



FTA-PP-03: EXTENDING THE CHARTER COUNTY AND REGIONAL TRANSPORTATION SYSTEM SURTAX TO NON-CHARTER COUNTIES

COMMITTEE RECOMMENDATION: Adopt

PROPOSED POLICY: SUPPORT modification to existing laws to allow for enactment of the Transportation System Surtax for non-charter counties.

BACKGROUND: Tax reform measures that simplify administration and provide an economic boost to Florida's taxpayers are essential. These measures must consider and minimize the collective and cumulative negative impact on local revenues, including state-shared and local discretionary revenue sources that are critical to local governments in providing community services. To accomplish this objective, Marion County recommends the following: Enact a law allowing Marion County (a non-charter County) the opportunity to levy a transportation sales surtax similar to charter counties. This law will help not only Marion County, but other non-charter counties in Florida.

ANALYSIS: The enactment of the transportation sales surtax for non-charter counties will provide a much-needed revenue source to fund transportation capital projects especially since the local gas tax is not indexed and it has lost most of its purchasing power due to inflation.

The Charter County and Regional Transportation System Surtax is not limited in combination with other surtaxes. The surtax is available to all charter counties, as well as certain non-charter counties if they are within or under an interlocal agreement with a regional transportation or transit authority created under Chapter 343 or Chapter 349, Florida Statutes. Non-charter counties that are currently eligible are Bay, Escambia, Franklin, Gulf, Hernando, Manatee, Okaloosa, Pasco, Santa Rosa, and Walton Counties. Three counties currently levy this surtax – Broward at 1%, Duval at 0.5%, and Miami-Dade at 0.5%.

FISCAL IMPACT: Marion County has an annual shortfall of approximately \$10 million for capital maintenance projects and a backlog of \$300 million for local transportation capacity projects.

SUBMITTING COUNTY: Marion County

ASSIGNED COMMITTEE: FTA

BOARD SUPPORT: Yes

UNFUNDED MANDATE: No

PROTECTIVE OF HOME RULE: N/A