

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Sales and Use Tax

**Issue:** College Meal Plans

**Bill Number(s):** HB 815 – Proposed Language

**Entire Bill**

**Partial Bill:**

**Sponsor(s):**

**Month/Year Impact Begins:** Analysis Assumes July 2014

**Date of Analysis:** 3/12/2014

**Section 1: Narrative**

- a. **Current Law:** There currently exists no exemption for prepaid college meal plans under 212.08, F.S.
- b. **Proposed Change:** Section 1. Paragraph (r) of subsection (7) of section 212.08, Florida Statutes, is amended to read: School books and food sold or served at community colleges and other institutions of higher learning are taxable, **except that prepaid meal plans purchased from a college or other institution of higher learning by students currently enrolled at that college or other institution of higher learning are exempt. As used in this subparagraph, “prepaid meal plans” means payment in advance to a college or institution of higher learning for the provision of a defined quantity of units that must expire at the end of an academic term, cannot be refunded to the student upon expiration, and which may only be exchanged for food.**

**Section 2: Description of Data and Sources**

- <http://colleges.usnews.rankingsandreviews.com/best-colleges/rankings/most-on-campus>
- <http://www.icuf.org/newdevelopment/wp-content/uploads/2010/06/2011-2012-ICUF-Accountability-Report.pdf>
- <http://www.flbog.edu/resources/ditr/>
- [http://www.cbo.gov/sites/default/files/cbofiles/attachments/45010-Outlook2014\\_Feb.pdf](http://www.cbo.gov/sites/default/files/cbofiles/attachments/45010-Outlook2014_Feb.pdf)

**Section 3: Methodology (Include Assumptions and Attach Details)**

Those colleges and universities with prepaid meal plans within Florida were identified. The analysis assumes that those students residing in university housing have a pre-paid meal plan (60% of this number for those universities without a meal plan requirement and where otherwise appropriate). The estimated number of students with meal plan multiplied by the average price and sales tax rate of 6 percent results in the estimated tax values. For the prices indicative for an annual cost, they were divided by two; where the price reflected room and board combined cost, it is assumed that the meal plan is approximately 50 percent of the cost. The sum of the estimated tax value is doubled under the assumption that the students participate in a pre-paid meal program for two semesters. The high and low estimates are indicative of a +/- 10% error. Estimates are grown at CPI inflation rate.

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2014-15	(\$14.7m)	(\$14.7m)	(\$13.1m)	(\$13.1m)	(\$12.0m)	(\$12.0m)
2015-16	(\$15.0m)	(\$15.0m)	(\$13.4m)	(\$13.4m)	(\$12.3m)	(\$12.3m)
2016-17	(\$15.3m)	(\$15.3m)	(\$13.7m)	(\$13.7m)	(\$12.5m)	(\$12.5m)
2017-18	(\$15.7m)	(\$15.7m)	(\$14.0m)	(\$14.0m)	(\$12.8m)	(\$12.8m)
2018-19	(\$16.1m)	(\$16.1m)	(\$14.4m)	(\$14.4m)	(\$13.1m)	(\$13.1m)

**Section 5: Consensus Estimate (Adopted: 03/17/2014):** The Conference adopted the middle estimate to account for summer meals.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2014-15	(11.6)	(11.6)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.1)	(1.1)
2015-16	(11.9)	(11.9)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.1)	(1.1)
2016-17	(12.1)	(12.1)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.2)	(1.2)
2017-18	(12.4)	(12.4)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.2)	(1.2)
2018-19	(12.8)	(12.8)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.2)	(1.2)

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2014-15	(1.1)	(1.1)	(2.6)	(2.6)	(14.2)	(14.2)
2015-16	(1.1)	(1.1)	(2.6)	(2.6)	(14.5)	(14.5)
2016-17	(1.1)	(1.1)	(2.7)	(2.7)	(14.8)	(14.8)
2017-18	(1.1)	(1.1)	(2.7)	(2.7)	(15.1)	(15.1)
2018-19	(1.2)	(1.2)	(2.8)	(2.8)	(15.6)	(15.6)

1	A	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	U	V	W	X
2	Prices as of Jan 2014					2013-14					Estimated # of Meal Plans	House staff information				V3 Updated						
3	Name	High Plan	Low Plan	Requirement?		Total Enrolled	Meal Plan	Annual \$?	% Students living in Univ. Housing	No meal plan req. (60% of J)	Actuals in Blue	Total Price	Flex Spending	Price less Flex Spending	Includes Tax?	Estimated Tax Impact	one semester	Averaged Price Impact				
4	Adventist University of Health Sciences	N/A	N/A	N/A			0	0														
5	Ave Maria University	\$3,997	\$3,997	Yes, if living on campus		882	1	1	87%		767	\$2,098	\$50	\$2,048	1	\$ 88,633	\$ 94,291	Divided by 2 for those prices				
6	Barry University	\$2,600	\$2,600	Yes, if living on campus		4,619	1	0	75%		3464					\$ 540,423	\$ 540,423	w/ combined room & board				
7	Beacon College	\$3,396	\$3,396	Yes, if living on campus		186	1	1	85%		158					\$ 16,107	\$ 16,107					
8	Bethune-Cookman University	\$4,274	\$4,274	Yes, if living on campus		3,486	1	0	80%		2789	\$2,137	\$175	\$1,962	1	\$ 308,600	\$ 328,298	\$ 357,580				
9	Clearwater Christian College	\$3,090	\$3,090	Yes, if living on campus		485	1	1	72%		294					\$ 24,334	\$ 24,334					
10	Eckerd College	\$5,038	\$4,414	Yes, if living on campus		1,893	1	1	81%		1275					\$ 160,724	\$ 160,724					
11	Edward Waters College	\$3,712	\$3,712	NO		800	1	1	85%	51%	408	\$1,856	\$0	\$1,856	0	\$ 45,435	\$ 45,435					
12	Embry-Riddle Aeronautical University	\$3,950	\$3,950	Yes, first 2 semesters		4,534	1	1	40%		1519					\$ 149,592	\$ 149,592					
13	Everglades University	N/A	N/A	N/A			0	0			0					\$ -	\$ -					
14	Flagler College	\$4,490	\$2,690	Yes, if living on campus		2,847	1	1	36%		1025	\$1,800	\$100	\$1,700	1	\$ 98,269	\$ 104,542					
15	Florida A&M University	\$1,990	\$1,990	Yes, dorm students only		10,053	1	0	27%		2505					\$ 179,955	\$ 179,955					
16	Florida Atlantic University	\$1,916	\$1,564	Yes, dorm students only		24,823	1	0	6%		1489	\$1,850	\$200	\$1,650	1	\$ 138,602	\$ 147,449					
17	Florida College	\$3,800	\$2,440	Yes, if living on campus		532	1	1	82%		436	\$1,400	\$175	\$1,225	1	\$ 30,140	\$ 32,064					
18	Florida Gulf Coast University	\$700	\$700	NO		12,155	1	0	34%	20%	2480	\$1,400	\$150	\$1,250	1	\$ 104,888	\$ 111,583					
19	Florida Institute of Technology	\$5,320	\$3,280	Yes, first two years		2,978	1	1	47%		1400	\$2,150	\$300	\$1,850	1	\$ 146,041	\$ 155,362					
20	Florida International University	\$1,499	\$499	Yes, first 2 semesters		37,468	1	0	7%		2623			\$0		\$ 157,208	\$ 157,208					
21	Florida Memorial University	\$2,852	\$2,852	Yes		1,800	1	1	50%		900	\$1,426	\$0	\$1,426	1	\$ 72,384	\$ 77,004					
22	Florida Polytechnic University	N/A	N/A	N/A			0	0			0					\$ -	\$ -					
23	Florida Southern College	\$4,260	\$1,310	Yes, if living on campus		2,040	1	1	70%		1428	\$1,800	\$0	\$1,800	1	\$ 144,971	\$ 154,224					
24	Florida State University	\$2,400	\$1,800	Yes, dorm students only		32,171	1	0	21%	13%	4054	\$1,800	\$150	\$1,650	1	\$ 377,223	\$ 401,301					
25	Hodges University	N/A	N/A	N/A			0	0			0					\$ -	\$ -					
26	Jacksonville University	\$4,200	\$1,350	Yes, if living on campus		3,319	1	1	42%		1394	\$1,500	\$350	\$1,150	1	\$ 90,414	\$ 96,185					
27	Keiser University	N/A	N/A	N/A			0	0			0					\$ -	\$ -					
28	Lynn University	\$4,620	\$4,620	Yes, if living on campus		1,657	1	0	48%		795	\$2,300	\$100	\$2,200	1	\$ 98,688	\$ 104,988	\$ 110,237				
29	New College of Florida	\$2,697	\$857	Yes, if living on campus		832	1	0	75%		624	\$1,200	\$0	\$1,200	1	\$ 42,232	\$ 44,928					
30	Nova Southeastern University	\$2,600	\$2,600	Yes, if living on campus		5,739	1	1	16%		918	\$1,300	\$1,300	\$0	1	\$ -	\$ 71,623					
31	Palm Beach Atlantic University	\$4,050	\$2,520	Yes, if living on campus		2,751	1	1	38%		1045	\$1,250	\$175	\$1,075	0	\$ 67,427	\$ 67,427					
32	Ringling College of Art & Design	\$2,865	\$895	Yes, if living on campus		1,364	1	0	60%		818					\$ 92,316	\$ 92,316					
33	Rollins College	\$5,340	\$250	Yes, if living on campus		1,884	1	1	68%		1281	\$1,400	\$75	\$1,325	1	\$ 95,738	\$ 101,849					
34	Saint Leo University	\$4,680	\$1,570	Yes, if living on campus		2,167	1	1	62%		1344	\$1,550	\$0	\$1,550	1	\$ 117,452	\$ 124,949					
35	Saint Thomas University	\$7,284	\$3,768	Yes, dorm students only		1,111	1	0	21%		233					\$ 38,678	\$ 38,678					
36	Southeastern University	\$4,370	\$4,370	Yes, if living on campus		2,448	1	1	51%		1248	\$2,150	\$50	\$2,100	1	\$ 147,870	\$ 157,308					
37	Stetson University	\$4,820	\$4,820	Yes, if living on campus		2,516	1	1	67%		1686	\$2,050	\$100	\$1,950	1	\$ 185,395	\$ 197,229					
38	University of Central Florida	\$1,997	\$1,275	NO		50,968	1	0	17%	10%	5199	\$1,600	\$75	\$1,525	1	\$ 447,143	\$ 475,684					
39	University of Florida	\$2,050	\$1,750	NO		32,776	1	0	24%	14%	4720					\$ 538,051	\$ 538,051					
40	University of Miami	\$4,968	\$2,184	Yes, if living on campus		10,590	1	1	39%		4130	\$2,250	\$150	\$2,100	1	\$ 489,169	\$ 520,393					
41	University of North Florida	\$2,114	\$1,712	Yes, first 2 semesters		14,398	1	0	20%		2880	\$1,900	\$200	\$1,700	1	\$ 276,096	\$ 293,719					
42	University of South Florida	\$1,425	\$958	Yes, first 2 semesters		30,289	1	0	18%		5452	\$1,425	\$250	\$1,175	1	\$ 361,305	\$ 384,367					
43	University of Tampa	\$2,262	\$1,219	Yes, if living on campus		6,143	1	0	60%		3686	\$1,900	\$100	\$1,800	1	\$ 374,182	\$ 398,066					
44	University of West Florida	\$1,930	\$745	Yes, first 2 semesters		10,332	1	0	20%		2066	\$1,500	\$225	\$1,275	1	\$ 148,595	\$ 158,080					
45	Warner University	\$1,950	\$1,653	Yes, if living on campus		1,008	1	0	30%		302	\$1,650	\$0	\$1,650	1	\$ 28,141	\$ 29,938					
46	Webber International University	\$2,912	\$2,434	Yes, if living on campus		661	1	1	50%		331	\$1,050	\$0	\$1,050	1	\$ 19,572	\$ 20,822					
47	TOTAL										69,166					\$ 6,441,994						
48	*Full Time Lower Division, 1st 2 years																					
49	Note: Calculated on 6% Sales Tax																					
50	***http://colleges.usnews.rankingsandreviews.com/best-colleges/rankings/most-on-campus																					
51						2013-14	14.2	12.9	11.6	0.0%												
52						2014-15	14.5	13.1	11.8	2.0%												
53						2015-16	14.8	13.4	12.1	2.1%												
54						2016-17	15.1	13.7	12.3	2.2%												
55						2017-18	15.4	14.0	12.6	2.4%												
						2018-19	15.8	14.4	12.9	2.4%												