INITIATIVE FINANCIAL INFORMATION STATEMENT

Water and Land Conservation – Dedicates Funds to Acquire and Restore Florida Conservation and Recreation Lands

SUMMARY OF INITIATIVE FINANCIAL INFORMATION STATEMENT

The amendment requires that 33% of net revenue from the excise tax on documents be deposited in the Land Acquisition Trust Fund for twenty years, to be used for the purposes specified in the amendment. Based on information provided at public workshops and information collected through staff research, the Financial Impact Estimating Conference expects that the proposed amendment will have the following financial effects:

- This amendment does not increase or decrease state revenues. Neither the rates nor bases of the excise tax on documents (the tax) are changed.
- The amount of state revenue restricted to the purposes specified in the amendment is estimated to be $648 million in Fiscal Year 2015-16 and grows to $1.268 billion by Fiscal Year 2034-35, the final year of the distribution requirement. These estimates reflect 33% of the official Revenue Estimating Conference forecast for the excise tax on documents through Fiscal Year 2022-23, after the Department of Revenue’s costs of collection and enforcement have been deducted from total tax collections. Thereafter, an annual growth rate of 3.1% is applied, which is consistent with the combined estimated growth of population and inflation.
- Whether the amendment results in any additional state expenditures depends upon future legislative actions and cannot be determined. Under current law, the tax proceeds are distributed to various trust funds and the General Revenue Fund for various purposes, including payment of debt service on environmental bonds. The amendment changes the current distributions by requiring that 33% of net revenue from the excise tax on documents be deposited in the Land Acquisition Trust Fund (LATF) for the purposes specified in the amendment. Because the tax proceeds are currently fully committed, this requirement may result in reductions to existing programs currently funded by the tax, or in the replacement of those dollars with other state funds at a loss to other programs; however, these outcomes are not certain. Subsequent legislative action is required to adjust distributions of the tax. Some or all of the current expenditures for the purposes specified in the amendment may be shifted to the LATF. Depending on the extent to which this shift occurs, total expenditures for the amendment’s stated purposes might not increase, and, at the same time, losses to other programs might not occur. Alternatively, in any given year, 33% of the tax revenues may be more than the Legislature would choose to spend on the purposes specified in the amendment, resulting in a greater allocation of funds for the specified purposes. Because future legislative actions are unknown, the impact on state expenditures cannot be determined.
- The impact on local government revenues, if any, cannot be determined because it is unknown whether the state will purchase more lands than it otherwise would have or what effect those additional purchases would have on ad valorem tax revenues.
- No additional local government costs are expected.
- In developing this statement, the Conference assumes that the amendment will be on the 2014 General Election ballot.