

REVENUE ESTIMATING CONFERENCE

Revenue Source: Sales Tax

Issue: Sales Tax Rate Reductions

Bill Number(s): HB 7031

☒ **Entire Bill**

☐ **Partial Bill:**

Sponsor(s): Representative Duggan

Month/Year Impact Begins: August 2025 (first month of collections)

Date(s) Conference Reviewed: 4/4/2025

Section 1: Narrative

a. Current Law:

The prevailing rate for sales and use tax in Florida is 6% for most tangible personal property (TPP) as specified in Chapter 212, F.S. There are several specially legislated rates that are described below in addition to the prevailing rate. In addition, there are a number of exemptions.

Section 203.0011 F.S. (2024) states that the tax on electrical power or energy is a combined rate of 6.95 percent, which consists of the 4.35 percent and 2.6 percent required under ss. 212.05(1)(e)1.c. and 203.01(1)(b)4., respectively. Section 203.0011 is also published at s. 212.05011.

Section 212.03 states that transient rentals are taxed at 6 percent.

Section 212.031 states that commercial rentals are taxed at 2 percent.

Section 212.04 states that admissions to any place of amusement, sport, or recreation or for entering or staying in any place of amusement, sport, or recreation are taxed at 6 percent.

Section 212.05 states that sales of tangible personal property (TPP) at retail in this state, including remote sales; use, rental, storage, and leasing thereof are taxed at 6 percent, including the tax on:

- (a) the sales price of each item or article of tangible personal property when sold at retail in this state, computed on each taxable,
- (b) each occasional or isolated sale of an aircraft, boat, mobile home, or motor vehicle required to be registered,
- (b) the cost price of each item or article of tangible personal property when used, consumed, distributed, or stored for use or consumption,
- (c) the gross proceeds from leasing or renting tangible personal property,
- (d) the lease or rental price paid by a lessee or rentee to the owner of TPP,
- (e) charges on prepaid calling arrangements,
- (f) the sale, rental, use, consumption, or storage for use in this state of machines and equipment, and parts and accessories therefor, used in manufacturing, processing, compounding, producing, mining, or quarrying personal property for sale or to be used in furnishing communications, transportation, or public utility services,
- (g) the retail price of newspapers and magazines sold or used in Florida,
- (i) detective, burglar protection, and other protection services,
- (j) the price of a coin or currency that is not a legal tender, which is sold, exchanged, or traded based on its precious metal content,
- (k) the sales price of each gallon of diesel fuel not taxed under chapter 206 purchased for use in a vessel, except dyed diesel fuel that is exempt pursuant to s. 212.08(4)(a)4

Section 212.05(1)(h) imposes a tax on the charges for the use of coin-operated vending machines at the rate of 4 percent. The tax is calculated by dividing the gross receipts by a divisor determined based on a county's discretionary sales surtax levy as follows.

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	None	0.50%	1.00%	2.00%
Gross receipts divisor	1.0325	1.0375	1.0425	1.0525

Section 212.05(1)(n) specifies that the sales tax rate on the sale of a new mobile home as defined in in s. 319.001 is 3 percent.

Section 212.0501 states that the tax on diesel fuel for business purposes is 6 percent.

Section 212.05011 states that the combined rate on the additional tax on electrical power or energy is 6.95 percent, which consists of the 4.35 percent and 2.6 percent required under ss. 212.05(1)(e)1.c. and 203.01(1)(b)4., respectively.

Section 212.0515 determines how food, beverages, or other items of tangible personal property that are sold in vending machines are taxes at 6.45 percent. The currently applicable divisors according to a county's discretionary sales surtax are shown in the table below.

Item	Discretionary Surtax Percentage					
	None	0.50%	0.75%	1.00%	1.50%	2.00%
Beverage and food items	1.0645	1.0686	1.0706	1.0674	1.0767	1.0808
Other items	1.0659	1.0707	1.0727	1.0749	1.0791	1.0833

Section 212.0506 states that service warranties are taxed at 6 percent.

Section 212.06 defines dealers and the legislative intent and determines the sales, storage, use tax, to be collected by dealers from purchasers at the moment of purchase or at the moment of commingling with the general mass of property in this state, and further states that sales tax of 6 percent shall be collectible from all dealers on the sale at retail, the use, the consumption, the distribution, and the storage for use or consumption in this state of tangible personal property or services taxable under Chapter 212.

Section 212.08 specifies in a partial exemption on flyable aircraft that the maximum tax collectible on the sale price is 6 percent.

b. Proposed Change:

HB 7031 reduces the general and special sales tax rates as detailed below.

Rate Type	Current Rate	Proposed Rate	Rate Reduction (Percentage Points)	Rate Reduction (Percent)
Business Rent Tax	2.00%	1.25%	0.75	37.50%
Electric Power / Energy	6.95%	6.20%	0.75	10.79%
Food & Beverage Vending	6.45%	5.70%	0.75	11.63%
Amusement Machines	4.00%	3.25%	0.75	18.75%
New Mobile Homes	3.00%	2.25%	0.75	25.00%
Non-Residential Electricity	4.35%	3.60%	0.75	17.24%
Sales Tax Collections at General Rate	6.00%	5.25%	0.75	12.50%

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Section 1 of HB 7031 amends Section 203.0011, Florida Statutes, to reduce the combined rate on electrical power or energy to 6.2 percent, which consists of the 3.6 percent and 2.6 percent required under ss. 212.05(1)(e)1.c. and 203.01(1)(b)4., respectively.

Section 2 amends paragraph (a) of subsection (1), subsection (3), and paragraph (a) of subsection (6) of section 212.03 to reduce the transient rentals tax rate to 5.25 percent.

Section 3 amends paragraphs (c) and (d) of subsection (1) of section 212.031 to reduce the commercial rental tax rate to 1.25 percent.

Section 4 amends paragraph (b) of subsection (1) and paragraph (a) of subsection (2) of section 212.04 to reduce the rate on admissions to 5.25 percent. The section also stipulates that exemptions granted to non-profit organizations may not exceed 5.25 percent of admissions receipts collected by the organization or its agents in the year immediately preceding the year in which the organization applies for the exemption and the non-profit is to remit at also a reduced rate of 5.25 percent.

Section 5 amends paragraphs (a), (b), (c), (d), (e), (f), (g), (h), (i), (j), (k), and (n) of subsection (1) of section 212.05 to reduce the tax rate to 5.25 percent on:

- the sale of tangible personal property at retail, including remote sales, use, rental, storage,
- each occasional or isolated sale of an aircraft, boat, mobile home, or motor vehicle required to be registered,
- the use, consumption, distribution, or storage for use or consumption,
- the gross proceeds from leasing or renting tangible personal property,
- the lease or rental price paid by a lessee or rentee to the owner of TPP,
- charges on prepaid calling arrangements,
- the sale, rental, use, consumption, or storage for use in this state of machines and equipment, and parts and accessories therefor, used in manufacturing, processing, compounding, producing, mining, or quarrying personal property for sale or to be used in furnishing communications, transportation, or public utility services,
- the retail price of newspapers and magazines sold or used in Florida,
- detective, burglar protection, and other protection services,
- the price of a coin or currency that is not a legal tender, which is sold, exchanged, or traded based on its precious metal content,
- the sales price of each gallon of diesel fuel not taxed under chapter 206 purchased for use in a vessel, except dyed diesel fuel that is exempt pursuant to s. 212.08(4)(a)4.

Section 5 also amends paragraph (h) above to reduce the tax rate to 3.25 percent on the charges for the use of coin-operated amusement machines. Currently, the gross receipts divisors are determined based on a county's discretionary sales surtax levy as follows.

Item	Discretionary Surtax Percentage			
	None	0.50%	1.00%	2.00%
Gross receipts divisor	1.04	1.045	1.05	1.06

Section 5 also amends paragraph (n) above to reduce the sales tax rate to 2.25 percent on the sale of a new mobile home as defined in s. 319.001.

Section 6 amends subsection (2) of section 212.0501 to reduce the tax on diesel fuel for business purposes to 5.25 percent.

Section 7 amends section 212.05011 to reduce the combined rate on the additional tax on electrical power or energy to 6.2 percent, which consists of the 3.6 percent and 2.6 percent required under ss. 212.05(1)(e)1.c. and 203.01(1)(b)4., respectively.

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Section 8 amends subsection (2) of section 212.0515 to reduce the divisors used to determine sales tax paid on food, beverages, or other items of tangible personal property that are sold in vending machines. The currently applicable divisors according to the county discretionary sales surtax are shown in the table below.

Item	Discretionary Surtax Percentage					
	None	0.50%	0.75%	1.00%	1.50%	2.00%
Beverage and food items	1.057	1.0611	1.0631	1.0651	1.0692	1.0733
Other items	1.0584	1.0632	1.0652	1.0726	1.0716	1.0758

Section 9 amends subsection (2) of section 212.0506 to reduce the tax rate on service warranties to 5.25 percent.

Section 10 amends paragraph (a) of subsection (1) of section 812 212.06 to reduce the tax rate to 5.25 percent on the retail sale at the moment of purchase or as of the moment of commingling with the general mass of property in this state (e.g. use tax).

Section 11 amends paragraph (c) of subsection (11) of section 830 212.08 to reduce the maximum tax rate collectible on the sale price of flyable aircraft to 5.25 percent.

Section 2: Description of Data and Sources

General Revenue forecast for sales tax through FY 2029-30, March 2025

Department of Revenue collection reports by month by kind code by county through February 2025

US Census Bureau, Manufactured Housing Survey.

Section 3: Methodology (Include Assumptions and Attach Details)

Sales Tax – GR Conference Process

A sales tax final liability forecast for the six sales tax categories is adopted at each General Revenue conference, most recently at the March 2025 GR conference. Generally, for sales tax modeling purposes (and reporting purposes), DOR's collection report provides sales tax collections data by month by kind code by county, which are aggregated into six sales tax categories statewide. The collection report is used to produce final liability series by category, from which taxable sales by category are constructed. Analysts use historical quarterly seasonally adjusted taxable sales at the category level (six) to forecast taxable sales, on which an assumed effective tax rate by category is applied to produce the sales tax final liability forecast. The forecast is typically not done at the kind code level (88 kind codes). The GR conference adopts a sales tax final liability forecast by category (not seasonally adjusted cash numbers), but does not explicitly adopt a taxable sales forecast. The forecast includes FY 2024-25 through FY 2029-30.

Taxable Sales

This analysis uses taxable sales underlying the adopted sales tax final liability forecast for the six sales tax categories adopted at the March 2025 GR conference. The taxable sales are converted to cash, not seasonally adjusted, by fiscal year. FY 2023-24 is the last full year of actuals. FY 2024-25 has eight months of actuals.

Taxable Sales	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Auto-Related Consumer Durables	\$ 118,232.1	\$ 120,174.9	\$ 122,103.8	\$ 124,209.8	\$ 126,840.5	\$ 129,711.2	\$ 133,093.1
Other Consumer Durables	\$ 33,521.0	\$ 33,005.7	\$ 34,056.3	\$ 35,551.3	\$ 36,632.1	\$ 38,310.9	\$ 39,527.3
Other Consumer Nondurables	\$ 204,509.7	\$ 213,399.1	\$ 218,817.4	\$ 225,014.5	\$ 232,016.7	\$ 239,367.8	\$ 246,858.5
Recreation & Tourist-Related	\$ 144,004.4	\$ 141,913.0	\$ 148,588.1	\$ 154,525.5	\$ 159,805.7	\$ 164,826.1	\$ 169,967.8
Construction-Related	\$ 41,406.1	\$ 42,782.8	\$ 45,101.2	\$ 47,206.8	\$ 48,842.3	\$ 50,352.7	\$ 51,763.9
Business Investment	\$ 144,537.9	\$ 153,142.2	\$ 156,430.5	\$ 160,136.0	\$ 164,484.4	\$ 169,561.6	\$ 174,407.2
Total Taxable Sales	\$ 686,211.3	\$ 704,417.8	\$ 725,097.2	\$ 746,643.7	\$ 768,621.6	\$ 792,130.3	\$ 815,617.8

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Adjusted Taxable Sales

To align the fiscal year taxable sales underlying the GR forecast and the taxable sales by kind code from the DOR collection report, adjustments by category is made to the taxable sales underlying the GR forecast.

Adjusted Taxable Sales	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Auto-Related Consumer Durables	\$ 110,719.3	\$ 112,929.8	\$ 114,742.4	\$ 116,721.5	\$ 119,193.5	\$ 121,891.2	\$ 125,069.2
Other Consumer Durables	\$ 34,259.6	\$ 33,037.9	\$ 34,089.5	\$ 35,585.9	\$ 36,667.8	\$ 38,348.3	\$ 39,565.8
Other Consumer Nondurables	\$ 209,262.1	\$ 213,668.5	\$ 219,093.7	\$ 225,298.6	\$ 232,309.6	\$ 239,670.0	\$ 247,170.1
Recreation & Tourist-Related	\$ 143,885.9	\$ 142,187.0	\$ 148,875.0	\$ 154,823.8	\$ 160,114.3	\$ 165,144.4	\$ 170,296.0
Construction-Related	\$ 41,480.3	\$ 41,695.0	\$ 43,954.4	\$ 46,006.5	\$ 47,600.4	\$ 49,072.4	\$ 50,447.6
Business Investment	\$ 140,214.8	\$ 147,318.2	\$ 150,481.5	\$ 154,046.0	\$ 158,229.0	\$ 163,113.2	\$ 167,774.5
Total Taxable Sales	\$ 679,821.9	\$ 690,836.4	\$ 711,236.4	\$ 732,482.3	\$ 754,114.6	\$ 777,239.4	\$ 800,323.2

Taxable Sales by Kind Code

To more precisely estimate the impact of reducing the rates for the specially legislated rates, this analysis stepped down to the kind code level to isolate and measure the final liability, subject to the specially legislated rates. For this purpose, the analyses used the DOR collection reports by month by kind code by county mentioned above.

Share of Specially Legislated Rates in the Taxable Base

This part of the analysis estimates taxable sales for TPP subject to specially legislated rates. First, the TPP's taxable sales as a percent of the respective kind code taxable sales is calculated. Data for the effective tax rate in the kind code (an average over FY 2020-21 to FY 2023-24), the legislative tax rate, and the prevailing tax rate is used to calculate the share of the kind code taxable sales subject to the specially legislated rate (differential rate). Second, the TPP's taxable sales as a percent of the sales tax category's taxable sales is calculated. This is done by using a ratio of the TPP taxable sales calculated in step 1 to the taxable sales in the category.

Levy	Rate Begin	Rate	Kind Code	Sales Tax Category	% KC Subject to Rate	% Category Subject to Rate	Effective Rate for Kind Code	Assumed Effective Rate
Electric Power / Energy	07/01/14	6.95	84	Consumer Nondurables	87.30%	3.39%	6.54	6.97
Food & Beverage Vending	10/01/01	6.45	Line E, 77	Consumer Nondurables	60.00%	0.06%	6.06	6.47
Dyed Diesel Fuel	10/01/01	6.00	45 Line A	Consumer Nondurables				
State Sales Tax	10/01/01	6.00						
Amusement Machine	10/01/01	4.00	59	Tourism & Recreation	3.30%	0.52%	5.94	4.01
New MH Sales Tax Rate	07/01/22	3.00	23	Auto-Related Consumer Durables	1.00%	0.83%		
Gross Receipts - PECO	07/31/14	2.60						
Commercial Rental Rate	05/01/24	2.00	Line C, 82	Business Investment		33.38%	2.71	2.01

The new mobile homes share of the kind code taxable sales is calculated by using Census data on shipments of mobile homes.

Taxable Sales for Specially Legislated Rates

The percent of the category, subject to the special rate, is applied to the respective category's taxable sales for each special rate identified to estimate taxable sales subject to special rates at current levels.

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Taxable Sales - Components @ Other Than 6%	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Auto-Related Consumer Durables	\$ 919.0	\$ 937.3	\$ 952.4	\$ 968.8	\$ 989.3	\$ 1,011.7	\$ 1,038.1
Mobile Homes @ 3%	\$ 919.0	\$ 937.3	\$ 952.4	\$ 968.8	\$ 989.3	\$ 1,011.7	\$ 1,038.1
Other Consumer Durables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Consumer Nondurables	\$ 7,228.7	\$ 7,380.9	\$ 7,568.4	\$ 7,782.7	\$ 8,024.9	\$ 8,279.1	\$ 8,538.2
Electric Power / Energy @ 6.95%	\$ 7,100.8	\$ 7,250.3	\$ 7,434.4	\$ 7,645.0	\$ 7,882.9	\$ 8,132.6	\$ 8,387.1
Food & Beverage Vending @ 6.45%	\$ 127.9	\$ 130.6	\$ 133.9	\$ 137.7	\$ 142.0	\$ 146.5	\$ 151.1
Recreation & Tourist-Related	\$ 749.8	\$ 740.9	\$ 775.8	\$ 806.8	\$ 834.4	\$ 860.6	\$ 887.4
Amusement Machines @ 4%	\$ 749.8	\$ 740.9	\$ 775.8	\$ 806.8	\$ 834.4	\$ 860.6	\$ 887.4
Construction-Related	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Business Investment	\$ 46,810.0	\$ 49,181.4	\$ 50,237.5	\$ 51,427.5	\$ 52,824.0	\$ 54,454.5	\$ 56,010.7
Commercial Rentals @ 2%	\$ 46,810.0	\$ 49,181.4	\$ 50,237.5	\$ 51,427.5	\$ 52,824.0	\$ 54,454.5	\$ 56,010.7
Total Taxable Sales	\$ 55,707.5	\$ 58,240.6	\$ 59,534.0	\$ 60,985.8	\$ 62,672.5	\$ 64,605.9	\$ 66,474.4

Taxable Sales at Six Percent

Taxable sales for all other items are calculated as remainder.

Taxable Sales for Components @ 6%	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Auto-Related Consumer Durables	\$ 109,800.3	\$ 111,992.5	\$ 113,790.1	\$ 115,752.7	\$ 118,204.2	\$ 120,879.5	\$ 124,031.2
Other Consumer Durables	\$ 34,259.6	\$ 33,037.9	\$ 34,089.5	\$ 35,585.9	\$ 36,667.8	\$ 38,348.3	\$ 39,565.8
Other Consumer Nondurables	\$ 202,033.3	\$ 206,287.6	\$ 211,525.3	\$ 217,515.9	\$ 224,284.7	\$ 231,390.8	\$ 238,631.9
Recreation & Tourist-Related	\$ 143,136.1	\$ 141,446.1	\$ 148,099.2	\$ 154,017.1	\$ 159,279.9	\$ 164,283.8	\$ 169,408.6
Construction-Related	\$ 41,480.3	\$ 41,695.0	\$ 43,954.4	\$ 46,006.5	\$ 47,600.4	\$ 49,072.4	\$ 50,447.6
Business Investment	\$ 93,404.8	\$ 98,136.7	\$ 100,244.0	\$ 102,618.5	\$ 105,405.1	\$ 108,658.6	\$ 111,763.8
Total Taxable Sales	\$ 624,114.4	\$ 632,595.8	\$ 651,702.4	\$ 671,496.5	\$ 691,442.1	\$ 712,633.4	\$ 733,848.8

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Calculation of Proposed Rate Reduction for Special Rates

The proposed sales tax rate reduction across the prevailing and special rates in HB 7031 is for 0.75 percentage points. It is equivalent to a reduction of the current rates varying from 10.8 percent to 37.5 percent of the current rates. Special and general current tax rates are applied to the taxable sales estimates from above to estimate sales tax liability for components at special rates and for all other.

Tax Liability at Current Rates		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Business Rent Tax	2.00%	\$ 1,004.7	\$ 1,028.5	\$ 1,056.5	\$ 1,089.1	\$ 1,120.2
Electric Power / Energy	6.95%	\$ 516.7	\$ 531.3	\$ 547.9	\$ 565.2	\$ 582.9
Food & Beverage Vending	6.45%	\$ 8.6	\$ 8.9	\$ 9.2	\$ 9.4	\$ 9.7
Amusement Machines	4.00%	\$ 31.0	\$ 32.3	\$ 33.4	\$ 34.4	\$ 35.5
New Mobile Homes	3.00%	\$ 28.6	\$ 29.1	\$ 29.7	\$ 30.4	\$ 31.1
Non-Residential Electricity	4.35%	\$ 308.5	\$ 301.4	\$ 297.2	\$ 295.7	\$ 295.3
Sales Tax Collections at General Rate	6.00%	\$ 39,449.4	\$ 40,659.1	\$ 41,876.6	\$ 43,163.8	\$ 44,457.6
Total Sales Tax Liability		\$ 41,347.6	\$ 42,590.6	\$ 43,850.4	\$ 45,188.1	\$ 46,532.4

Then, a reduction by 0.75 percentage points is applied to the estimated taxable sales for the specially legislated components and for the general rate.

Tax Liability at Reduced Rates		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Business Rent Tax	1.25%	\$ 628.0	\$ 642.8	\$ 660.3	\$ 680.7	\$ 700.1
Electric Power / Energy	6.20%	\$ 460.9	\$ 474.0	\$ 488.7	\$ 504.2	\$ 520.0
Food & Beverage Vending	5.70%	\$ 7.6	\$ 7.9	\$ 8.1	\$ 8.4	\$ 8.6
Amusement Machines	3.25%	\$ 25.2	\$ 26.2	\$ 27.1	\$ 28.0	\$ 28.8
New Mobile Homes	2.25%	\$ 21.4	\$ 21.8	\$ 22.3	\$ 22.8	\$ 23.4
Non-Residential Electricity	3.60%	\$ 255.3	\$ 249.5	\$ 246.0	\$ 244.7	\$ 244.4
Sales Tax Collections at General Rate	5.25%	\$ 34,518.3	\$ 35,576.7	\$ 36,642.0	\$ 37,768.4	\$ 38,900.4
Total Sales Tax Liability		\$ 35,916.7	\$ 36,998.9	\$ 38,094.5	\$ 39,257.1	\$ 40,425.7

The estimated impact to sales tax liability from a 0.75 percentage point reduction across all rate types is calculated by subtracting the liability at reduced rates from the liability at current rates by rate type. The results are summarized in the table below.

Change in Tax Liability at Reduced Rates		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Business Rent Tax	1.25%	\$ (376.8)	\$ (385.7)	\$ (396.2)	\$ (408.4)	\$ (420.1)
Electric Power / Energy	6.20%	\$ (55.8)	\$ (57.3)	\$ (59.1)	\$ (61.0)	\$ (62.9)
Food & Beverage Vending	5.70%	\$ (1.0)	\$ (1.0)	\$ (1.1)	\$ (1.1)	\$ (1.1)
Amusement Machines	3.25%	\$ (5.8)	\$ (6.1)	\$ (6.3)	\$ (6.5)	\$ (6.7)
New Mobile Homes	2.25%	\$ (7.1)	\$ (7.3)	\$ (7.4)	\$ (7.6)	\$ (7.8)
Non-Residential Electricity	3.60%	\$ (53.2)	\$ (52.0)	\$ (51.2)	\$ (51.0)	\$ (50.9)
Sales Tax Collections at General Rate	5.25%	\$ (4,931.2)	\$ (5,082.4)	\$ (5,234.6)	\$ (5,395.5)	\$ (5,557.2)
Total Sales Tax Liability		\$ (5,430.9)	\$ (5,591.7)	\$ (5,755.9)	\$ (5,931.0)	\$ (6,106.7)

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Section 4: Proposed Revenue Impact

The effective date is July 1, 2025. There will be one month lag for collections.

Sales Tax Final Liability Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26			(4,978.3)	(5,430.9)		
2026-27			(5,591.7)	(5,591.7)		
2027-28			(5,755.9)	(5,755.9)		
2028-29			(5,931.0)	(5,931.0)		
2029-30			(6,106.7)	(6,106.7)		

Local Option Impact

There is no impact to local option since the taxable base remains unchanged.

Revenue Distribution:

Section 5: Consensus Estimate (Adopted: 04/04/2025) The Conference adopted the proposed estimate, but notes that the negative FY 25-26 cash impact could be marginally higher by an indeterminate amount related to the possibility of lower estimated payments.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	(4,483.2)	(4,890.8)	(0.3)	(0.3)	(150.8)	(164.5)	(344.0)	(375.3)
2026-27	(5,035.5)	(5,035.5)	(0.4)	(0.4)	(169.3)	(169.3)	(386.5)	(386.5)
2027-28	(5,183.3)	(5,183.3)	(0.4)	(0.4)	(174.3)	(174.3)	(397.9)	(397.9)
2028-29	(5,341.0)	(5,341.0)	(0.4)	(0.4)	(179.6)	(179.6)	(409.9)	(409.9)
2029-30	(5,499.2)	(5,499.2)	(0.4)	(0.4)	(185.0)	(185.0)	(422.2)	(422.2)

	SubTotal		Local Option		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	(4,978.3)	(5,430.9)	0.0	0.0	(4,978.3)	(5,430.9)
2026-27	(5,591.7)	(5,591.7)	0.0	0.0	(5,591.7)	(5,591.7)
2027-28	(5,755.9)	(5,755.9)	0.0	0.0	(5,755.9)	(5,755.9)
2028-29	(5,931.0)	(5,931.0)	0.0	0.0	(5,931.0)	(5,931.0)
2029-30	(6,106.7)	(6,106.7)	0.0	0.0	(6,106.7)	(6,106.7)

HB 7031
Sales Tax Rate Reductions
4/4/2025

LEGISLATED SALES AND USE TAX RATES

Tax Name	Levy	Rate Begin	Rate	Kind Code	Sales Tax Category	M	N	Effective Rate for Kind Code	Assumed Effective Rate
						% KC Subject to Rate	% Category Subject to Rate		
Sales & Use Tax	Electric Power / Energy	07/01/14	6.95	84	Consumer Nondurables	87.30%	3.39%	6.54	6.97
Sales & Use Tax	Food & Beverage Vending	10/01/01	6.45	Line E, 77	Consumer Nondurables	60.00%	0.06%	6.06	6.47
Sales & Use Tax	Dyed Diesel Fuel	10/01/01	6.00	45 Line A	Consumer Nondurables				
Sales & Use Tax	State Sales Tax	10/01/01	6.00						
Sales & Use Tax	Amusement Machine	10/01/01	4.00	59	Tourism & Recreation	3.30%	0.52%	5.94	4.01
Sales & Use Tax	New MH Sales Tax Rate	07/01/22	3.00	23	Auto-Related Consumer Durables	1.00%	0.83%		
Sales & Use Tax	Gross Receipts - PECO	07/31/14	2.60						
Sales & Use Tax	Commercial Rental Rate	05/01/24	2.00	Line C, 82	Business Investment		33.38%	2.71	2.01

It is assumed that the effective tax rate for those items taxed at 6% is 6.02%. This is based on an analysis of the effective tax rates as calculated from sales tax liability and taxable sales as reported by DOR on a monthly basis. This effective rate is approximately 1.0025 times the legislative rate. It is assumed that all effective rates are approximately 1.0025 times their legislative rate.

Then effective rate for the kind code is then assumed to be a weighted average of the effective rate for that portion taxed at 6% and the portion taxed at the differential rate. We then solve for the weight of the portion of the base taxed at the differential rate. This weight is applied to the total taxable sales for the kind code to estimate the value of the tax base subject to the differential rate. This is the figure in column M. This base is then divided by the total value of taxable sales that the kind code is included to arrive at the share of the category--the figure in column N.

	A	B	C	D	E	F	G	H	I
1		HB 7031							
2		Sales Tax Rate Reductions							
3		4/4/2025							
4									
5		SALES TAX DISTRIBUTIONS AND TAXABLE SALES							
6		GR Conference, March 2025							
7									
8									
9			FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
10		Underlying Final Liability	\$ 40,499.0	\$ 40,263.5	\$ 41,347.6	\$ 42,590.6	\$ 43,850.4	\$ 45,188.1	\$ 46,532.4
11		Total Collections from Final Liability (excludes CST)	\$ 40,575.8	\$ 40,197.0	\$ 41,416.1	\$ 42,635.0	\$ 43,898.4	\$ 45,245.0	\$ 46,581.7
12		Audits	\$ 49.9	\$ 71.9	\$ 59.8	\$ 60.2	\$ 60.7	\$ 61.1	\$ 61.5
13		Returned Items	\$ (168.5)	\$ (164.8)	\$ (164.0)	\$ (163.6)	\$ (163.4)	\$ (163.3)	\$ (163.3)
14		Total Collections, excluding CST	\$ 40,457.3	\$ 40,104.1	\$ 41,311.9	\$ 42,531.6	\$ 43,795.7	\$ 45,142.8	\$ 46,479.9
15		Total Collections, including CST	\$ 41,084.8	\$ 40,792.3	\$ 42,020.7	\$ 43,256.2	\$ 44,532.2	\$ 45,892.7	\$ 47,242.9
16		General Revenue	\$ 36,014.0	\$ 36,630.3	\$ 37,738.9	\$ 38,854.2	\$ 40,004.6	\$ 41,231.1	\$ 42,446.6
17		<i>General Revenue's Share</i>	<i>87.7%</i>	<i>89.8%</i>	<i>89.8%</i>	<i>89.8%</i>	<i>89.8%</i>	<i>89.8%</i>	<i>89.8%</i>
18		<i>Effective Tax Rate</i>	<i>5.96%</i>	<i>5.83%</i>	<i>5.81%</i>	<i>5.81%</i>	<i>5.81%</i>	<i>5.81%</i>	<i>5.81%</i>
19									
20									
21		TAXABLE SALES FORECAST							
22									
23		Taxable Sales	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
24		Auto-Related Consumer Durables	\$ 118,232.1	\$ 120,174.9	\$ 122,103.8	\$ 124,209.8	\$ 126,840.5	\$ 129,711.2	\$ 133,093.1
25		Other Consumer Durables	\$ 33,521.0	\$ 33,005.7	\$ 34,056.3	\$ 35,551.3	\$ 36,632.1	\$ 38,310.9	\$ 39,527.3
26		Other Consumer Nondurables	\$ 204,509.7	\$ 213,399.1	\$ 218,817.4	\$ 225,014.5	\$ 232,016.7	\$ 239,367.8	\$ 246,858.5
27		Recreation & Tourist-Related	\$ 144,004.4	\$ 141,913.0	\$ 148,588.1	\$ 154,525.5	\$ 159,805.7	\$ 164,826.1	\$ 169,967.8
28		Construction-Related	\$ 41,406.1	\$ 42,782.8	\$ 45,101.2	\$ 47,206.8	\$ 48,842.3	\$ 50,352.7	\$ 51,763.9
29		Business Investment	\$ 144,537.9	\$ 153,142.2	\$ 156,430.5	\$ 160,136.0	\$ 164,484.4	\$ 169,561.6	\$ 174,407.2
30		Total Taxable Sales	\$ 686,211.3	\$ 704,417.8	\$ 725,097.2	\$ 746,643.7	\$ 768,621.6	\$ 792,130.3	\$ 815,617.8
31									
32									

	A	B	C	D	E	F	G	H	I
33		Adjustments to Taxable Sales							
34		Auto-Related Consumer Durables	93.6%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%
35		Other Consumer Durables	102.2%	100.1%	100.1%	100.1%	100.1%	100.1%	100.1%
36		Other Consumer Nondurables	102.3%	100.1%	100.1%	100.1%	100.1%	100.1%	100.1%
37		Recreation & Tourist-Related	99.9%	100.2%	100.2%	100.2%	100.2%	100.2%	100.2%
38		Construction-Related	100.2%	97.5%	97.5%	97.5%	97.5%	97.5%	97.5%
39		Business Investment	97.0%	96.2%	96.2%	96.2%	96.2%	96.2%	96.2%
40			99.1%	98.1%	98.1%	98.1%	98.1%	98.1%	98.1%
41									
42		Adjusted Taxable Sales	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
43		Auto-Related Consumer Durables	\$ 110,719.3	\$ 112,929.8	\$ 114,742.4	\$ 116,721.5	\$ 119,193.5	\$ 121,891.2	\$ 125,069.2
44		Other Consumer Durables	\$ 34,259.6	\$ 33,037.9	\$ 34,089.5	\$ 35,585.9	\$ 36,667.8	\$ 38,348.3	\$ 39,565.8
45		Other Consumer Nondurables	\$ 209,262.1	\$ 213,668.5	\$ 219,093.7	\$ 225,298.6	\$ 232,309.6	\$ 239,670.0	\$ 247,170.1
46		Recreation & Tourist-Related	\$ 143,885.9	\$ 142,187.0	\$ 148,875.0	\$ 154,823.8	\$ 160,114.3	\$ 165,144.4	\$ 170,296.0
47		Construction-Related	\$ 41,480.3	\$ 41,695.0	\$ 43,954.4	\$ 46,006.5	\$ 47,600.4	\$ 49,072.4	\$ 50,447.6
48		Business Investment	\$ 140,214.8	\$ 147,318.2	\$ 150,481.5	\$ 154,046.0	\$ 158,229.0	\$ 163,113.2	\$ 167,774.5
49		Total Taxable Sales	\$ 679,821.9	\$ 690,836.4	\$ 711,236.4	\$ 732,482.3	\$ 754,114.6	\$ 777,239.4	\$ 800,323.2
50									
51									
52		Taxable Sales - Components @ Other Than 6%	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
53		Auto-Related Consumer Durables	\$ 919.0	\$ 937.3	\$ 952.4	\$ 968.8	\$ 989.3	\$ 1,011.7	\$ 1,038.1
54		Mobile Homes @ 3%	\$ 919.0	\$ 937.3	\$ 952.4	\$ 968.8	\$ 989.3	\$ 1,011.7	\$ 1,038.1
55		Other Consumer Durables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
56		Other Consumer Nondurables	\$ 7,228.7	\$ 7,380.9	\$ 7,568.4	\$ 7,782.7	\$ 8,024.9	\$ 8,279.1	\$ 8,538.2
57		Electric Power / Energy @ 6.95%	\$ 7,100.8	\$ 7,250.3	\$ 7,434.4	\$ 7,645.0	\$ 7,882.9	\$ 8,132.6	\$ 8,387.1
58		Food & Beverage Vending @ 6.45%	\$ 127.9	\$ 130.6	\$ 133.9	\$ 137.7	\$ 142.0	\$ 146.5	\$ 151.1
59		Recreation & Tourist-Related	\$ 749.8	\$ 740.9	\$ 775.8	\$ 806.8	\$ 834.4	\$ 860.6	\$ 887.4
60		Amusement Machines @ 4%	\$ 749.8	\$ 740.9	\$ 775.8	\$ 806.8	\$ 834.4	\$ 860.6	\$ 887.4
61		Construction-Related	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
62		Business Investment	\$ 46,810.0	\$ 49,181.4	\$ 50,237.5	\$ 51,427.5	\$ 52,824.0	\$ 54,454.5	\$ 56,010.7
63		Commercial Rentals @ 2%	\$ 46,810.0	\$ 49,181.4	\$ 50,237.5	\$ 51,427.5	\$ 52,824.0	\$ 54,454.5	\$ 56,010.7
64		Total Taxable Sales	\$ 55,707.5	\$ 58,240.6	\$ 59,534.0	\$ 60,985.8	\$ 62,672.5	\$ 64,605.9	\$ 66,474.4
65									
66									

	A	B	C	D	E	F	G	H	I
67		Taxable Sales for Components @ 6%	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
68		Auto-Related Consumer Durables	\$ 109,800.3	\$ 111,992.5	\$ 113,790.1	\$ 115,752.7	\$ 118,204.2	\$ 120,879.5	\$ 124,031.2
69		Other Consumer Durables	\$ 34,259.6	\$ 33,037.9	\$ 34,089.5	\$ 35,585.9	\$ 36,667.8	\$ 38,348.3	\$ 39,565.8
70		Other Consumer Nondurables	\$ 202,033.3	\$ 206,287.6	\$ 211,525.3	\$ 217,515.9	\$ 224,284.7	\$ 231,390.8	\$ 238,631.9
71		Recreation & Tourist-Related	\$ 143,136.1	\$ 141,446.1	\$ 148,099.2	\$ 154,017.1	\$ 159,279.9	\$ 164,283.8	\$ 169,408.6
72		Construction-Related	\$ 41,480.3	\$ 41,695.0	\$ 43,954.4	\$ 46,006.5	\$ 47,600.4	\$ 49,072.4	\$ 50,447.6
73		Business Investment	\$ 93,404.8	\$ 98,136.7	\$ 100,244.0	\$ 102,618.5	\$ 105,405.1	\$ 108,658.6	\$ 111,763.8
74		Total Taxable Sales	\$ 624,114.4	\$ 632,595.8	\$ 651,702.4	\$ 671,496.5	\$ 691,442.1	\$ 712,633.4	\$ 733,848.8

	A	B	C	D	E	F	G	H	I	J	K
1	HB 7031 Sales Tax Rate Reductions 4/4/2025										
2											
3											
4											
5											
6	Kind Code	Kind Code Description	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 YTD
7	01	Food & Beverage Stores	6.01%	6.01%	6.01%	6.01%	6.01%	6.00%	6.00%	6.00%	5.99%
8	02	Meat Markets, Poultry	5.99%	6.04%	6.06%	6.07%	6.03%	6.02%	6.03%	6.03%	6.01%
9	03	Seafood Dealers	6.01%	6.02%	6.02%	6.03%	6.03%	6.02%	6.02%	6.02%	6.00%
10	04	Vegetable & Fruit Markets, Fruit Juice Stands	6.01%	6.02%	6.01%	6.01%	6.00%	6.01%	6.00%	6.00%	5.97%
11	05	Bakeries	6.02%	6.02%	6.01%	6.01%	6.01%	6.01%	6.01%	6.02%	6.01%
12	06	Eating & Drinking Places (Not Restaurants)	6.02%	6.02%	6.02%	6.02%	6.03%	6.03%	6.02%	6.02%	6.02%
13	07	Candy, Nut, Confectionary & Dairy Product Stores	6.02%	6.03%	6.02%	6.03%	6.04%	6.02%	6.03%	6.02%	6.01%
14	08	Restaurants, Lunchrooms, Catering Services	6.02%	6.02%	6.02%	6.02%	6.02%	6.02%	6.02%	6.02%	6.01%
15	09	Drinking Places (Alcoholic Beverages Served on Premises)	6.10%	6.09%	6.09%	6.08%	6.08%	6.08%	6.08%	6.06%	6.06%
16	10	Apparel & Accessory Stores	6.00%	6.00%	6.01%	6.01%	6.01%	6.01%	6.00%	6.00%	6.00%
17	11	Shoe Stores	6.01%	6.01%	6.01%	5.99%	6.00%	6.00%	6.00%	6.00%	6.00%
18	17	Feed & Seed Stores, Retail Nurseries	6.01%	6.00%	6.02%	6.00%	5.98%	5.98%	5.97%	6.01%	6.02%
19	18	Paint, Wallpaper & Hardware Dealers	6.00%	6.00%	6.00%	6.01%	6.01%	6.01%	6.01%	6.01%	6.01%
20	19	Farm Implements & Equipment Suppliers	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	5.99%	6.00%	6.00%
21	20	General Miscellaneous Merchandise Stores	6.00%	6.00%	6.01%	6.01%	6.01%	6.01%	6.01%	6.01%	5.99%
22	21	Used Merchandise Stores, Second-Hand Stores, Antique Shops	6.01%	6.02%	5.97%	5.66%	5.96%	5.97%	5.97%	6.01%	5.99%
23	22	Sewing, Needlework & Piece Goods Stores	6.02%	6.01%	6.02%	6.01%	6.01%	6.02%	6.02%	6.02%	6.00%
24	23	Automotive Dealers (Sale & Lease), Tag Agencies & Tax Collectors	6.45%	6.47%	6.41%	6.36%	6.47%	6.51%	6.45%	6.43%	6.40%
25	24	Automotive Accessories & Parts	6.01%	6.01%	6.00%	6.00%	6.01%	5.99%	5.97%	5.99%	5.99%
26	25	Gasoline Service Stations	5.87%	5.85%	5.86%	5.94%	5.95%	5.95%	5.97%	5.98%	5.97%
27	26	Automobile Repair & Services	6.02%	6.02%	6.01%	6.01%	6.02%	6.01%	6.01%	6.01%	6.01%
28	27	Aircraft Dealers	5.96%	5.94%	5.92%	5.93%	5.90%	5.88%	5.87%	5.88%	5.79%
29	28	Boat Dealers	5.99%	6.00%	5.99%	5.99%	5.99%	5.98%	5.99%	5.98%	5.96%
30	29	Home Furniture, Furnishings & Equipment	5.99%	5.99%	5.99%	6.00%	6.00%	6.00%	6.01%	6.01%	6.00%
31	30	Household Appliances & Accessories	6.00%	6.00%	6.00%	6.00%	6.01%	6.01%	6.01%	6.01%	6.01%
32	31	Store & Office Equipment, Office Supplies	6.01%	6.00%	6.01%	6.02%	6.01%	6.01%	6.02%	6.02%	6.00%
33	32	Radio, Television, Consumer Electronics, Computers, Music Stores	5.99%	6.01%	6.02%	6.01%	6.02%	6.02%	6.02%	6.02%	6.02%
34	33	Building Contractors	5.97%	5.98%	5.96%	5.97%	5.97%	5.96%	5.98%	5.97%	5.94%
35	34	Heating & Air Conditioning	5.95%	5.97%	5.98%	5.98%	5.98%	5.97%	5.98%	5.99%	5.98%
36	35	Electrical, Plumbing, Well Drilling, Pipes	6.02%	6.02%	6.03%	6.03%	6.03%	6.04%	6.03%	6.03%	6.04%
37	36	Decorating, Painting, Papering, Drapery Installation	6.02%	6.02%	6.04%	6.04%	6.04%	6.06%	6.05%	6.06%	6.07%
38	37	Roofing & Sheet Metal	6.01%	6.03%	6.06%	6.03%	6.00%	5.98%	5.98%	6.00%	5.98%
39	38	Lumber & Other Building Materials Dealers	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%

	A	B	C	D	E	F	G	H	I	J	K
6	Kind Code	Kind Code Description	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 YTD
40	39	Hotel/Motel Accommodations, Rooming Houses, Camps, & Other Lodging Places, Transient Rentals	6.00%	6.00%	6.00%	6.00%	5.99%	5.99%	5.99%	5.99%	5.95%
41	41	Barber Shops, Beauty Shops & Personal Appearance Services	5.99%	5.99%	5.99%	5.98%	5.99%	5.98%	5.98%	5.96%	5.84%
42	42	Book Stores	6.01%	6.01%	6.01%	6.00%	6.00%	6.01%	6.01%	6.00%	5.96%
43	43	Tobacco Stores & Stands	6.02%	6.02%	6.03%	6.02%	6.02%	6.02%	6.02%	6.02%	6.02%
44	44	Florists	6.02%	6.03%	6.04%	6.04%	6.04%	6.04%	6.03%	6.03%	6.03%
45	45	Fuel Dealers, LP Gas Dealers	5.09%	5.11%	5.16%	5.27%	5.50%	5.13%	5.25%	5.41%	5.45%
46	46	Funeral Directors, Crematories & Monuments	6.01%	6.01%	6.00%	6.09%	6.04%	6.00%	6.00%	5.99%	5.96%
47	47	Scrap Metal, Junk Yards, Salvaged Material	5.99%	6.02%	6.00%	5.99%	6.00%	6.00%	6.00%	6.00%	5.99%
48	48	Itinerant Vendors, Peddlers, Direct Selling Establishments	6.06%	6.06%	6.06%	6.08%	6.07%	6.07%	6.07%	6.05%	6.03%
49	49	Laundry, Garment, Linen & Other Cleaning Services	6.00%	6.01%	6.00%	5.99%	5.98%	5.97%	6.01%	6.00%	5.94%
50	50	Machine Shops, Foundries, Iron Work	5.96%	6.01%	6.02%	6.01%	6.03%	6.03%	6.04%	6.04%	6.02%
51	51	Livestock Production, Pet Dealers	5.99%	6.01%	6.01%	6.00%	6.01%	6.00%	6.00%	6.01%	5.93%
52	52	Camera & Photographic Supply Stores	6.04%	6.05%	6.04%	6.04%	6.06%	6.04%	6.04%	6.02%	6.00%
53	53	Shoe Repair Shops, Shoe-Shine Parlors & Hat Cleaning Shops	6.02%	6.01%	6.02%	6.02%	6.01%	6.01%	6.00%	6.02%	6.02%
54	54	Storage & Warehousing	6.01%	5.99%	5.92%	5.92%	5.89%	5.87%	5.77%	5.15%	3.15%
55	55	Gifts, Cards, Novelty, Hobby, Crafts & Toy Stores	5.98%	5.98%	5.96%	5.98%	6.02%	5.99%	5.97%	5.98%	5.95%
56	56	Newsstands & News Dealers	6.00%	6.00%	6.00%	5.99%	5.96%	5.99%	6.00%	5.99%	5.94%
57	57	Social, Fraternal, Commercial Clubs & Associations (All Dues)	6.06%	6.03%	6.03%	6.02%	6.02%	6.01%	6.01%	6.00%	5.95%
58	58	Industrial Machinery	6.01%	6.01%	6.02%	6.03%	6.03%	6.04%	6.03%	6.03%	6.03%
59	59	Admissions, Amusement & Recreation Services	5.91%	5.93%	5.92%	5.92%	5.94%	5.95%	5.96%	5.94%	5.91%
60	60	Holiday Season Vendors	6.01%	6.01%	6.02%	6.01%	6.04%	6.02%	6.01%	6.00%	6.01%
61	61	Rental of Tangible Personal Property	6.01%	6.01%	6.02%	6.01%	6.01%	6.01%	6.01%	6.00%	5.94%
62	62	Fabrication & Sales of Cabinets, Windows, Doors, Awnings, Septic Tanks, Neon Signs, Plastic, etc.	6.02%	6.01%	6.03%	6.04%	6.04%	6.03%	6.02%	6.03%	6.03%
63	63	Manufacturing	6.00%	6.01%	6.02%	6.03%	6.03%	6.02%	6.02%	6.01%	6.01%
64	64	Bottlers	6.03%	6.03%	6.04%	6.04%	6.02%	6.04%	6.02%	6.01%	5.82%
65	65	Pawn Shops	6.01%	6.01%	5.98%	6.02%	6.03%	6.03%	6.03%	6.00%	6.01%
66	66	Communication, Telephone, Telegraph, Radio & Television Stations	5.96%	5.96%	5.93%	5.99%	5.99%	5.99%	5.99%	5.99%	5.98%
67	67	Transportation, Railroads, Airlines, Bus, Trucking Lines	5.98%	5.81%	5.87%	5.84%	5.92%	5.99%	5.97%	5.87%	5.74%
68	68	Graphic Arts, Printing, Publishing, Engraving, Binding, Blueprinting	6.00%	6.01%	6.01%	6.03%	6.02%	6.02%	6.04%	6.03%	5.99%
69	69	Insurance, Banking, Savings & Loans, Research Information Services, Income Tax Reports	5.99%	6.00%	5.99%	6.01%	6.01%	6.03%	5.98%	5.98%	5.95%
70	70	Sanitary & Industrial Supplies	5.99%	6.00%	6.00%	6.00%	6.00%	6.00%	6.01%	6.01%	6.01%
71	71	Packaging Materials, Paper, Box, Bag Dealers	6.00%	6.01%	6.02%	6.02%	6.03%	6.01%	6.02%	6.00%	5.93%
72	72	Repair of Tangible Personal Property	5.99%	6.01%	6.00%	6.01%	6.01%	6.01%	6.01%	6.01%	6.01%
73	73	Advertising	6.03%	5.99%	5.98%	6.01%	6.10%	6.00%	5.99%	5.98%	5.86%
74	74	Mining, Drilling, Top Soil, Clay, Sand, Fill Dirt	5.96%	5.92%	5.96%	5.96%	5.97%	5.97%	5.97%	5.98%	5.90%
75	75	Trading Stamp Redemption Centers	6.00%	6.45%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
76	76	Nurseries, Landscaping, Tree Experts	5.98%	5.98%	5.98%	5.99%	5.99%	5.99%	6.00%	6.00%	5.98%

	A	B	C	D	E	F	G	H	I	J	K
6	Kind Code	Kind Code Description	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 YTD
77	77	Vending Machine Operators	6.12%	6.12%	6.11%	6.07%	6.06%	6.06%	6.08%	6.03%	5.77%
78	78	Import/Export Activities	6.01%	6.04%	6.02%	6.02%	6.01%	6.00%	6.02%	5.99%	5.96%
79	79	Medical, Dental, Surgical, Optical & Related Professional Services	5.97%	6.01%	6.00%	6.01%	6.01%	6.00%	5.98%	5.95%	5.76%
80	80	Wholesale Dealers	6.00%	5.90%	5.99%	6.00%	6.00%	5.99%	5.98%	5.98%	5.95%
81	81	Schools, Colleges & Educational Services	6.00%	6.02%	6.01%	5.99%	5.99%	5.99%	5.97%	5.91%	5.65%
82	82	Lease or Rental of Commercial Real Property	5.99%	5.92%	5.80%	5.68%	5.58%	5.59%	5.59%	5.14%	2.71%
83	83	Privately Operated Parking Lots, Boat Docks & Aircraft Hangars	5.94%	5.95%	5.91%	5.90%	5.89%	5.90%	5.88%	5.84%	5.62%
84	84	Utilities, Electric, Gas, Water, Sewer	6.58%	6.57%	6.61%	6.50%	6.54%	6.56%	6.54%	6.53%	6.61%
85	87	Motion Picture Industry (started Jan 1988)	6.03%	6.02%	6.01%	5.99%	5.92%	5.97%	5.98%	5.91%	5.76%
86	89	Exempt Facilities (must have filed Declaration of Exempt Facility, form DR 72-2)	6.04%	6.04%	6.01%	6.00%	5.91%	5.85%	5.79%	5.51%	4.06%
87	90	Flea Market Vendors	6.02%	6.01%	6.02%	6.01%	6.02%	6.01%	6.02%	5.84%	4.97%
88	92	Other Professional Services	6.01%	6.00%	6.01%	6.04%	6.03%	6.03%	6.02%	6.01%	5.93%
89	93	Taxable Services (per Chapter 212, F.S.)	6.05%	6.04%	6.05%	6.05%	6.05%	6.04%	6.06%	6.06%	6.05%
90	94	Veterinary Services	6.03%	6.05%	6.03%	6.02%	6.02%	6.03%	6.02%	5.99%	5.84%
91	95	Governmental/Public Sector	8.09%	8.04%	7.26%	6.03%	6.07%	5.99%	6.00%	5.93%	5.12%
92	96	Social Services/Public Interest Organizations	6.02%	6.07%	6.04%	6.02%	5.94%	5.95%	5.93%	5.86%	5.60%
93	98	Commercial Fishing, Fisheries, Aquaculture	6.09%	6.14%	6.19%	6.27%	6.31%	6.22%	6.22%	6.27%	6.21%
94	99	Miscellaneous	6.01%	6.01%	5.98%	5.96%	5.97%	5.98%	5.98%	5.95%	5.73%
95		All Kind Codes	6.07%	6.07%	6.05%	6.04%	6.06%	6.06%	6.05%	6.01%	5.81%

	A	B	E	F	G	H	I
1	HB 7031						
2	Sales Tax Rate Reductions						
3	4/4/2025						
4							
5	SALES TAX LIABILITY AT CURRENT AND PROPOSED RATES						
6	Reduction of 0.75% for All Rates						
7	Rates to Be Reduced:						
8	Business Rent Tax	1					
9	Electric Power / Energy	1					
10	Food & Beverage Vending	1					
11	Amusement Machines	1					
12	New Mobile Homes	1					
13	Non-Residential Electricity	1					
14	Sales Tax Collections at General Rate	1					
15							
16		Rate	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
17	Taxable Sales						
18	Business Rent Tax	2.00%	\$ 50,237.5	\$ 51,427.5	\$ 52,824.0	\$ 54,454.5	\$ 56,010.7
19	Electric Power / Energy	6.95%	\$ 7,434.4	\$ 7,645.0	\$ 7,882.9	\$ 8,132.6	\$ 8,387.1
20	Food & Beverage Vending	6.45%	\$ 133.9	\$ 137.7	\$ 142.0	\$ 146.5	\$ 151.1
21	Amusement Machines	4.00%	\$ 775.8	\$ 806.8	\$ 834.4	\$ 860.6	\$ 887.4
22	New Mobile Homes	3.00%	\$ 952.4	\$ 968.8	\$ 989.3	\$ 1,011.7	\$ 1,038.1
23	Non-Residential Electricity	4.35%	\$ 7,091.5	\$ 6,929.6	\$ 6,832.7	\$ 6,798.5	\$ 6,787.7
24	Sales Tax Collections at General Rate	6.00%	\$ 657,490.6	\$ 677,651.1	\$ 697,943.8	\$ 719,397.3	\$ 740,960.5
25	Total Taxable Sales		\$ 724,116.1	\$ 745,566.5	\$ 767,449.0	\$ 790,801.6	\$ 814,222.6
26							
27	Tax Liability at Current Rates		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
28	Business Rent Tax	2.00%	\$ 1,004.7	\$ 1,028.5	\$ 1,056.5	\$ 1,089.1	\$ 1,120.2
29	Electric Power / Energy	6.95%	\$ 516.7	\$ 531.3	\$ 547.9	\$ 565.2	\$ 582.9
30	Food & Beverage Vending	6.45%	\$ 8.6	\$ 8.9	\$ 9.2	\$ 9.4	\$ 9.7
31	Amusement Machines	4.00%	\$ 31.0	\$ 32.3	\$ 33.4	\$ 34.4	\$ 35.5
32	New Mobile Homes	3.00%	\$ 28.6	\$ 29.1	\$ 29.7	\$ 30.4	\$ 31.1
33	Non-Residential Electricity	4.35%	\$ 308.5	\$ 301.4	\$ 297.2	\$ 295.7	\$ 295.3
34	Sales Tax Collections at General Rate	6.00%	\$ 39,449.4	\$ 40,659.1	\$ 41,876.6	\$ 43,163.8	\$ 44,457.6
35	Total Sales Tax Liability		\$ 41,347.6	\$ 42,590.6	\$ 43,850.4	\$ 45,188.1	\$ 46,532.4
36							
37	Tax Liability at Reduced Rates		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
38	Business Rent Tax	1.25%	\$ 628.0	\$ 642.8	\$ 660.3	\$ 680.7	\$ 700.1
39	Electric Power / Energy	6.20%	\$ 460.9	\$ 474.0	\$ 488.7	\$ 504.2	\$ 520.0
40	Food & Beverage Vending	5.70%	\$ 7.6	\$ 7.9	\$ 8.1	\$ 8.4	\$ 8.6
41	Amusement Machines	3.25%	\$ 25.2	\$ 26.2	\$ 27.1	\$ 28.0	\$ 28.8
42	New Mobile Homes	2.25%	\$ 21.4	\$ 21.8	\$ 22.3	\$ 22.8	\$ 23.4
43	Non-Residential Electricity	3.60%	\$ 255.3	\$ 249.5	\$ 246.0	\$ 244.7	\$ 244.4
44	Sales Tax Collections at General Rate	5.25%	\$ 34,518.3	\$ 35,576.7	\$ 36,642.0	\$ 37,768.4	\$ 38,900.4
45	Total Sales Tax Liability		\$ 35,916.7	\$ 36,998.9	\$ 38,094.5	\$ 39,257.1	\$ 40,425.7
46							
47	Change in Tax Liability at Reduced Rates		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
48	Business Rent Tax	1.25%	\$ (376.8)	\$ (385.7)	\$ (396.2)	\$ (408.4)	\$ (420.1)
49	Electric Power / Energy	6.20%	\$ (55.8)	\$ (57.3)	\$ (59.1)	\$ (61.0)	\$ (62.9)
50	Food & Beverage Vending	5.70%	\$ (1.0)	\$ (1.0)	\$ (1.1)	\$ (1.1)	\$ (1.1)
51	Amusement Machines	3.25%	\$ (5.8)	\$ (6.1)	\$ (6.3)	\$ (6.5)	\$ (6.7)
52	New Mobile Homes	2.25%	\$ (7.1)	\$ (7.3)	\$ (7.4)	\$ (7.6)	\$ (7.8)
53	Non-Residential Electricity	3.60%	\$ (53.2)	\$ (52.0)	\$ (51.2)	\$ (51.0)	\$ (50.9)
54	Sales Tax Collections at General Rate	5.25%	\$ (4,931.2)	\$ (5,082.4)	\$ (5,234.6)	\$ (5,395.5)	\$ (5,557.2)
55	Total Sales Tax Liability		\$ (5,430.9)	\$ (5,591.7)	\$ (5,755.9)	\$ (5,931.0)	\$ (6,106.7)
56							