LOCAL OPTION SALES TAX

FOR CAPITAL PROJECTS

LOCAL OPTION SALES TAX

- Florida Statutes 212.054 -.055 authorizes eight (8) separate local option sales taxes as potential revenue sources for county governments generally.
- Revenue estimates for Santa Rosa County BOCC levying a 1% sales tax is $14M annually.
- Local Option Sales Taxes may be levied for a period of 10 years which would yield $136,000,000 for Santa Rosa County.

HOW CAN LOST BE USED

- Transportation improvements including bridges and dirt road paving
- Sidewalk construction
- Drainage projects
- New or enhancements to library, parks and community centers
- Public safety improvements
- Economic development infrastructure initiatives
- Improvements to county court facilities

EVERY ONE PAYS

Experts often consider a local option sales tax as the most equitable tax because everyone pitches in, not just the homeowners as with a property tax. Tourists and those shopping when passing through the county will also fund the LOST.

One example is Escambia County. A 2012 study conducted by the UWF Haas Center estimated that out-of-town visitors pay approximately 25 percent of the sales tax collected in Escambia County each year, which means that approximately $9 million of the roughly $35 million collected last year in LOST revenue was not paid by Escambia County residents.

HOW MUCH ARE SALES TAXES NOW?

The state charges a six percent tax rate on the sale or rental of goods, with some exceptions such as groceries and medicine.

Sales tax in Santa Rosa County is currently 6.5 percent. This includes the six percent state sales tax and a 1/2 percent local option sales tax that is paid to the **Santa Rosa County School District** for school facilities. It was first approved by voters in 1997 and again in 2007.

Escambia – 7.5%

Okaloosa – 6%

Citrus – 6%

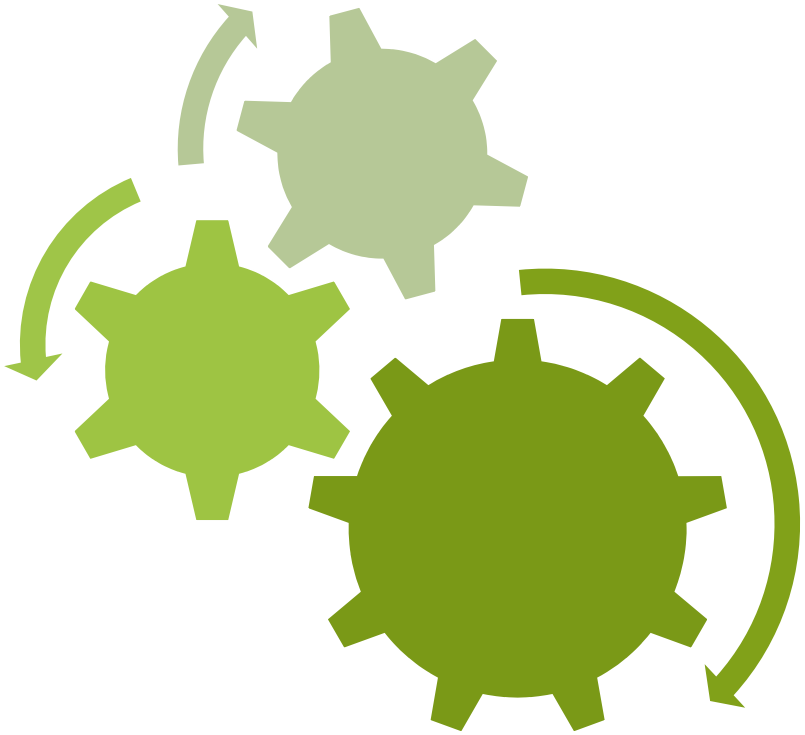
Martin – 6%

Indian River – 7%

REVENUE SHARING

By statue, the county must share local option sales tax revenue with local municipalities.

Municipalities	Revenue Sharing per Year
Gulf Breeze	$480,000
Milton	$755,000
Jay	$44,000

STEPS TO LOCAL OPTION SALES TAX

- Commissioners approve ballot language
- Voters will be able to approve or reject the ballot item
- If a majority of voters approve, the tax would begin January 1
- Ballot deadlines – June 1 for August ballot; September 2 for November ballot