2016 Florida Legislative Session Wrap-Up

April 2016
Dear Fellow Taxpayer,

Each year, the elected members of the Florida Legislature return to Tallahassee to perform their roles as the representatives of the people of the Sunshine State. Surrounded by interest groups both large and small, regular citizens, and high-powered lobbyists, our senators and representatives propose and debate new laws and attempt to meet the needs of their constituents and the state.

The 2016 Session saw an improvement in cooperation between the two chambers compared to last year when the regular session ended abruptly, without a budget, killing many bills that were expected to pass. This year the Legislature passed an $82.3 billion budget with a rare, near-unanimous vote (one no vote in the House).

During Session, Florida TaxWatch provides on our website the public a weekly recap of bills related to the issues that we are following, including economic development, health care, criminal and juvenile justice, and education policies and programs.

The session saw a number of bills that advanced Florida TaxWatch recommendations become law. This publication is a final look at the legislation followed by TaxWatch this Session, but does not address the budget in detail. That will be covered in our annual Pocket Guide to Florida Budget, to be released in the coming months.

For more information on any research topic highlighted in this publication, please visit http://www.floridataxwatch.org.

Sincerely,

Dominic M. Calabro
President & CEO
INTRODUCTION

The 2016 Session of the Florida Legislature adjourned on-time, following 60 days of committee meetings, floor votes, and behind-the-scenes negotiations that were generally far less contentious and rancorous than last year. The result was a record $82.3 billion budget that received broad bi-partisan support and boosted per-student funding to its highest level ever. The Governor subsequently vetoed $256 million from the budget (this includes a $55 million trust fund sweep that does not reduce spending).

There was also an agreement on tax cuts, but the $1 billion tax cut total recommended by the Governor and the House recommendation was reduced to only $129 million. This includes some one-time tax relief and the recurring value of the cuts is only $78.9 million.

The Legislature passed 279 bills, resolutions and memorials (out of 1,814 filed), the most since 2013. A number of bills addressing Florida TaxWatch recommendations were considered and many were passed, including making permanent the sales tax exemption for manufacturing machinery and equipment, expanding the scope of practice for advanced registered nurse practitioners and physician assistants, several bills that advance justice reform, improving access to care for Floridians suffering from complex behavioral health issues, and implementing cost savings recommendations. A bill was also passed (albeit a watered-down version) to take a small step towards creating a vibrant telehealth system in Florida.

There were also some disappointments, as state pension reform, a reduction in the business rent tax, and strengthening the state’s economic incentives were considered but ultimately did not pass.

The following is a summary of the final results for legislation of interest to Florida TaxWatch and its Centers for Educational Performance & Accountability, Health & Aging, Smart Justice, Competitive Florida, Citizenship, and Government Efficiency.
TAXATION

The 2016 Session did result in some tax cuts, but the final tax cut package was a significant reduction from the $1 billion in tax relief proposed by the Governor and the House. HB 7099 will provide recurring tax savings of $79 million and $50 million in one-time savings. Florida TaxWatch commends the Legislature for including one of our priorities—making the sales tax exemption for manufacturing machinery and equipment permanent. The only other sizable tax cut in the package is a 3-day back to school holiday ($28.7 million) that was scaled back from 10 days as proposed by the House. The other provisions are small, with recurring impacts of under $2 million.

See Appendix A for more information on the package and what provisions from the original House tax package were retained in the final bill, what was modified, what was added, and what was left out.

There was also some property tax relief provided late in the session, but most of that was a reduction from what was originally proposed by both the House and Senate and not really a “tax cut.” (see “Local School Property Taxes” below).

TAXWATCH PRIORITIES

PASSED

Sales Tax Exemption for Manufacturing Machinery and Equipment – Making this exemption permanent is a long-time recommendation of Florida TaxWatch and we presented our research findings in several Committees. This was the centerpiece of the final tax cut package (HB 7099) and the only significant recurring tax reduction. The exemption—set to expire April 30, 2017—will now be permanent, saving taxpayers $73.1 million annually. Two industries were also added to the exemption. Machinery used by metal recyclers and “postharvest machinery and equipment” used by fruit and vegetable packinghouses will now be eligible for the exemption. This will save these two industries $3.3 million annually.

Local School Property Taxes - Separate from the tax cut package, the Legislature also moved to hold down required local effort (RLE) property taxes for schools in the budget. Both the House and the Senate budgets originally proposed to keep the same RLE millage rate as last year. The growth in property values would have provided more than $500 million in additional revenue, allowing the Legislature to reach a record funding level for per-student funding. This would have been a tax increase. However, the final agreement will reduce the RLE millage, and instead use more state revenue to reach the desired spending level. This will reduce the previously recommended $500 million increase in total RLE by $428 million. This is being characterized by many as a property tax cut but in reality, only a portion of the $428 million
should be considered a tax cut (the amount below the revenue that would be provided by the rolled-back rate.) Despite this erroneous claim, Florida TaxWatch commends the Legislature for avoiding the previously recommended property tax hike. Florida TaxWatch has been pointing out that in recent years, increases in education funding have been borne by local property taxpayers. However, since state law provides that any increase over the rolled-back rate is a tax increase, the Legislature should be clear to taxpayers what exactly their RLE proposal means.

**DID NOT PASS**

**Business Rent Tax (BRT)** – The reduction and eventual repeal of the sales tax imposed on the rental of commercial property, which is unique to Florida, is strongly supported by Florida TaxWatch. The original House tax cut package proposed to reduce the tax rate from six percent to five percent. The tax would have also dropped to 4 percent for one calendar year beginning January 1, 2018, and then return to 5 percent. The 1 percent reduction would have saved businesses $298.5 million annually. A bill providing a 1 percent reduction in the tax also progressed in the Senate but ultimately the Legislature decided against it.

**Collection of Sales Taxes on Remote Sales**
- Once again, the Legislature failed to address the noncollection of sales taxes on sales to Floridians by out-of-state sellers, a situation that hurts Florida retailers. Florida TaxWatch has been researching this issue and recommending solutions for more than 10 years. Many bills have been filed to help address this over the years. This year, SB 292 would have brought Florida fully into the Streamlined Sales and Use Tax Agreement, which provides an opportunity for Florida to begin collecting money from a compact of sellers that voluntarily collect the tax. HB 1207 was a memorial urging Congress to support the Marketplace Fairness Act. Neither of these bills were heard this session.

**OTHER TAX LEGISLATION PASSED**

Three constitutional amendments relating to property taxes will come before the voters in 2016.

**Renewable Energy Devices - HJR 193** is a proposed constitutional amendment that would give the Legislature the authority to expand the current exemption for renewable energy devices on residential property to all property and also exempt them from tangible personal property (TPP) taxes. The original joint resolution provided that renewable energy devices “shall” be exempt from TPP, and was changed to “may” be exempt. HB 195—which originally would have implemented the amendment should it pass—was amended to simply call for a special election on August 30, 2016 to vote on the amendment. That bill passed as well.

**Exemption for Disabled First Responders – HJR 1009** will bring a proposed constitutional amendment to the voters. The amendment would allow the Legislature, as provided by general law, to exempt from property taxes first responders who are age 65 or older and totally, permanently disabled as a result of an injury or injuries sustained in the line of duty.
Homestead Exemption for Low-income Elderly - HJR 275 - Currently, local governments may provide a full exemption to low income elderly individuals that are long-term (25 year) residents. The value of the home cannot exceed $250,000. If it rises above that, the exemption is lost. This proposed constitutional amendment provides that the $250,000 limit applies only at the time the exemption is acquired. The elderly homeowner would not lose the exemption.

Exemption for Deployed Military Personnel – HB 7023 will add 11 military operations that qualify for the current property tax exemption for service members deployed in the previous year. The issue had wide support last year but fell victim to the abrupt session end.

Local Option Sales Tax for Unfunded Pension Liability – HB 1297 will allow a county to levy a local option sales tax of 0.5 percent to fund underfunded pension programs. A county can only impose the surtax if the underfunded defined benefit retirement plan or system is below 80 percent of actuarial funding. Also the county must currently levy a local government infrastructure surtax which is scheduled to terminate and is not subject to renewal and the surtax does not take effect until the local government infrastructure surtax is terminated. New employees may not be enrolled in a defined benefit plan. Further, the bill requires employees to make an employee retirement contribution of 10 percent. The bill was requested by Jacksonville/Duval County.

DID NOT PASS
Some of the tax cuts included in the House tax cut package that did not make it to the final bill include:

Sales Tax Holidays – In addition to the Back to School Holiday that was passed, the House tax cut package had three other holidays. A Small Business Saturday Sales Tax Holiday was a one-day sales tax holiday which would have allowed small business dealer to opt to not collect sales tax on purchases of items that cost $1,000 or less. During a one-day Technology Sales Tax Holiday, the first $1,000 of the sales price of the personal computers and accessories would have been exempt from the state and local sales taxes. There was also a proposed one-day Hunting and Fishing Sales Tax Holiday for firearms, ammunition, camping tents, and fishing supplies.

Research & Development Tax Credit – The House proposal also would have increased the cap for these income tax credits from $9 million to $18 million for calendar year 2017. Florida TaxWatch research has supported this exemption.

College Textbooks – The one-year exemption for textbooks created last year would have been extended for another year. This would have provided students (and parents) with a one-year savings of $40.9 million.

Renewable Energy Tax Credits – Two credits—one for production and one for investment—would have been extended for one year. The credits are capped at $10 million each.
Other tax bills that saw some movement but ultimately did not pass include:

**Save Our Homes (SOH) “Recapture” Bill** – HJR 7015 was a proposed constitutional amendment to repeal the recapture provision which allows the assessed value of homestead property to increase by the SOH cap, even if the market value falls, provided that the assessed value does not exceed the just value. Florida TaxWatch is concerned this amendment would have exacerbated inequities create by SOH. HJR 7015 passed the full House but died in messages in the Senate. The Senate companion (SJR 1074) died in its last committee-Appropriations.

**Supermajority Vote for Local Tax Referenda** - HB 791 would have required any referendum to levy a discretionary sales surtax held during a primary or presidential preference primary election to be approved by 60 percent of electors voting. A referendum held on the day of the general election could still be approved by a majority of electors voting. The bill also prohibited any referendum to levy a discretionary sales surtax from being held during a special election. HB 791 was approved by the full House but died in messages in the Senate.

**Revise the Millage Cap** - SB 1222 would have changed the way local governments determine their maximum allowable millage rate (without requiring a supermajority vote). Currently, the maximum millage rate that most non-school taxing authorities can levy by simple majority vote is a rolled back rate based on the amount of taxes which would have been levied in the prior year if the maximum millage rate had been applied, adjusted by the change in Florida per capita personal income. These bills would base the rolled back rate on the amount of taxes actually levied in the prior year, adjusted for change in per capita Florida personal income. This would have in effect made the cap annual, not allowing local governments to build up a cushion between actual and allowable rates. Florida TaxWatch understands the sentiment behind these bills, but is concerned they will put pressure on the governing bodies to levy the maximum rate or else lose the excess capacity. HB 1015 also contained these provisions but was amended in its last committee to strip those provision and instead require taxing authorities to post information on their websites about proposed and adopted millage rates. SB 1222 died in committee and HB 1015 died on the calendar.

**Special Assessment for Law Enforcement** – HB 789 and SB 264 would have allowed municipalities to levy special assessments for law enforcement services. The city must have reduced the municipal ad valorem taxes for the first year of the special assessment levy and it would lose the authority to levy the special assessment if it adopted an ad valorem millage rate in the future that exceeds the rate set in the first year. A House CS added provisions that require municipalities to hire a collection agency if delinquent revenues reach certain thresholds. Both bills died in committee.

**Exempting Aircraft Sales** – Currently, Florida has a sales tax exemption for the sale of airplanes used by commercial airlines with a takeoff weight of
over 15,000 lbs. **SB 696** would have exempted all aircraft sales and leases in Florida. The bill carried a fiscal impact of $30.1 million, but the sponsors assert that the state is not collecting the money because purchasers of aircraft leave the state and do not pay the tax as many other states provide an exemption. **SB 696** died in Appropriations and the House companion (HB 4039) was not heard.

**Exemption for Parents of Unmarried Veterans Killed in Duty - HJR 1391 and SJR 1624** were proposed constitutional amendments that allow the parent(s) of an unmarried veteran who died from service-connected causes while on active duty to receive ad valorem tax relief on a homestead property. There is already an exemption for the spouse of a veteran killed in duty. The amendment would have made the exemption 100 percent of the tax owed. **SJR 1624** passed one committee.

**Local Option Sales Tax for Water Restoration – HB 995 and SB 346** would have provided that a county may levy the Local Government Infrastructure Surtax to fund water restoration projects. Proceeds from the surtax, or from the bonds pledging the surtax, may be spent only for dredging operations related to ecologically beneficial muck removal. The surtax must be enacted by ordinance and approved by a referendum. Both bills stalled in committee.

**Sales Tax Exemption for Agricultural Items - SB 1264 and HB 1189** would have exempted hog wire, nylon mesh, compressed or liquefied oxygen, and barbed wire from the sales tax. It would have also increased the current exemption for trailers used in agriculture from the first $20,000 of the sales price to $25,000. **SB 1264** died in its last committee stop but **HB 1189** was not heard.

**Local Government Capital Funding - SB 660 and HB 735** would have provided that an existing impact fee may be used by a county, municipality, or special district to not only construct new capital facilities but to also improve, alter, or replace existing capital facilities. The bills also would have authorized a county or municipality to impose a local option documentary stamp tax in lieu of imposing an impact fee to finance capital improvements and facilities. The Senate bill was amended to raise the maximum doc stamp tax from a total of $1 per $100 for all jurisdictions in a county to $1 per $100 for each jurisdiction. **SB 600** passed one committee and **HB 735** was not heard.
EDUCATION
TAXWATCH PRIORITIES

PASSED

School Funding - Florida TaxWatch has been pointing out that in recent years, increases in education funding have largely been paid for with local property tax increases. This year, the Legislature reached a record per-student funding level by mostly using existing state funds, retreating from their original proposal to keep the same Required Local Effort millage rate as last year. The growth in property values would have resulted in a $500 million tax increase. Florida TaxWatch commends the Legislature for avoiding this property tax hike while providing a significant increase in education funding (see Taxation section for more information).

Principal Leadership - HB 287 creates the Principal Autonomy Pilot Program Initiative. The Initiative is designed to afford provide highly effective principals of participating low-performing schools with greater autonomy to operate their schools in ways that produce significant improvements in student achievement and school management. The number of districts that will participate in the pilot has been increased from three to seven. Florida TaxWatch honors a select group of outstanding principals each year as part of its Principal Leadership Initiative.

DID NOT PASS

Class Size Reform – HB 149 would have revised the method for calculating the penalty for schools that fail to comply with the class size requirements at the school level average. The bill clarified that a school’s compliance with class size is measured at the classroom level and that only the calculation of penalties is based upon the school average. The bill also required the amount of the financial penalties to be expended in the schools that are out of compliance to achieve compliance. The bill also required the district to publish, by school, compliance data and the compliance plan on the school district website and provide a copy of the compliance plan to the School Advisory Committee at all noncompliant schools. SB 1634, which deals with school choice, specified that the calculation for compliance with maximum class size requirements for a specified district innovation school of choice is at the school level. The bill also required the State Board of Education to review at a specified interval the performance metrics of each individual innovation school of choice for compliance with certain requirements. Florida TaxWatch has released a series of reports on the topic of maximum class size requirements. HB 149 died on the Calendar and SB 1634 died in the Appropriations Committee.

OTHER EDUCATION LEGISLATION

PASSED

Education “Train” – HB 7029, which originally addressed only charter schools, grew into a huge, multi-provision bill late in the session. The bill went back and forth between the two chambers, and took five floor votes to finally pass.
The changes contained in the final bill include:

**School Choice:**
- Creates a controlled open enrollment system to allow students to apply and transfer to any public schools that have space available on a statewide basis beginning in 2017-18;
- Allows parents to request a teacher transfer under certain circumstances; and
- Allows a 5-year-old to participate in Voluntary Prekindergarten if he or she did not participate as a 4-year-old.

**Charter Schools:**
- Increases accountability by requiring additional financial information in a charter school’s application, implementing automatic termination of low performing charter schools and prohibiting a charter school from denying enrollment or withdrawing a student based on the student’s academic performance; and
- Changes how charter schools are funded for fixed capital outlay by revising the formula to weigh funding in favor of charter schools that serve mostly impoverished students and those with disabilities. Charter schools will now be eligible for capital dollars a year earlier -- by requiring them to operate for two years, instead of three.

**Online Course Requirement:** The bill allows students to satisfy the online course requirement for high school graduation by either:
- Completing a course to earn a nationally recognized industry certification in information technology, or passing the information technology certification examination without actually taking the course; or
- Passing an online content assessment which demonstrates his or her skills and competency in locating information and applying technology for instructional purposes.

**University Performance Funding:** The bill makes the State University System Performance-Based Incentive permanent and modifies the incentive by:
- Requiring the performance-based metrics to include wage thresholds that reflect the added value of a baccalaureate degree;
- Requiring the Board of Governors to establish minimum performance funding eligibility thresholds for both the state’s investment and the institutional investment;
- Specifying that institutions who meet the minimum institutional investment threshold but not the state investment threshold will have their base restored but will be ineligible for performance funding; and
- Requiring that any institution that fails to meet the performance threshold for its institutional investment shall have its entire institutional investment withheld.
Other Provisions:

- Strengthens the Florida College System’s Performance Funding system;
- Creates the Distinguished Florida College System Program to recognize high-performing state colleges with the potential for increases funding;
- Clarifies acceleration options and allows passage of an Advanced Placement Examination or a College Level Examination Program test to qualify for high school course credits;
- Increases bonuses available to CAPE industry certification teachers;
- Creates more flexibility in school construction to allow school districts to achieve cost saving or more efficient use of resources;
- Requires that school financial reports be provided to parents and include the average amount of money expended per student in the school;
- Grants immediate eligibility for high school athletes who transfer schools; and
- Creates a youth suicide prevention program.

Competency-Based Education – HB 1365

establishes a five-year pilot programs beginning in the 2016-17 school year whereby students in select counties (Lake, Palm Beach, Pinellas, and Seminole) may advance through school if they can prove they have mastered course lessons.

DID NOT PASS

Student and Teacher Assessment – SB 1360

would have allowed school districts to voluntarily drop the current Florida Standards Assessment test and instead use national standardized tests like the SAT and the ACT as the basis for assessing student achievement. The bill also provided for several alternative assessments and industry certifications as options for students to meet high school subject area, course, credit, and assessment requirements. It also called for the renegotiation of existing student assessment contracts and negotiation of new contracts to implement the alternative assessments. The bill further exempted the performance of students with excessive absences from counting against a classroom teacher’s performance evaluation. However, there was no House companion measure and SB 1360 died on Special Order.

STEM Teacher Loan Forgiveness Program – SB 290 and HB 15

would have created a STEM Teacher Loan Forgiveness Program to encourage and incentivize qualified college graduates to remain in Florida and to teach a science, technology, engineering, or mathematics (STEM) course at a public school. SB 290 died in its last committee—Appropriations. The House bill was not heard.
ECONOMIC DEVELOPMENT
TAXWATCH PRIORITIES

PASSED

Sales Tax Exemption for Manufacturing Machinery and Equipment – Making this exemption permanent is a long-time recommendation of Florida TaxWatch and we presented our research findings in several Committees. This was the centerpiece of the final tax cut package (HB 7099) and the only significant recurring tax reduction. The exemption—set to expire April 30, 2017—will now be permanent, saving taxpayers $73.1 million annually. Two industries were also added to the exemption. Machinery used by metal recyclers and "postharvest machinery and equipment" used by fruit and vegetable packinghouses will now be eligible for the exemption. This will save these two industries $3.3 million annually (see Taxation Section for more information on economic development tax legislation).

Seaport Funding – HB 7061 and HB 7027 both passed and both contained language to increase the funding for the Florida Seaport and Economic Development Program from $15 million to $25 million per year. Florida TaxWatch research has shown the importance of seaport funding. HB 7061 also creates the Florida Seaport Security Advisory Committee and the Seaport Security Grant Program, subject to legislative appropriation, to provide funding for the implementation of security plans and measures at Florida's deepwater ports.

Transportation Financing – HB 7027 is an omnibus Florida Department of Transportation (FDOT) package. One of the provisions will create the FDOT Financing Corporation, authorizing the corporation to issue debt for the purpose of financing needed transportation projects. This will be another tool for FDOT to maximize existing revenue but the department would still be bound by the current statutory cap on debt. During the Session, Florida TaxWatch has released a study highlighting the benefits of, and the need for, increased transportation funding in the state.

DID NOT PASS

State Economic Development Incentives – HB 1325 and SB 1646 would have made numerous changes to various state economic incentive and tax refund programs, including the Quick Action Closing Fund and the qualified targeted industry tax refund program. Among the changes were the renaming of the Quick Action Closing Fund; it would now be called the Florida Enterprise Fund. The bills also lowered the required return on investment from 5 to 1, to 3 to 1 in the House and 2.5 to 1 in the Senate. Projects would have been required to create at least 10 jobs and 20 percent of the award was required to come from local financial support. This fund was a priority of the Governor, who recommended funding of $250 million. The Senate budget provided that amount, but the House budget did not address the Fund. The final budget does not contain funding for the Fund. Both bills would have extended the Qualified Defense Contractor and Space Flight Business Tax Refund program. The Senate bill also made changes to the entertainment incentive.
program, which the House bill did not address. HB 1325 passed the full House. The Senate bill died in the Appropriations Committee.

During the session, Florida TaxWatch released a report on the state’s economic incentives.

**Business Rent Tax (BRT)** – The House tax package proposed to reduce the sales tax rate imposed on the rental of commercial property from six percent to five percent. The tax would have dropped to 4 percent for one calendar year beginning January 1, 2018, and then returned to 5 percent. The 1 percent reduction would have saved businesses $298.5 million annually. The reduction and eventual repeal of this tax, which is unique to Florida, is strongly supported by Florida TaxWatch. Unfortunately, this provision was not included in the final tax agreement.

**Research & Development Tax Credit** – The House tax cut proposal also would have increased the cap for these income tax credits from $9 million to $18 million for calendar year 2017. Florida TaxWatch research has supported research and development tax credits and exemptions. The final package did not include this increased cap.

**Innovation Florida Initiative - HB 1325** also would have created the Innovation Florida Initiative to encourage high-technology startup and second-stage business growth. The Initiative required DEO to develop a statewide strategic plan for fostering and encouraging these businesses in coordination with various economic development entities throughout the state including EFI, the Institute for the Commercialization of Public Research, and GrowFL. Last year, Florida TaxWatch released a report that highlighted the benefits of second-stage companies. HB 1325 passed the full House. The Senate economic incentive bill did not include this program.

**OTHER ECONOMIC DEVELOPMENT LEGISLATION**

**PASSED**

**Public Private Partnerships (P3) - SB 124** implements some recommendation of the Public-Private Partnership Guidelines Task Force. It improves the evaluation and acceptance of unsolicited partnership proposals and allows the Department of Management Services new authority to keep track of P3 agreements. The bill also allows local governments to rely on Home Rule authority to enter into P3 agreements or follow the process in Florida statutes. This provides a process for governments new to P3s but allows those experienced in this procurement method to rely on their established procedures. Local governments are also no authorized to collect a fee, as determined by local ordinance, to cover the costs associated with reviewing unsolicited proposals.

**DID NOT PASS**

**Gambling and the Seminole Compact** – The Legislature did not approve the agreement negotiated between the Governor and the Seminole Tribe of Florida that called for the tribe to pay $3 billion to the state over seven years in exchange for being able to offer roulette and craps at Seminole casinos. Numerous other gaming
issues became entangled in the compact. Both the House and Senate put together broad gambling proposals that dealt with issues such as allowing slot machines at pari-mutuel facilities outside South Florida and pari-mutuel industry issues. The proposals never made it to the floor in either chamber. The future of gambling in Florida—including the Seminole Compact—may now rest with the courts.

**Aviation Funding – HB 7061** originally created an aviation transportation and economic development program to finance airport transportation and facilities projects, requiring a minimum of $15 million from the State Transportation Trust Fund to fund the program each year. This provision was removed before HB 7061’s final passage.

### SMART JUSTICE TAXWATCH PRIORITIES

**PASSED**

**Alternative Sanctioning - HB 1149** will create an alternative sanctioning program for technical violations of probation. A technical violation is a violation of supervision that is not a new felony offense, misdemeanor offense, or criminal traffic offense. The bill allows a judge to establish an alternative sanctioning program and determine which technical violations will be eligible for alternative sanctioning. An eligible probationer who commits a technical violation may choose to participate in the program and admit to the violation, comply with a probation officer’s recommended sanctions, and waive his or her right to a hearing on the violation. A probation officer’s recommended alternative sanction must be reviewed by the court, which may approve the sanction or remove the probationer from the program. This Florida TaxWatch smart justice recommendation could save money by reducing arrests, incarceration of offenders pending technical violation hearings, and probation officer and court personnel time spent at violation hearings.

**Mental Health Services in the Criminal Justice System – HB 439** will expand the use of mental health and veterans courts and other diversion programs. The bill expands eligibility for veterans, authorizes creation of mental health court programs, allows county courts to order conditional release of defendants for outpatient care and treatment, creates a Forensic Hospital
Diversion Pilot Program, expands eligibility for certain pretrial intervention programs, and authorizes pretrial mental health court programs for juvenile offenders. Florida TaxWatch research has shown the benefits of alternative courts as cost-effective diversion programs.

**Juvenile Criminal Records** – A number of bills making it easier for juveniles to expunge or seal their criminal records may soon become law. **SB 386** lowers the age of automatic expunction of juvenile criminal records from 24 to 21 for minors who are not classified as serious or habitual juvenile offenders or who have not been committed to a juvenile correctional facility or juvenile prison. It also allows juveniles who are eligible for automatic expunction at 21 to apply for expedited expunction any time after they turn 18. **HB 293** makes the records of juveniles who have been found to have committed three or more misdemeanors confidential.

**DID NOT PASS**

**Prearrest Diversion Programs** – **SB 618** and **HB 1031** would have encouraged local communities to implement diversion programs for certain offenders and enabled law enforcement officers to issue civil citations to adults in specific circumstances. Florida TaxWatch research was cited during testimony on the bills. SB 618 was passed by the full Senate and HB 1031 died in Committee.

**Elderly Offenders** - **SB 7006** contained numerous provisions, including two that advance Florida TaxWatch recommendations. The bill requires the state to develop projections on prison admissions and populations of elderly felony offenders. An amendment to the bill further requires DOC to report on the healthcare issues of elderly offenders. Both of these provisions are consistent with TaxWatch recommendations made in the report, “Florida’s Aging Prisoner Problem.” The bill passed one committee.

**Sentencing and Gain Time** - **SB 7066** signaled a reevaluation of costly punitive practices implemented over the past several decades. It would have required certain drug possession offenders to be served through non-state-prison sanctions. The bill also allowed courts to depart from mandatory minimums for certain nonviolent crimes, and altered the 85 percent rule by allowing nonviolent inmates to reduce their sentences by up to 35 percent. The latter two components reflect TaxWatch recommendations as well as recommendations of the 2016 Government Efficiency Task Force. The bill passed the Criminal Justice Committee.
Behavioral Health Services - SB 12 will improve mental health and substance abuse services in Florida by creating a coordinated system of care for those suffering from mental illness or substance use disorder through a “No Wrong Door” system of single access points. It creates a single, consolidated license to provide both mental health and substance use disorder services. It further implements coordinated receiving systems and county transportation systems. This bill includes TaxWatch recommendations, calling for data driven funding and raising the age of transition for behavioral healthcare services from 18 to 21.

ARNP/PA Scope of Practice – The Florida TaxWatch Center for Health and Aging has released reports detailing the benefits of expanding advanced registered nurse practitioner (ARNP) and physician assistant (PA) scope of practice. Florida TaxWatch presented its research findings to several committees. HB 1241 authorizes an ARNP to order any medication for administration to a patient in a hospital, ambulatory surgical center, mobile surgical center, or nursing home, within the framework of an established protocol. It also expands the current ability of a PA to order medicinal drugs, to include drugs for a patient in a nursing home. HB 375 authorizes a PA to perform any duties or services he or she has been delegated by a supervising physician unless such duties or services are expressly prohibited by a statute or rule. It also streamlines the PA licensure process. HB 977 allows a psychiatric nurse, within the framework of an established protocol with a psychiatrist, to prescribe psychotropic drugs for the treatment of mental disorders.

Telehealth – Another priority of the Florida TaxWatch Center for Health and Aging is telehealth, which involves providers using the Internet and other technology to care for patients remotely, and can increase access to health care in rural communities. The House and Senate both moved telehealth bills this session but the final agreement was watered down. SB 1686 authorized health care practitioners in Florida to use telehealth and creates a Telehealth Task Force within AHCA to analyze and make recommendation concerning telehealth.

HB 7087 would have allow licensed health care professionals outside of the state to provide telehealth services to Floridians if they register with the Department of Health (or applicable board), meet requirements, and pay a fee. After much back and forth, all the language to authorize providers to provide telehealth was stripped out. HB 7087 was passed to create a Telehealth Advisory Council to make recommendations concerning telehealth. The recommendations are to be based on a survey of health care facilities, health maintenance organizations, health care practitioners, and health insurers on the current use of telehealth, estimated savings from telehealth and the insurance treatment of telehealth. The Council’s report is due by October 31, 2017, meaning it is unlikely telehealth will be addressed next session.
DID NOT PASS

Behavioral Health Services - SB 1336 would have directed behavioral health managing entities to develop a plan with each county or circuit to ensure all persons with mental health or substance use disorders subject to involuntary admission receive prompt assessment of their needs for evaluation and treatment. SB 1336 died in Appropriations, its last committee stop.

GOVERNMENT EFFICIENCY

TAXWATCH PRIORITIES

PASSED

Centralized State Vehicle Fleet – SB 326 and HB 1341 would have required the Department of Management Services (DMS) to prepare a plan regarding the centralized management of state-owned motor vehicles. DMS would have to evaluate the costs and benefits of operating and maintaining a centralized motor vehicle fleet compared to the costs and benefits of contracting with a third-party vendor for the operation and maintenance of a centralized motor vehicle fleet. This is a long-time recommendation of the Florida TaxWatch Center for Government Efficiency and Florida TaxWatch testified in committee on its research on the issue. HB 1341 passed the full House but died in messages. However the final budget includes $1.9 million for DMS to procure a commercial solution to replace the state’s current fleet management system.

Sale of Surplus State Land – HB 1075 makes numerous changes to the state’s land acquisition and disposal laws. Florida TaxWatch has recommended that surplus lands need to be identified and it be made easier for the state to dispose of them. The bill combines the disposition procedures for all state lands into one section of law. Changes include: requiring the Department of Environmental Protection to submit conservation lands that are not meeting their short-term goals to the Acquisition and Restoration Council to consider management
and disposition options; directing land managers to identify any conservation lands that could be disposed of in fee simple or with the state retaining a permanent conservation easement, and removing priority consideration given to local governments when surplusing lands. The bill also streamlines the surplus procedures for Water Management District lands and authorizes districts to sell parcels of land valued at $25,000 or less through an expedited process and makes other changes to make the process more efficient.

Public Records – HB 273 requires requests for public agency records relating to contracts for services to be made directly to the public agency and revises several provisions in agency contracts for services related to public records. Florida TaxWatch released its report on predatory public records abuses earlier this session, offering recommendations to prevent malicious and frivolous lawsuits while protecting taxpayer’s rights to government in the sunshine. These recommendations include educating government employees on the public records laws, creating a requirement to give notice to an agency of the intent to sue prior to civil litigation and permitting public agencies to recover their attorney fees and related costs if the court determines that the public records request is frivolous or serves no legitimate public purpose or interest. However a more important reform to the public records law did not pass (see HB 1021).

DID NOT PASS

Pension Reform – HB 7107 would have made the investment (defined contribution) retirement plan, instead of the pension (defined benefit) plan, the default plan for new state employees in the Florida Retirement System. If the employee did not make an election during the first 8 months (the bill increased it from 5 months), the employee would be enrolled in the investment plan. The bill was amended on the floor to require the Legislature to appropriate funds in FY 2017-18 to reduce the unfunded actuarial liability of the FRS. The bill was approved by the House but the Senate was not receptive to this issue.

Public Records – HB 1021 would have amended current law to provide that in a public records enforcement lawsuit, a court may, but is not required to, award reasonable enforcement costs, including attorney fees, to the complainant in public records lawsuits. To be awarded such costs, the bill required a complainant to provide written notice of the public records request to the agency’s records custodian at least 5 business days before filing the lawsuit. The Senate companion, SB 1220, was amended to more closely align with Florida TaxWatch recommendations. That bill provided that the court may not award enforcement costs if the court determines that the plaintiff made his or her public records request primarily to harass the agency or cause a violation to the public records law. These recommendations include educating government employees on the public records laws, creating a requirement to give notice to an agency of the intent to sue prior to civil litigation and permitting public agencies to recover their attorney fees and related costs if the
court determines that the public records request is frivolous or serves no legitimate public purpose or interest. SB 1220 passed the full Senate but died in messages. HB 1021 died in the State Affairs Committee.

**Government Efficiency - SB 7052** required the Governor to develop government efficiency recommendations on an annual basis and to submit them to the Legislature for consideration as part of the General Appropriations Act. State agencies would have been required to report quarterly regarding the implementation of the recommendations and any cost impacts for the first two years. This is a longtime Florida TaxWatch recommendation and is a recommendation of the 2016 Government Efficiency Task Force, which included it in its January 2016 Interim Report. Florida TaxWatch spoke in support of the bill in committee. There was no House companion. The bill passed two committees but died in Appropriations.

**Municipal Power Regulation – HB 579 and SB 840** would have imposed additional transparency and accountability requirements on the Florida Municipal Power Agency, as recommended by Florida TaxWatch. Florida TaxWatch presented its findings before committee and our research was cited several times during testimony and debate on the bill. Both bills died in committee.
Appendix A
2016 TAX CUT PACKAGE

The final tax cut agreement is a significant reduction in the amount of tax relief from the original House package that was advertised as a $1 billion tax cut. That figure was reached by adding the annualized recurring (permanent) cuts and the non-recurring (one-time) cuts – some of which would not take effect until FY 2017-18. However, the total value of the cuts in the upcoming budget year would have been $352.1 million (including both state and local revenue), rising to a peak $630.7 million in FY 2018-19.

The new proposal would provide recurring tax savings of $79 million and $50 million in one-time savings.

The following shows what provisions from the House tax package were retained in the final passed bill, what was modified, what was added, and what was left out.

IN

These provisions in the House tax cut package are retained in the final bill:

Sales Tax Exemption for Manufacturing Machinery and Equipment – The bill will make the exemption—set to expire April 30, 2017—permanent, saving taxpayers $73.1 million annually. There is no impact in the upcoming budget year. Florida TaxWatch has presented its research findings in several Committees.

The Governor has also included this in his recommended tax package. This exemption is also moving in the Senate. Making this exemption permanent is a long-time recommendation of Florida TaxWatch.

Additional Industries Qualifying for the Machinery & Equipment Exemption – Machinery used by metal recyclers and “postharvest machinery and equipment” used by fruit and vegetable packinghouses would become eligible for the manufacturing machinery and equipment sales tax exemption. This will save these two industries $3.3 million annually.

Corporate Income Tax Piggyback – The Legislature annually passed a bill that conformed the state CIT code to federal tax changes. This year the feds passed increased expensing and depreciation deductions, as they have often in recent years. The Legislature has routinely allowed taxpayers to take the federal deductions but makes them add-back the deductions on their state returns over seven years. This year, the tax package does that for the accelerated depreciation deduction but it also fully adopts the new federal change that makes the larger expensing deduction permanent. It also adopts new federal due dates for the corporate income tax returns. Adopting the expensing provision will save corporations $3.2 in FY 2016-17 and $1.5 million annually after that. The due date change is not really a tax cut, but it will cost the state $13.6 million as some payments that would have been made in FY 2016-17 will be made in later years.
Veterans’ Organization - The current sales tax exemption for food or drinks by qualified veterans’ organizations in connection with customary veterans’ organization activities would be extended to members of qualified veterans’ organizations. The bill lists the American Legion and Veterans of Foreign Wars of the United States, as qualified veterans’ organizations. This will save veterans $1.6 million annually.

Tax on Pear Cider - The bill equalizes the alcoholic beverage tax rate applied to pear and other ciders by amending the definition of cider to include pear cider. Pear cider would be taxed at a rate of $0.89 per gallon as opposed to the current rate of $2.25 per gallon. This will save pear cider producers and drinkers $100,000 annually.

Aircraft Registered in a Foreign Jurisdiction - The bill clarifies the requirements for the exemption from tax for aircraft that will be registered in a foreign jurisdiction. The purchaser must removes the aircraft from Florida to a foreign jurisdiction within 10 days and the aircraft can only be operated in Florida solely for the removal from the state to a foreign jurisdiction.

Cruise Lines - Cruise Lines must pay beverage tax and cigarette tax for products sold to passengers while in Florida ports and while the ship is in Florida waters. Due to administrative problems associated with determining if the sale is in Florida or international waters, the bill replaces the beverage and tobacco taxes that cruise lines currently pay with a new tax based on ship capacity and the number of times a ship embarks from Florida rather than volume of alcohol or tobacco sold at port. This has a one-time $100,000 negative impact on state revenues.

Aviation Fuel Tax – Beginning July 1, 2019 a tax credit given to certain airlines for increasing their Florida workforce would be repealed and the fuel tax rate would be reduced from 6.9 cents per gallon to 4.27 cents per gallon. The combination of the changes is expected to be revenue neutral. Only four airline qualify for the exemption and the House believes the credit is no longer needed. This would be a tax increase for those airlines currently receiving the tax credit, but a tax cut for all other airlines.

Enterprise Zones - The bill clarifies that the exemption may be granted to a new or expanding business located in an area which was designated as an enterprise zone as of December 30, 2015, but not a brownfield area, only if the new or expanding business was approved by the local governing body prior to December 31, 2015. The bill also clarifies that exemptions already granted prior to expiration of the enterprise zone program may continue for up to 10 years regardless of expiration of the enterprise zone program.

MODIFIED

The provisions are in the final bill, but changed from the original House package:

Back to School Sales Tax Holiday – The final package includes a 3-day tax holiday (from August 5 to August 7, 2016). Clothing, footwear, wallets and bags that cost $60 or less would be exempt from the state and local sales taxes.
Also exempt would be school supplies costing $15 or less per item. The previous version of the bill had a 10-day holiday and also included the first $750 of the sales price for personal computers and related accessories purchased for noncommercial home or personal use. The sales price limit on clothing, footwear, wallets, and bags was previously $100 per item. This original version of the holiday would have provided consumers with a one-time savings of $68.8 million. The new bill will reduce that amount.

**Tobacco Taxes** – The original bill clarified definitions related to tobacco products other than cigarettes and cigars. In effect, the bill codified the division’s current administration of these laws with respect to domestically-manufactured products, and provided that the wholesale sales price for imported products must include the federal excise tax regardless of who first paid that excise tax. This was expected to increase revenues by $2.4 million annually.

**Tourist Development Taxes** – The original bill would have allowed coastal counties to use up to 10% of remaining tourist development tax revenues (after bond payments) to fund additional emergency medical and law enforcement services that are required as a result of tourism, as long as such funds are not used to supplant pre-existing expenditures on such services. This issue was not part of the agreed upon amendment. However, another amendment was offered that would allow this in three counties, Okaloosa, Walton and Bay. After considerable objections and debate, the amendment was approved.

Florida TaxWatch is concerned about the diversion of tourist development taxes to new uses.

**NEW**

These provisions were not in the House package but were added to the final bill:

**Data Centers** – The new agreement includes a provision to extend the Economic Development Ad Valorem Tax exemption from 10 to 20 years, for data centers only.

**Asphalt Tax** – The new agreement phases out the tax on manufactured asphalt which is used for any federal, state, or local government public works project; beginning July 1, 2016, the indexed tax imposed by this paragraph on asphalt manufactured which is used for any federal, state, or local government public works project shall be reduced by 60 percent; beginning July 1, 2017, it would be reduced by 80 percent; and beginning July 1, 2018, the tax would be eliminated. When eliminated, businesses would save $2.0 annually.

**OUT**

These provisions were in the House package, but were removed from the new bill:

**Business Rent Tax (BRT)** – The House proposed to reduce the sales tax rate imposed on the rental of commercial property from six percent to five percent. The tax would have dropped to 4 percent for one calendar year beginning January 1, 2018, and then return to 5 percent. The 1 percent reduction would have saved businesses $298.5 million annually. The reduction and eventual repeal of this tax, which is unique to Florida, is strongly supported by Florida TaxWatch.
Small Business Saturday Sales Tax Holiday – The House proposed a one-day sales tax holiday on “Small Business Saturday,” on November 26, 2016. During the holiday, a small business dealer could have opted to not collect sales on purchases of items that cost $1,000 or less. The bill defined “small business” as one that began operation no later than January 11, 2016, and that owed and remitted less than $200,000 in sales tax during the one-year period ending September 30, 2016. If the business has multiple locations, all locations are counted towards the $200,000 cap. This would have provided consumers with a one-time savings of $43.1 million.

Technology Sales Tax Holiday - On April 22, 2017, the first $1,000 of the sales price of the following items would have been exempt from the state and local sales taxes: personal computers (includes electronic book readers, laptops, desktops, handhelds, tablets, cellular telephone, or tower computers); and personal computer-related accessories (includes keyboards, mice, personal digital assistants, monitors, other peripheral devices, modems, routers, and nonrecreational software). The one-time tax savings was estimated at $28.1 million.

Hunting and Fishing Sales Tax Holiday - During the holiday (August 20, 2016), the following items would have been exempt from the state and local sales taxes: firearms (defined as rifles, shotguns, spearguns, crossbows, and bows); ammunition for those firearms; camping tents; and fishing supplies (defined as non-commercial rods, reels, bait, and fishing tackle). The one-time tax savings was estimated at $3.3 million.

Data Centers – Once certified, a business would have a sales tax exemption on the purchase of datacenter equipment, electricity for a datacenter and building materials for the construction or expansion of a datacenter. A five-year capital investment of $75 million is required to be certified. This had a recurring revenue impact of $11.6 million.

Resale of Admissions - A person who has purchased a taxable admission and resells that admission to an entity with a valid exemption certificate from DOR (such as a non-profit organization) would have been allowed to seek a refund or credit of the tax paid on its initial purchase. This exemption would have been repealed on July 1, 2019. This will would have saved a total of $6.4 million over the three-year life of the exemption.

College Textbooks – The one-year exemption for textbooks created last year would have been extended for another year. This would have provided students (and parents) with a one-year savings of $40.9 million.

Book Fairs - A one-year exemption would have been created for the sale of books and other reading materials at book fairs on the premises of K-12 schools. If the sales were made by a third-party vendor, the vendor must commit all or some of the profit to the school. This would have provided a one-year savings of $2.8 million.

Rural Areas of Opportunity - An exemption from sales and use tax would have been created for the purchase of building materials, pest control
services, and the rental of tangible personal property used in new construction in Rural Areas of Opportunity. The exemption was provided in the form of a refund of taxes paid, and is capped at $10,000 per parcel. This exemption was worth $4.5 million a year.

**Disabled Veterans Property Tax Exemption** - A full exemption from ad valorem taxes currently exists on homestead property that is owned by an honorably discharged veteran with a service-connected total and permanent disability and is a permanent Florida resident. The House proposal would have provided that a veteran who received the exemption but moves his or her homestead to another property after January 1 of the same year, may transfer the exemption to the new property. The savings are indeterminate but expected to be minor and could actually result in minor increase in revenue.

**Surviving Spouse Property Tax Exemptions** - The bill would have expanded the eligibility of surviving spouses of disabled veterans for the current veteran homestead exemptions. It would have allowed the surviving spouse of a veteran who died from service-connected causes while on active duty to receive property tax relief, regardless of the veteran's state of residence on January 1 of the year in which the veteran died. An unremarried surviving spouse of a veteran who had a service-related total and permanent disability at the time of death would have also been eligible to receive property tax relief. This would have cost local governments $1.7 million annually, beginning in 2018.

**Affordable Housing** - The bill provided that certain property used to provide affordable housing will be considered a charitable purpose and qualify for a 50 percent property tax discount, notwithstanding the requirements of current law that restrict the exemption. This would have cost local governments $37.9 million annually, beginning in 2018.

**Research & Development Tax Credit** – Last year, the annual amount of these credits were increased from $9 million to $23 million for calendar year 2016. Businesses can receive an income tax credit of 10 percent of the difference between the current tax year’s R&D expenditures in Florida and the average of R&D expenditures over the previous four tax years. The state tax credit taken in any taxable year may not exceed 50 percent of the company’s corporate income tax liability. The House proposal would have increased the cap from $9 million to $18 million for calendar year 2017.

**Florida TaxWatch research has supported research and development tax credits and exemptions.**

**Brownfield Cleanup Tax Credit** - The state provides tax credits of up to $500,000 per business to incentivize rehabilitation of brownfields and voluntary cleanup of other contaminated sites. Last year, the Legislature increased the annual cap for these credits from $5 million to $21.6 million for FY 2015-16. The House proposal would have increased the cap during FY 2016-17 to $10 million.
Renewable Energy Production Tax Credit - The current credit is allowed annually based on the taxpayer’s production and sale of electricity from a new or expanded Florida renewable energy facility. Credits cannot be granted after FY 2016-17. The House would have extended the $10 million credit for one year.

Renewable Energy Technologies Investment Tax Credit – This credit is also slated for repeal in FY 2016-17. The program provides an annual corporate tax credit equal to 75 percent of all capital costs, operation and maintenance costs, and research and development costs in connection with an investment in the production, storage, and distribution of biodiesel, ethanol and other renewable fuel in the state. The credit, capped at $10 million a year, would have been extended another year.

Documentary Stamp Tax Exemption for Affordable Housing - Any note or mortgage given with respect to a loan made by or on behalf of a county housing finance authority would have been exempt. This would have saved $0.3 million annually.
## Final Tax Cut Package

### IMPACT BY YEAR - $ MILLIONS

<table>
<thead>
<tr>
<th></th>
<th>2016-17</th>
<th></th>
<th>2017-18</th>
<th></th>
<th>2018-19</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>State</td>
<td>Local</td>
<td>State</td>
<td>Local</td>
<td>State</td>
<td>Local</td>
</tr>
<tr>
<td>Manufacturing Machinery &amp; Equipment</td>
<td>-</td>
<td></td>
<td>-$62.8</td>
<td>-$14.1</td>
<td>-$66.0</td>
<td>-$14.8</td>
</tr>
<tr>
<td>Fruit &amp; Vegetable Packinghouses M&amp;E</td>
<td>-$0.8</td>
<td>-$0.2</td>
<td>-$0.9</td>
<td>-$0.2</td>
<td>-$0.9</td>
<td>-$0.2</td>
</tr>
<tr>
<td>Metal Recyclers M&amp;E</td>
<td>-$1.7</td>
<td>-$0.5</td>
<td>-$1.8</td>
<td>-$0.5</td>
<td>-$1.9</td>
<td>-$0.5</td>
</tr>
<tr>
<td>Back to School Sales Tax Holiday</td>
<td>-$23.3</td>
<td>-$5.4</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Veteran's Service Organizations</td>
<td>-$1.2</td>
<td>-$0.2</td>
<td>-$1.4</td>
<td>-$0.2</td>
<td>-$1.4</td>
<td>-$0.2</td>
</tr>
<tr>
<td>Federal CIT Code Conformance*</td>
<td>-$20.0</td>
<td>-</td>
<td>-$5.8</td>
<td>-</td>
<td>-$2.4</td>
<td>-</td>
</tr>
<tr>
<td>Aviation Fuel Tax changes</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bev/Tobacco Tax - Cruise Lines</td>
<td>-$0.1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Beverage Tax - Pear Cider</td>
<td>-$0.1</td>
<td>-</td>
<td>-$0.1</td>
<td>-</td>
<td>-$0.1</td>
<td>-</td>
</tr>
<tr>
<td>Asphalt Tax</td>
<td>-$0.5</td>
<td>0.0</td>
<td>-$1.0</td>
<td>-$0.2</td>
<td>-$1.5</td>
<td>-$0.4</td>
</tr>
<tr>
<td>Tobacco Tax - OTP definition (increase)</td>
<td>$2.4</td>
<td>-</td>
<td>$2.4</td>
<td>-</td>
<td>$2.4</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-$45.3</td>
<td>-$6.3</td>
<td>-$71.4</td>
<td>-$15.2</td>
<td>-$71.8</td>
<td>-$16.1</td>
</tr>
</tbody>
</table>

State totals include a very small amount of trust fund revenue, most is general revenue.

* this includes a revenue reduction of $3.2 million in FY 2015-16.

The findings in this Report are based on the data and sources referenced. Florida TaxWatch research is conducted with every reasonable attempt to verify the accuracy and reliability of the data, and the calculations and assumptions made herein. Please feel free to contact us if you feel that this paper is factually inaccurate.

The research findings and recommendations of Florida TaxWatch do not necessarily reflect the view of its members, staff, Executive Committee, or Board of Trustees; and are not influenced by the individuals or organizations who may have sponsored the research.

106 N. Bronough St., Tallahassee, FL 32301  o: 850.222.5052  f: 850.222.7476
Copyright © April 2016, Florida TaxWatch Research Institute, Inc. All Rights Reserved.