

Local Infrastructure Sales Tax Statute

Florida Statutes Chapter 212.055(2)

Local Government Infrastructure Surtax

- **Amount Levied:**

Each county may levy a discretionary sales surtax of 0.5% or 1%

- **Referendum:**

Enacted by a majority of County Commission and approved by the majority of the voters by referendum (75 word limit on the referendum)

- **Length:**

Leon County does not have a limit on how long the surtax maybe be levied (current surtax 15 years)

- **Distribution:** Two Methods

(1) Local agreement to determine the distribution of the surtax

(2) Formula provided in Florida Statute 218.62 (based on the Local Government Half-cent Sales Tax formulas

54.2% County

45.8% City

Authorized Uses of Proceeds

- To finance, plan, and construct infrastructure
- To acquire land for public recreation, conservation, or protection of natural resources
- To finance the closure of county or municipal-owned solid waste landfills that have been closed or are required to be closed by order of the DEP.

Infrastructure is Defined as

- Any capital expenditure associated with **reconstruction, construction, or improvement of a public facility that have a life expectancy of 5 or more years**, including land acquisition, land improvement, design and engineering costs.
- A fire department vehicle, an emergency medical service vehicle, a sheriff's office vehicle, a police department vehicle, or any other vehicle, and the equipment necessary to outfit the vehicle for its official use or equipment that has a life expectancy of at least 5 years.
- **Needs of the Court System:** such as construction, lease, or maintenance of, or provision of utilities or security for, facilities.

Infrastructure is Defined as

- Other eligible expenditures and the associated rules relate to investment in private facilities for emergency shelter/staging area for emergency response and residential housing units.
- Land acquisition expenditure for a residential housing project in which at least 30% of the units are affordable to individuals or families whose total annual household income does not exceed 120% of the area median income adjusted for household size
- **May allocate up to 15% of the surtax for the purpose of funding economic development projects having a general public purpose** of improving local economies, including the funding of operational costs and incentives related to economic development.

Operating Costs

- Proceeds maybe used for the operation and maintenance of parks and recreation facilities established with the proceeds of the surtax throughout the duration of the surtax levy.
- A county must have a population greater than 75,000 in which the taxable value of real property is less than 60 percent of the just value of real property.
- Leon County is eligible:

Just value = \$24.7 billion Taxable value = \$13.9 billion or **56%**

Bonds

- May pledge the proceeds of the tax for the bonds
- Counties and municipalities may join together for the issuance of bonds

Comparisons from Across the State

County	Amount Levied	Length
Escambia County	1%	10 years
Hillsborough County	0.5%	30 years
Indian River County	1%	15 years
Leon County	1%	15 years
Monroe County	1%	18 years
Osceola County	1%	20 years
Pinellas County	1%	29 years
Wakulla County	1%	14 years

Source: Office of Economic and Demographic Research 2011 Handbook

Questions?