FTA-08 LOCAL REVENUE FLEXIBILITY
STAFF ANALYSIS

PROPOSAL INFORMATION			
SUBMITTING COUNTY:	Franklin County		
SPONSOR CONTACT:	Ricky Jones, Commissioner; ricky@franklincountyflorida.com; 850-323-1576		
FAC COMMITTEE:	Finance, Tax and Administration	**CROSS-CLAIMS:**	CUA
FAC STAFF:	M. Black	**DATE:**	October 1, 2026

This staff analysis is based on the proposal as submitted and does not reflect an adopted position of the Florida Association of Counties.

POLICY PROPOSAL:

FAC supports Flexibility of local Revenue Options – specifically expanded use of TDT to address tourist related operational and infrastructure impacts.

Specifically, Franklin County supports legislative options for counties to manage the costs associated with requirements under Florida Statutes § 125.0104 (4)(c) and related provisions of the Local Option Tourist Development Act which govern the planning and imposition of tourist development taxes.

I. SUMMARY:

Franklin County asks FAC to support expanded use of tourist development tax (TDT) revenue under s. 125.0104, F.S., to address operational and infrastructure impacts of tourism. The submission initially seeks a broad change to the TDT statute that would address tourist-related operational and infrastructure impacts statewide.

In additional discussions with the policy sponsor, the proposal has been amended to specifically request legislative options which support county funding for costs associated with requirements under Florida Statutes § 125.0104, subsection (4)(c) and related provisions of the Local Option Tourist Development Act which govern the planning and imposition of tourist development taxes.

II. PRESENT SITUATION:

Tourist Development Taxes

Section 125.0104, F.S. (the Local Option Tourist Development Act) authorizes counties to levy five separate taxes on transient rental transactions (tourist development taxes or TDTs) for specified purposes, all of which are generally related to the tourism industry.

- The original TDT may be levied at the rate of 1 or 2 percent.
- An additional 1 percent tax may be levied by counties who have previously levied the original TDT at the 1 or 2 percent rate for a minimum of three years.
- A high tourism impact tax may be levied at an additional 1 percent.
- A professional sports franchise facility tax may be levied up to an additional 1 percent.
- An additional professional sports franchise facility tax no greater than 1 percent may be imposed by a county that has already levied the professional sports franchise facility tax.

County Tourist Development Plan and Enactment

Florida Statutes § 125.0104(4)(c), provides that before a county can enact an ordinance to levy and impose a tourist development tax, the county tourist development council must prepare and submit a tourist development plan to the county's governing board for approval. The required tourist development plan must outline projected 24-month tax revenues, designate the target tax district, and provide a prioritized list of proposed project uses authorized by statute. Florida Statutes § 125.0104(4)(d) provides that the governing board of the county shall adopt the county plan for tourist development as part of the ordinance levying the tax. Once enacted or renewed, the tourist development plan cannot be substantially amended unless approved by an affirmative vote of a majority plus one additional member of the county governing board.

Developing the plan is handled internally using county staff, administrative resources, and local tourist development council meetings, meaning costs vary by county and are typically absorbed into general county or administrative operating budgets.

TDT Revenue and Its Use

Under Section 125.0104(5), Florida Statutes, tourist development tax (TDT) revenues are strictly restricted to specific, enumerated tourism-related purposes. Below is a summary of many of the authorized uses: Funds may be used for publicly owned/operated convention and sports facilities, public or non-profit museums and zoos, national and international tourism promotion, funding local tourist/convention bureaus, and comprehensive beach and waterway maintenance, restoration, or erosion control. In counties with a population under 950,000, there are broader allowances permitted to support publicly owned or non-profit zoological parks, fishing piers, and nature centers. In addition, revenues can secure bonds for approved public facilities and beach/waterway projects, subject to a 50% cap on pledging revenues for beach-related initiatives. Currently, any expenditure outside of these explicitly authorized statutory purposes is strictly prohibited.

III. EFFECT OF THE PROPOSAL:

The expanded and revised proposal requests options for counties to manage the costs associated with requirements under Florida Statutes § 125.0104, subsection (4)(c) and related provisions of the Local Option Tourist Development Act which govern the planning and imposition of tourist development taxes. Section 125.0104 (4), F.S. currently makes no provision for fees related to the planning and imposition of tourist development taxes. The proposal provides opportunity to amend s. 125.0104, F.S. to provide guidance on how to fiscally administer the required procedures in 125.0104 (4)(c), F.S. and add provisions to expand the use of TDT funds to address the need.

IV. COUNTY IMPACT:

- The initial and broader request provided would allow counties to apply TDT to additional tourist related operational and infrastructure impacts.
- Amending s. 125.0104 (4)(c), F.S. could require new administrative duties for counties.
- Scope: all levying counties under the draft.

Protective of Home Rule: Yes. The proposal expands county discretion over a locally levied, voter-approved revenue source and imposes no preemption or new duty.

V. FISCAL IMPACT:

- No change to TDT rates or base and no state revenue effect; the proposal reallocates permissible uses of existing local revenue.

Unfunded Mandate (Art. VII, s. 18, Fla. Const.): No. The proposal requires no expenditure and does not reduce county or municipal revenue-raising authority.

VI. LEGISLATIVE & FAC HISTORY:

- 2024—SB 1748 (Brodeur) / HB 1599 (Truenow): Would have amended s. 125.0104(4)(c), F.S., to prohibit a tourist development plan from allocating more than 25 percent of the tax revenue received in a fiscal year to an individual project unless the county governing board approved the allocation by supermajority vote. SB 1748 passed Commerce and Tourism (6-0) and Finance and Tax (6-0) but died in Appropriations; HB 1599 died in Ways and Means.
- 2024—SB 7074 (Senate tax package): The Appropriations Committee substitute amended (4)(c) to cap plan allocations to a publicly owned and operated convention center at 25 percent of annual TDT revenue absent a supermajority vote of the governing board. CS/SB 7074 was laid on the table in favor of CS/HB 7073, which was enacted (ch. 2024-158) without the (4)(c) change.
- 2026: Several bills died in Commerce and Tourism. SB 454 (Smith) and HB 6007 (Eskamani) would have repealed the 40 percent floor; HB 6007 was not heard. SB 458 (Smith) would have cut the floor to 20 percent. SB 456 (Smith) refiled SB

1116. SB 976 (Smith) would have added commuter rail. A TDT-uses amendment to the Senate tax package, SB 7046, was withdrawn.

- Past FAC statement: 2025—FTA-11—Tourist Development Tax Flexibility (Citrus County). FTA-11 proposed that FAC SUPPORT amending s. 125.0104, F.S. for greater flexibility in using all TDT funds, particularly the first three cents, for long-term tourism infrastructure. The committee recommended deferral to the legislative conference. Staff found no unfunded mandate and found it protective of home rule. The Citrus BoCC took no position.
- Relationship to FTA-08: FTA-08 is broader than FTA-11, covering operations as well as infrastructure. The FTA-08 policy development bill draft carries the FTA-11 caption, and its new (5)(f) implements FTA-11's all-levy capital ask. FTA-11 described the first three cents as limited to promotion. However, (5)(a) governs all TDT revenue regardless of levy, and a limit is the (3)(d) debt-service referendum requirement.
- Guiding Principles: FTA—Revenue, (Local Revenue Authority)- “FAC supports tourist development taxes. Counties rely on tourist development taxes to meet local service, infrastructure and community needs.”

BoCC action: the Franklin submission lists BoCC support.

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