Partial Bill: Sections: 3,4,9,27

Sponsor(s): Representative Grant

Month/Year Impact Begins: October 1, 2013

Date of Analysis: January 30, 2013

Section 1: Narrative

a. Current Law: Communications Services Tax consists of three parts for all non-satellite communications services. There is a state communications services tax rate of 6.65%. The gross receipts tax for communications services is assessed at 2.37% with an additional rate of 0.15% applied to communications services subject to the tax levied on the base for the state sales tax on communications services. Additionally, there are local communications services tax rates applied by each jurisdiction. The local rates vary by jurisdiction and are limited by statute.

Under 202.125(1) F.S. there is an exemption for the state communications services tax in place for communications services sold to residential households. The exemption is not available to any residence that constitutes all or part of a transient public lodging establishment as defined in chapter 509, any mobile communications service, any videos service, or any direct-to-home satellite service.

Under 203.01(1)(b) F.S. the tax rate applied for tax on gross receipts for communications services is set at 2.37%. There is an additional rate of 0.15% applied to communications services subject to the tax levied on the base for the state sales tax on communications services. The exemption for residential communications services applies to this additional 0.15% rate.

b. Proposed Change: Replace the state communications services tax rate and the local tax rate with a combined rate of 10.65%. Make communications services that are currently exempt for residential households taxable communications services. Changes the rate of tax on gross receipts for communications services from 2.37% plus the additional 0.15% to 2.52%, and removes the reference to the residential exemption.

Section 2: Description of Data and Sources

Revenue Estimating Conference Gross Receipts Tax and Communications Services Tax Fall 2012

Section 3: Methodology (Include Assumptions and Attach Details)

The new rate of 10.65% is applied to the current base of the gross receipts tax for communications services. The impact is measured by taking the difference between this value and the combined values of the current communications services tax less the gross receipts portio. Because the tax rate is applied to the gross receipts base it is understood to include the tax on those services that are exempt under the residential exemption for communications services. It is assumed that the impact will begin one month after the effective date of the bill.

The size of the residential exemption for communications services can be found by applying the state sales tax on communications rate to the base of the gross receipts tax for communications services, and subtracting the current amount of state sales tax on communications services collected. It is assumed that the impact will begin one month after the effective date of the bill.

The impact of the rate change on the gross receipts tax transfer from cst is shown separately in the attached details, but is included in the net value for the tax rate changes.

It is necessary to account for the effect of the additional rate of .15% on the gross receipts base. Please see the attached spreadsheet for further detail regarding these adjustments.

REVENUE ESTIMATING CONFERENCE

Tax: Communications Services Tax

Issue: Statewide CST Rate, Remove Exemption for Residential Landline Services

Bill Number(s): HB 303

Section 4: Proposed Fiscal Impact

Net Effect of Tax Rate Changes

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14			\$0.3 M	\$0.5 M		
2014-15			\$(10.7 M)	\$(10.7 M)		
2015-16			\$(15.6 M)	\$(15.6 M)		
2016-17			\$(20.4 M)	\$(20.4 M)		
2017-18			\$(25.6 M)	\$(25.6 M)		

Impact to CST Gross Receipts

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14			\$2.9 M	\$5.0 M		
2014-15			\$4.8 M	\$4.8 M		
2015-16			\$4.7 M	\$4.7 M		
2016-17			\$4.7 M	\$4.7 M		
2017-18			\$4.7 M	\$4.7 M		

Impact to State CST

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14			\$2.0 M	\$3.4 M		
2014-15			\$(7.3 M)	\$(7.3 M)		
2015-16			\$(12.2 M)	\$(12.2 M)		
2016-17			\$(17.0 M)	\$(17.0 M)		
2017-18			\$(22.0 M)	\$(22.0 M)		

Impact to Local CST

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14			\$(4.6 M)	\$(8.0 M)		
2014-15			\$(8.1 M)	\$(8.1 M)		
2015-16			\$(8.1 M)	\$(8.1 M)		
2016-17			\$(8.0 M)	\$(8.0 M)		
2017-18			\$(8.3 M)	\$(8.3 M)		

REVENUE ESTIMATING CONFERENCE

Tax: Communications Services Tax

Issue: Statewide CST Rate, Remove Exemption for Residential Landline Services

Bill Number(s): HB 303

Section 5: Consensus Estimate (Adopted: 02/08/13) The conference adopted the proposed estimate.

	GR		Trust Sales		Trust Gross Receipts		Total Trust	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	1.8	3.0	Insignificant	Insignificant	2.9	5.0	2.9	5.0
2014-15	(6.5)	(6.5)	(Insignificant)	(Insignificant)	4.8	4.8	4.8	4.8
2015-16	(10.8)	(10.8)	(Insignificant)	(Insignificant)	4.7	4.7	4.7	4.7
2016-17	(15.1)	(15.1)	(Insignificant)	(Insignificant)	4.7	4.7	4.7	4.7
2017-18	(19.5)	(19.5)	(Insignificant)	(Insignificant)	4.7	4.7	4.7	4.7

	Local CST		Rev. Sharing Sales		Local Half Cent Sales		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	(4.6)	(8.0)	0.1	0.1	0.2	0.3	(4.3)	(7.6)	0.4	0.4
2014-15	(8.1)	(8.1)	(0.2)	(0.2)	(0.6)	(0.6)	(8.9)	(8.9)	(10.6)	(10.6)
2015-16	(8.1)	(8.1)	(0.4)	(0.4)	(1.0)	(1.0)	(9.5)	(9.5)	(15.6)	(15.6)
2016-17	(8.0)	(8.0)	(0.5)	(0.5)	(1.4)	(1.4)	(9.9)	(9.9)	(20.3)	(20.3)
2017-18	(8.3)	(8.3)	(0.6)	(0.6)	(1.9)	(1.9)	(10.8)	(10.8)	(25.6)	(25.6)

Rate Transfer Calculations
And
Residential Exemption

	A	B	C	D	E	F	H	I
1								
2								
3								
4				Gross receipts conference data 12/12				
5	Gross Receipts tax Transfer from CST			State Sales Tax Transfer from CST			State vs. Gross Receipts	
6	year	amount (\$M)	implied base (\$M)	year	amount (\$M)	implied base(\$M)	Tax Base Expansion from Removal of Residential Exemption (Column H-Column F)	Current law Tax value of Residential Exemption (\$M)
7	FY12-13	\$ 407.0	\$ 16,354.9	FY12-13	\$ 945.6	\$ 14,189.1	\$ 2,165.8	\$ 144.0
8	FY13-14	\$ 403.8	\$ 16,222.3	FY13-14	\$ 946.8	\$ 14,206.4	\$ 2,015.9	\$ 134.1
9	FY14-15	\$ 403.9	\$ 16,216.2	FY14-15	\$ 957.1	\$ 14,361.5	\$ 1,854.8	\$ 123.3
10	FY15-16	\$ 405.5	\$ 16,279.9	FY15-16	\$ 965.8	\$ 14,490.6	\$ 1,789.3	\$ 119.0
11	FY16-17	\$ 408.4	\$ 16,393.0	FY16-17	\$ 977.3	\$ 14,662.1	\$ 1,730.9	\$ 115.1
12	FY17-18	\$ 411.2	\$ 16,504.6	FY17-18	\$ 988.8	\$ 14,834.0	\$ 1,670.6	\$ 111.1
13								
14								

Statewide Communications Services Tax Rate of 10.65%
Net of removal of Residential Exemption

	A	B	C	D	E	F	G	H
1	year	Current Law Local portion CST (\$M)	Current Law Additional state tax on DHS (\$M)	Current Law State Sales Tax Transfer from CST (\$M)	Current Law Total	Gross receipts implied base	HB 303 10.65% rate applied to Gross Receipts implied base	HB 303 Impact State and Local (Column G - Column E)
2	FY12-13	\$ 737.6	\$ 54.2	\$ 945.6	\$ 1,737.4	\$ 16,354.9		
3	FY13-14	\$ 730.4	\$ 55.1	\$ 946.8	\$ 1,732.2	\$ 16,222.3	\$ 1,727.7	\$ (4.5)
4	FY14-15	\$ 729.2	\$ 56.1	\$ 957.1	\$ 1,742.5	\$ 16,216.2	\$ 1,727.0	\$ (15.4)
5	FY15-16	\$ 730.9	\$ 57.4	\$ 965.8	\$ 1,754.1	\$ 16,279.9	\$ 1,733.8	\$ (20.3)
6	FY16-17	\$ 734.5	\$ 59.2	\$ 977.3	\$ 1,770.9	\$ 16,393.0	\$ 1,745.9	\$ (25.1)
7	FY17-18	\$ 738.0	\$ 61.2	\$ 988.8	\$ 1,788.0	\$ 16,504.6	\$ 1,757.7	\$ (30.3)
8								
9		Current Law Gross Receipts tax Transfer from CST	Current Law Gross receipts implied base	HB 303 2.52% applied to Gross Receipts implied base	HB 303 Impact Gross Receipts			
10	FY13-14	\$ 403.8	\$ 16,222.3	\$ 408.8	\$ 5.0			
11	FY14-15	\$ 403.9	\$ 16,216.2	\$ 408.6	\$ 4.8			
12	FY15-16	\$ 405.5	\$ 16,279.9	\$ 410.3	\$ 4.7			
13	FY16-17	\$ 408.4	\$ 16,393.0	\$ 413.1	\$ 4.7			
14	FY17-18	\$ 411.2	\$ 16,504.6	\$ 415.9	\$ 4.7			
15								
16	Impact to all Sources							
17	Gross Receipts, State Sales Tax, and Local Communicaitons Services Tax							
18								
19		High		Middle		Low		
20		Cash	Recurring	Cash	Recurring	Cash	Recurring	
21	2013-14			\$ 0.3 M	\$ 0.5 M			
22	2014-15			\$ (10.7 M)	\$ (10.7 M)			
23	2015-16			\$ (15.6 M)	\$ (15.6 M)			
24	2016-17			\$ (20.4 M)	\$ (20.4 M)			
25	2017-18			\$ (25.6 M)	\$ (25.6 M)			

Impact of Tax Rate changes on their Respective Components

	A	B	C	D	E	F
1	Impact of Single communications services tax rate net of the removal of the					
2	residential exemption allocated between the state and local component					
3	State Component					
4		State Sales Tax Transfer from CST (\$M)	55% of the tax collected at 10.65%	Difference		
5	FY13-14	\$ 946.8	\$ 950.2	\$ 3.4		
6	FY14-15	\$ 957.1	\$ 949.9	\$ (7.3)		
7	FY15-16	\$ 965.8	\$ 953.6	\$ (12.2)		
8	FY16-17	\$ 977.3	\$ 960.2	\$ (17.0)		
9	FY17-18	\$ 988.8	\$ 966.8	\$ (22.0)		
10						
11	Local Component					
12		Local portion CST (\$M)	Additional state tax on DHS (\$M)	Total	45% of the tax collected at 10.65%	Difference
13	FY13-14	\$ 730.4	\$ 55.1	\$ 785.4	\$ 777.5	\$ (8.0)
14	FY14-15	\$ 729.2	\$ 56.1	\$ 785.3	\$ 777.2	\$ (8.1)
15	FY15-16	\$ 730.9	\$ 57.4	\$ 788.3	\$ 780.2	\$ (8.1)
16	FY16-17	\$ 734.5	\$ 59.2	\$ 793.7	\$ 785.6	\$ (8.0)
17	FY17-18	\$ 738.0	\$ 61.2	\$ 799.3	\$ 791.0	\$ (8.3)

HB 303 - Section by Section Determination of Impact

	A	B	C	D
1	Section	Statute Amended	Description	Impact Determination
2	1	None	Statement of Legislative Intent	No Impact
3	2	S. 202.11, F.S.	Eliminates definition of "Enhanced zip code" , Modifies definition of "Video service" to include Direct-to-home satellite service	No Impact
4	3	S. 202.12, F.S.	Modifies rate of taxation for communication services	Impact
5	4	S. 202.125, F.S.	Eliminates residential exemption, eliminates reference to s. 202.19	Impact
6	5	S. 202.13, F.S.	Eliminates references to SS. 202.19 and 202.20	No Impact
7	6	S. 202.151, F.S.	Eliminates a reference to s. 202.19	No Impact
8	7	S. 202.155, F.S.	Designates a reference to s.202.22 as former, repeals the section as of 10/1/2016	Appears to retain language for open audit periods following the effective date of the bill
9	8	S. 202.16, F.S.	Removes a reference to s. 203.001	No Impact
10	9	S. 202.18, F.S.	1. Revises distribution of CCST. Distributes 55% through S.212.20. 2. Eliminates distribution of tax on direct-to-home Satellite 3. Eliminates distributions to locals pursuant to ss.212.19 and 212.20 4. Creates new distribution of 45% of proceeds 5. Creates a new provision that requires local government action if they receive over a certain amount of revenues	All have impact
11	10	S.202.19, F.S.	Repeal - Authorization to impose local tax	Impact
12	11	S.202.193, F.S.	Removes a reference to s. 202.19 and replaces it with a reference to S.202.12	Impact unclear - language [provides from levy of local communication services tax pursuant to s.202.12. there is no such levy under the revised s.202.12.
13	12	S. 202.195, F.S.	Removes a reference to s. 202.19 and replaces it with a reference to S.202.13	No Impact
14	13	S.202.20, F.S.	Repeal - Local Conversion rates	Impact
15	14	S.202.21, F.S.	Repeal - notification of rate changes	No Impact
16	15	S.202.22, F.S.	Repeal - Eliminates situsing requirement of local tax	Impact
17	16	S.202.23, F.S.	Designates two references to s.202.22 as former s. 202.22	No Impact
18	17	S. 202.231, F.S.	Repeals section effective 10/1/2016	No Impact
19	18	S.202.24, F.S.	Eliminates reference to" Local Communication Services Tax levied under this chapter"	No Impact
20	19	S. 202.26, F.S.	Designates two references to s.202.22 as former s. 202.22	No Impact
21	20	S.202.27, F.S.	Designates a reference to s. 202.19 as former S. 202.19	No Impact

HB 303 - Section by Section Determination of Impact

	A	B	C	D
1	Section	Statute Amended	Description	Impact Determination
22	21	S. 202.28, F.S.	Designates a reference to s. 202.22 as former S.202.22; redesignates a reference to s.202.18(2) to section 202.18(1)(c); redesignates a reference to s. 202.22(1) as former s. 202.11(1); redesignates a reference to s. 202.19 as former s. 202.19	No impact in the aggregate, Impact unclear to any specific jurisdiction due to lack of distribution formula
23	22	S.202.35, F.S.	Deletes the requirement that the combined amount of taxes due under s. 202.19 be stated and identified as the local communication services tax	No Impact
24	23	S. 202.37, F.S.	Repeals - Special rules for administration of local communication services tax	No Impact
25	24	S. 202.38, F.S.	Repeal - Special rule for bad debt and adjustments under previous taxes	No impact
26	25	S.202.381, F.S.	Repeal - Transition from previous taxes	No impact
27	26	S. 203.001, F.S.	Repeal - Combined rate fro tax collected pursuant to ss. 202.12 (1)(a) and 203(1)(b)	No Impact
28	27	S. 203.01, F.S.	Eliminates a reference to the residential exemption in s. 202.125(1); increases the rate to 2.52%; eliminates additional .15% subject to residential exemption	Impact
29	28	S. 218.67, F.S.	Eliminates a cross reference to the distribution to fiscally constrained counties in s. 202.18 (2)(c)1. , leaving no specific source for distribution	Impact attributed to section 9
30	29	s. 288.1045, F.S.	Eliminates a cross reference to local communication services tax authorized under s.202.19	No Impact
31	30	S. 288.106, F.S.	Eliminates a cross reference to local communication services tax authorized under s.202.19	No Impact
32	31	S. 213.053, F.S.	Designates a reference to S. 202.19 as the former s. 202.19	No Impact
33	32	S. 337.401, F.S.	Eliminates permit fee authority and permit fee election: Revises pass through provision	Impact
34	33	N/A	Deems revenue received under act are deemed as replacement revenue	No Impact
35	34	N/A	Determines bills to which the changes of the act apply	Determines first year cash differences
36	35	N/A	Effective date	Determines when impact begins