



Finance and Tax Committee

Tuesday, December 1, 2015

12:00 p.m. – 3:00 p.m.

Morris Hall

ACTION PACKET

COMMITTEE MEETING REPORT

Finance & Tax Committee

12/1/2015 12:00:00PM

Location: Morris Hall (17 HOB)

Summary:

Finance & Tax Committee

Tuesday December 01, 2015 12:00 pm

HJR 193	Favorable	Yeas: 14	Nays: 0
HB 195	Favorable	Yeas: 14	Nays: 0
HB 347	Favorable With Committee Substitute	Yeas: 15	Nays: 0
HB 499	Favorable	Yeas: 16	Nays: 0

Committee meeting was reported out: Tuesday, December 01, 2015 3:35:20PM

COMMITTEE MEETING REPORT

Finance & Tax Committee

12/1/2015 12:00:00PM

Location: Morris Hall (17 HOB)

Attendance:

	<i>Present</i>	<i>Absent</i>	<i>Excused</i>
Matt Gaetz (Chair)	X		
Frank Artiles	X		
Lori Berman	X		
Randolph Bracy	X		
Jason Brodeur	X		
Matt Caldwell	X		
Robert Cortes	X		
Jay Fant	X		
Jared Moskowitz			X
Ray Rodrigues	X		
José Rodríguez	X		
Hazelle Rogers	X		
Richard Stark	X		
Jennifer Sullivan	X		
John Tobia	X		
Jay Trumbull	X		
Charles Van Zant	X		
Ritch Workman			X
Totals:	16	0	2

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COMMITTEE MEETING REPORT

Finance & Tax Committee

12/1/2015 12:00:00PM

Location: Morris Hall (17 HOB)

HJR 193 : Renewable Energy Source Devices & Components/Exemption from Certain Taxation & Assessment

Favorable

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Frank Artiles				X	
Lori Berman	X				
Randolph Bracy	X				
Jason Brodeur	X				
Matt Caldwell	X				
Robert Cortes	X				
Jay Fant	X				
Jared Moskowitz			X		
Ray Rodrigues	X				
José Rodríguez	X				
Hazelle Rogers	X				
Richard Stark	X				
Jennifer Sullivan	X				
John Tobia			X		
Jay Trumbull	X				
Charles Van Zant	X				
Ritch Workman			X		
Matt Gaetz (Chair)	X				
Total Yeas: 14		Total Nays: 0			

Appearances:

Susan Glickman (Lobbyist) - Information Only
Southern Alliance for Clean Energy
Florida Director
P.O. Box 310
Indian Rocks Beach FL 33785
Phone: 727-742-9000

Brian Pitts - Information Only
Justice 2 Jesus
Trustee
1119 Newton Avenue South
St. Petersburg FL 33705
Phone: 727-897-9291

Richard Pinsky (Lobbyist) - Proponent
Florida Assoc. of Solar Energy Installers
106 East College Avenue #1200
Tallahassee FL

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COMMITTEE MEETING REPORT

Finance & Tax Committee

12/1/2015 12:00:00PM

Location: Morris Hall (17 HOB)

HJR 193 : Renewable Energy Source Devices & Components/Exemption from Certain Taxation & Assessment (continued)

Appearances: (continued)

Daphnee Sainvil (Lobbyist) - Proponent
Broward County
Lobbyist
115 S. Andrews Avenue, Room 426
Ft. Lauderdale FL 33301
Phone: 954-253-7320

David Cullen (Lobbyist) - Proponent
Sierra Club Florida
1674 University Parkway #286
Sarasota FL 34243
Phone: 941-323-2404

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COMMITTEE MEETING REPORT

Finance & Tax Committee

12/1/2015 12:00:00PM

Location: Morris Hall (17 HOB)

HB 195 : Renewable Energy Source Devices

Favorable

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Frank Artiles				X	
Lori Berman	X				
Randolph Bracy	X				
Jason Brodeur	X				
Matt Caldwell	X				
Robert Cortes	X				
Jay Fant	X				
Jared Moskowitz			X		
Ray Rodrigues	X				
José Rodriguez	X				
Hazelle Rogers	X				
Richard Stark	X				
Jennifer Sullivan	X				
John Tobia			X		
Jay Trumbull	X				
Charles Van Zant	X				
Ritch Workman			X		
Matt Gaetz (Chair)	X				
Total Yeas: 14		Total Nays: 0			

Appearances:

Daphnee Sainvil (Lobbyist) - Proponent
 Broward County
 Lobbyist
 115 S. Andrews Avenue #426
 Ft. Lauderdale FL 33301
 Phone: 954-253-7320

David Cullen (Lobbyist) - Proponent
 Sierra Club Florida
 1674 University Parkway #296
 Sarasota FL 34243
 Phone: 941-323-2404

Richard Pinsky (Lobbyist) - Proponent
 Florida Solar Energy Installers Assoc.
 106 E. College Avenue #1200
 Tallahassee FL 32301

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COMMITTEE MEETING REPORT

Finance & Tax Committee

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Location: Morris Hall (17 HOB)

HB 195 : Renewable Energy Source Devices (continued)

Appearances: (continued)

Brian Pitts - Information Only
Justice 2 Jesus
Trustee
1119 Newton Avenue South
St. Petersburg FL 33705
Phone: 727-897-9291

Susan Glickman (Lobbyist) - Information Only
Southern Alliance for Clean Energy
Florida Director
P.O. Box 310
Indian Rocks Beach FL 33785
Phone: 727-742-9003

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COMMITTEE MEETING REPORT

Finance & Tax Committee

12/1/2015 12:00:00PM

Location: Morris Hall (17 HOB)

HB 347 : Utility Projects

Favorable With Committee Substitute

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Frank Artiles				X	
Lori Berman	X				
Randolph Bracy	X				
Jason Brodeur	X				
Matt Caldwell	X				
Robert Cortes	X				
Jay Fant	X				
Jared Moskowitz			X		
Ray Rodrigues	X				
José Rodríguez	X				
Hazelle Rogers	X				
Richard Stark	X				
Jennifer Sullivan	X				
John Tobia	X				
Jay Trumbull	X				
Charles Van Zant	X				
Ritch Workman			X		
Matt Gaetz (Chair)	X				
Total Yeas: 15					
Total Nays: 0					

Appearances:

John Ford - Information Only
 FQUA Customers
 7802 Lachlan Drive
 Trinity FL 34655
 Phone: 727-372-7868

Brian Pitts - Information Only
 Justice 2 Jesus
 Trustee
 1119 Newton Avenue South
 St. Petersburg FL 33705
 Phone: 727-897-9291

Robert Sheets - Proponent
 Florida Government Utilities Authority
 Systems Manager
 1500 Mahan Drive
 Tallahassee FL 32308
 Phone: 850-294-0749

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COMMITTEE MEETING REPORT

Finance & Tax Committee

12/1/2015 12:00:00PM

Location: Morris Hall (17 HOB)

HB 347 : Utility Projects (continued)

Appearances: (continued)

Kevin Dempsey - Proponent

Citigroup

Vice President

100 North Tampa Street #3750

Tampa FL 33602

Phone: 813-227-2057

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COMMITTEE MEETING REPORT

Finance & Tax Committee

12/1/2015 12:00:00PM

Location: Morris Hall (17 HOB)

HB 499 : Ad Valorem Taxation

Favorable

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Frank Artiles	X				
Lori Berman	X				
Randolph Bracy	X				
Jason Brodeur	X				
Matt Caldwell	X				
Robert Cortes	X				
Jay Fant	X				
Jared Moskowitz			X		
Ray Rodrigues	X				
José Rodríguez	X				
Hazelle Rogers	X				
Richard Stark	X				
Jennifer Sullivan	X				
John Tobia	X				
Jay Trumbull	X				
Charles Van Zant	X				
Ritch Workman			X		
Matt Gaetz (Chair)	X				
Total Yeas: 16		Total Nays: 0			

Appearances:

Bill Coleman - Information Only

FAPTP

Vice President Marvin F. Poer & Co.

930 Woodcock Road Suite 200

Orlando FL 32803

Phone: 321-732-7001

Jeff Mandler - Information Only

100 SE 20th Street #2900

Miami FL 33131

Phone: 305-375-6510

Travis Moore (Lobbyist) - Information Only

Flord Property Taxpayers Association

P.O. Box 2020

St. Petersburg FL 33731

Phone: 727-421-6902

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COMMITTEE MEETING REPORT

Finance & Tax Committee

12/1/2015 12:00:00PM

Location: Morris Hall (17 HOB)

HB 499 : Ad Valorem Taxation (continued)

Appearances: (continued)

Cleaver, Martha (Lobbyist) - Proponent
Florida Association of Property Appraisers, Inc
Governmental Consultant
PO Box 11275
Tallahassee FL 32302-1275
Phone: (850)491-1945

Scher, Jessica (Lobbyist) - Waive In Support
United Way of Miami-Dade
Director Public Policy
3250 S.W. 3rd Avenue
Miami FL 33129
Phone: 305-322-6143

Mendez-Cartaya, Iraida (Lobbyist) - Information Only
Miami-Dade County Public Schools
Associate Superintendent
1450 NE Second Ave Ste 562
Miami FL 33132
Phone: (305)995-1497

COMMITTEE MEETING REPORT

Finance & Tax Committee

12/1/2015 12:00:00PM

Location: Morris Hall (17 HOB)

Presentation/Workshop/Other Business Appearances:

Rick Scott - Information Only
Executive Office of the Governor
Governor
The Capitol, PL-01
Tallahassee FL 32399

Timothy Comerford - Information Only
Biggins Lacy Shapiro & Co.
47 Hulfish Street
Princeton NJ 07854
Phone: 973-903-6685

Florida Brownfields
Sznajstajler, Michael (At Request Of Chair) (General Public) - Proponent
Florida Brownfield Association
undefined
149 South Ridgewood Avenue
Daytona Beach FL
Phone: 386-323-9222

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\$1 BILLION IN TAX CUTS



GOVERNOR RICK SCOTT Fiscal Year 2016-17



*House of Representatives
Finance and Tax Committee
December 1, 2015*

\$1 BILLION IN TAX CUTS



GOVERNOR RICK SCOTT Record of Economic Growth



www.flgov.com • rick.scott@eog.myflorida.com • (850) 488-7146

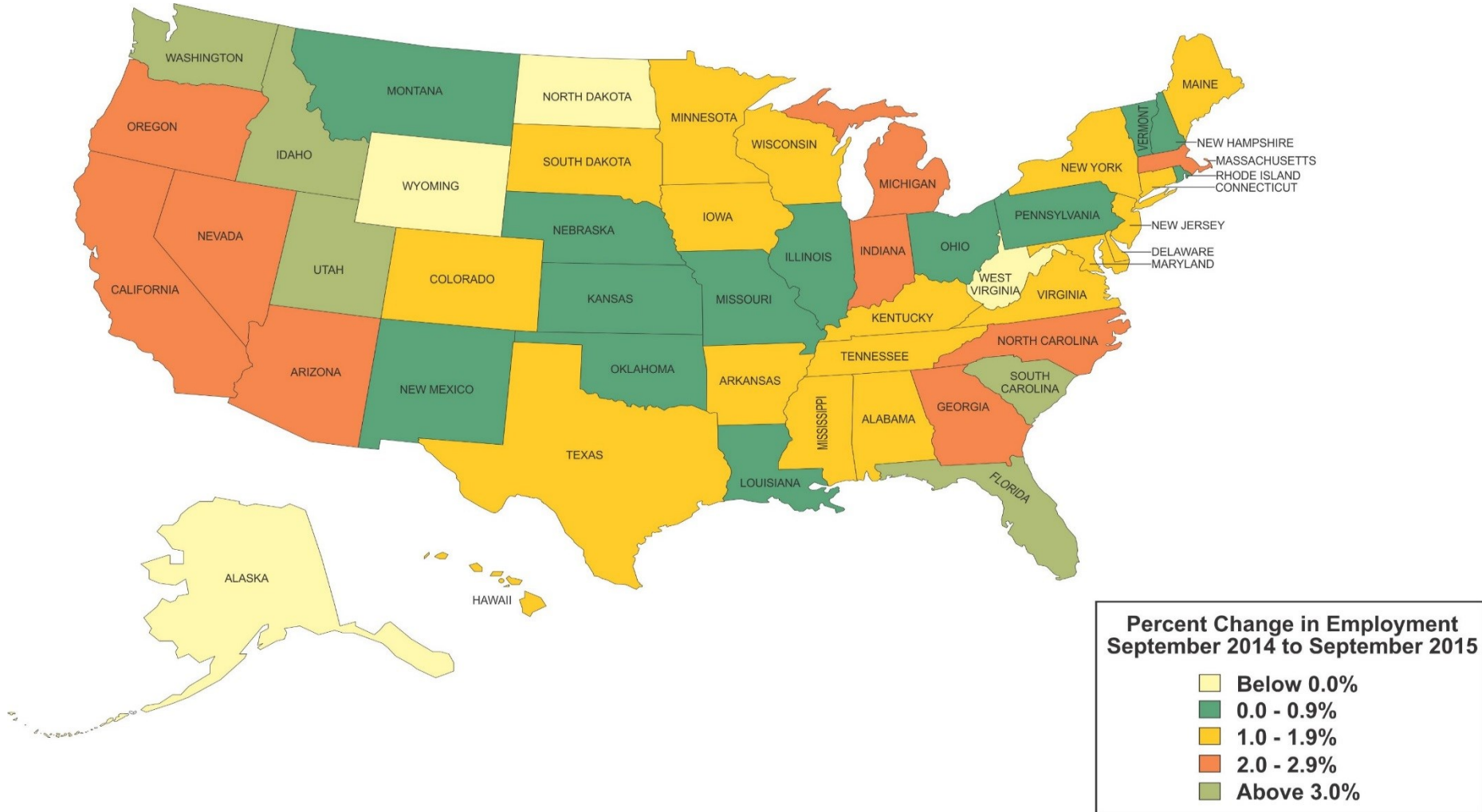


Total Jobs Added (or Lost) Since December 2010
Data Source: Florida Department of Economic Opportunity and the U.S. Department of Labor, Bureau of Labor Statistics

\$1 BILLION IN TAX CUTS



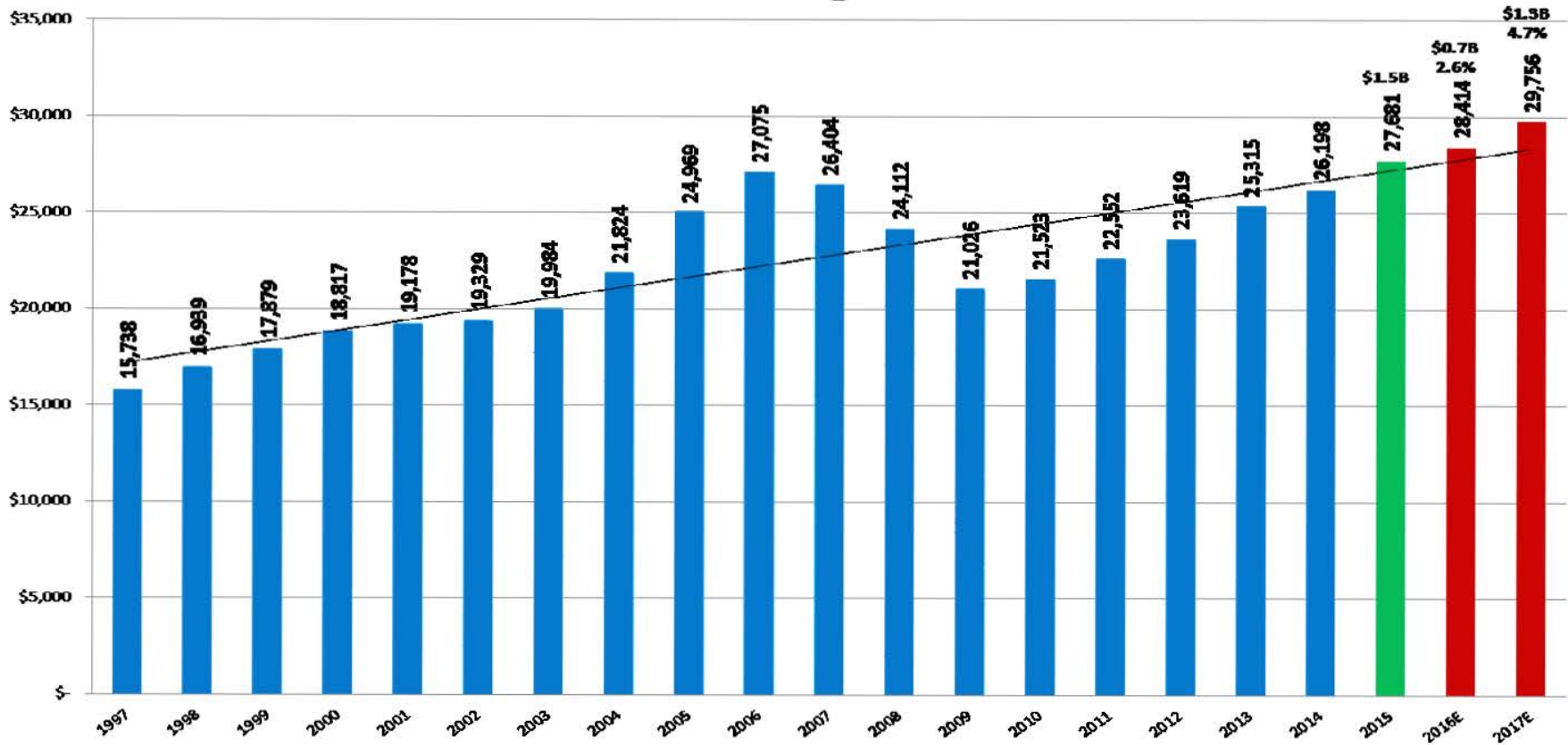
Florida Job Growth Compared to U.S.



\$1 BILLION IN TAX CUTS



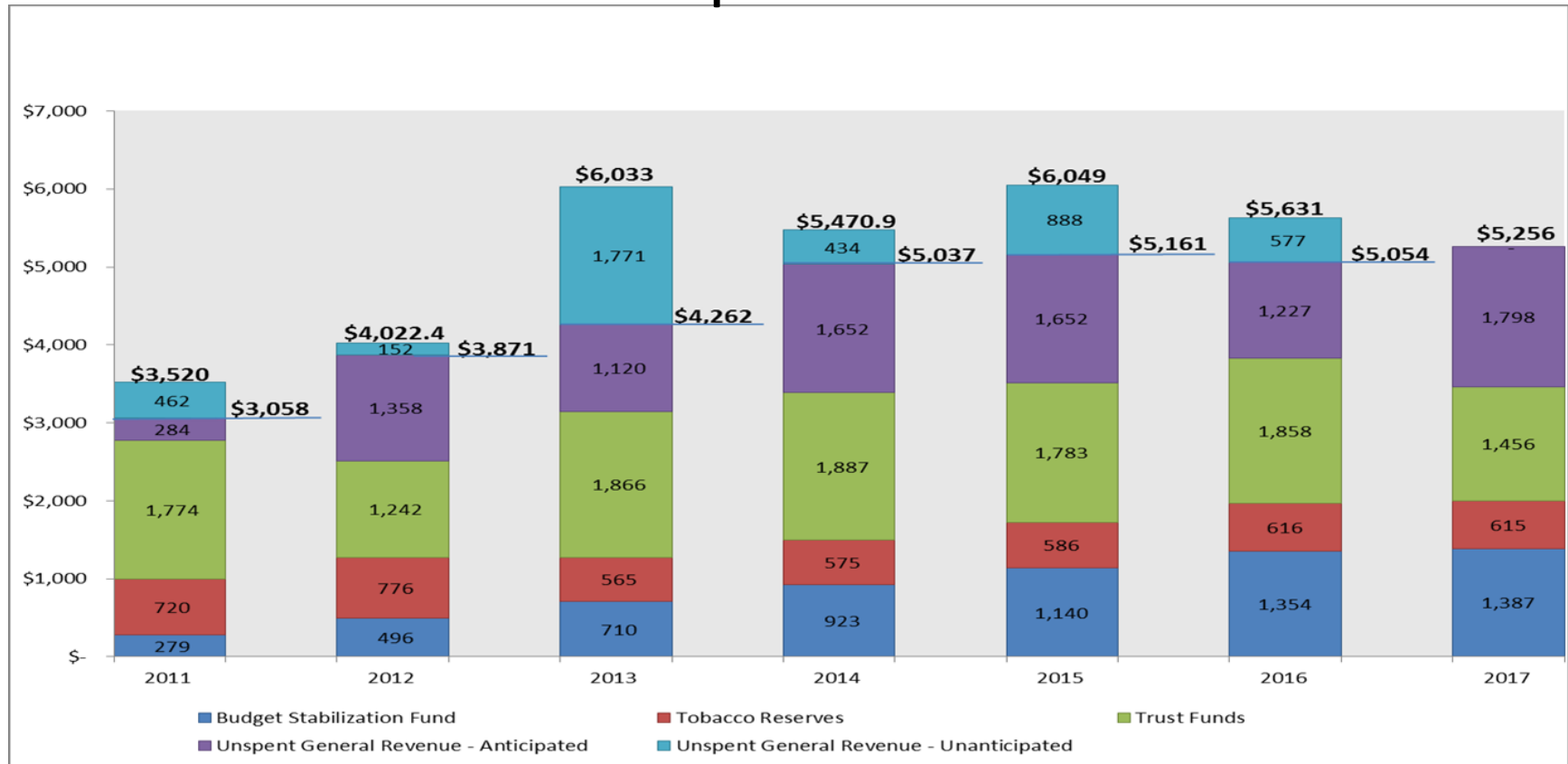
General Revenue - August 2015 REC



\$1 BILLION IN TAX CUTS



Governor's Budget Recommendations Actual and Anticipated Reserves



\$1 BILLION IN TAX CUTS



STRENGTHENING & DIVERSIFYING FLORIDA'S ECONOMY

\$770 MILLION IN SAVINGS ANNUALLY FOR FLORIDA BUSINESSES WITH THE PERMANENT ELIMINATION OF THE INCOME TAX ON RETAIL AND MANUFACTURING

DRIVING DIVERSIFICATION

\$76.9 MILLION IN ANNUAL SAVINGS FOR MANUFACTURERS WITH THE PERMANENT ELIMINATION OF THE SALES TAX ON MACHINERY AND EQUIPMENT

HELPING SMALL BUSINESSES GROW & EXPAND

\$339 MILLION IN SAVINGS OVER THE NEXT TWO YEARS WITH A CUT IN THE SALES TAX ON COMMERCIAL LEASES

PUTTING MORE MONEY IN YOUR POCKET, NOT GOVERNMENT

**\$46.5 MILLION IN SAVINGS BY CUTTING THE SALES TAX ON COLLEGE TEXTBOOKS
\$72.8 MILLION IN SAVINGS WITH SALES TAX HOLIDAYS FOR BACK TO SCHOOL AND DISASTER PREPAREDNESS**

\$1 BILLION IN TAX CUTS



STRENGTHENING & DIVERSIFYING FLORIDA'S ECONOMY

Corporate Income Tax

- **Recommendation:** Permanently eliminate the corporate income tax for manufacturers and retailers
 - Businesses will save an estimated \$770 million annually
 - Businesses will save an estimated \$384 million in FY 2016-17
 - Identical impacts on the General Revenue Fund
- Savings benefit Florida businesses
 - Reduce costs
 - Attract more businesses to Florida
 - Help businesses, small and large, expand and grow jobs
 - Help diversify Florida's economy

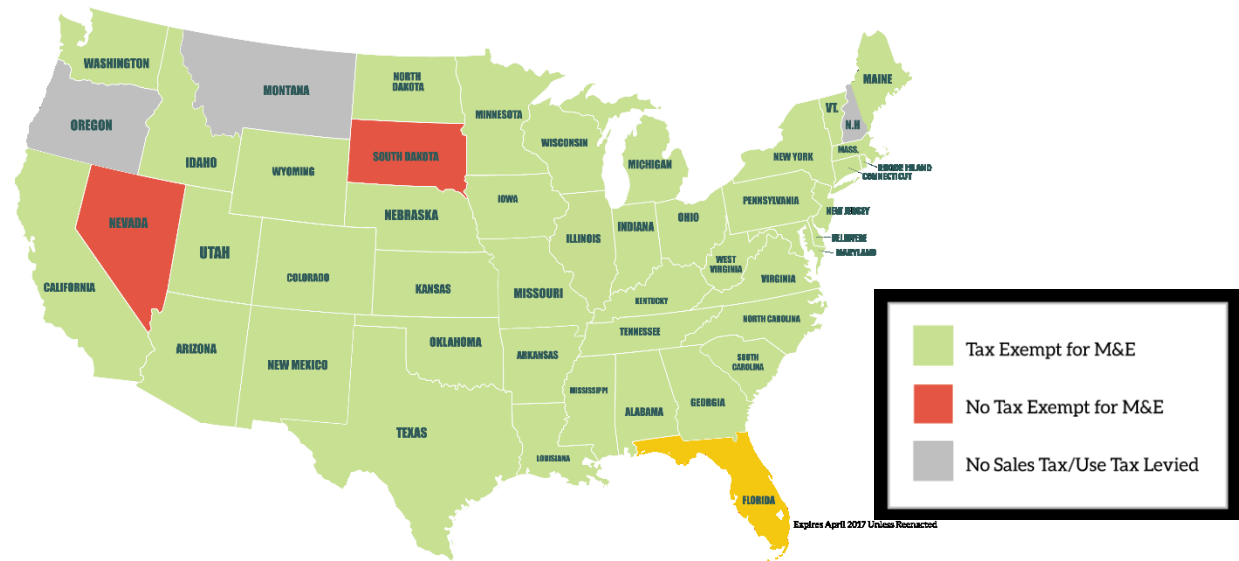
\$1 BILLION IN TAX CUTS



DRIVING DIVERSIFICATION

Eliminating the Sales Tax on Manufacturing Machinery and Equipment

- In 2013, the Governor proposed permanent elimination of the sales tax for the purchase of manufacturing machinery and equipment
 - The Legislature passed
 - Florida needs to perma
- re with other states



\$1 BILLION IN TAX CUTS



DRIVING DIVERSIFICATION

Eliminating the Sales Tax on Manufacturing Machinery and Equipment

- **Recommendation:** Permanently eliminate the sales tax on purchase of manufacturing machinery and equipment
- Eliminating this sales tax will boost Florida manufacturing competitiveness and increase jobs
- Florida businesses are expected to save \$76.9 million per year, beginning in FY 2017-18
 - General Revenue -\$62.8 million
 - Local -\$14.1 million

\$1 BILLION IN TAX CUTS



HELPING SMALL BUSINESSES GROW & EXPAND

Sales Tax Cut on Commercial Rent

- Florida is the only state in the nation to tax commercial rent
- **Recommendation:** Cut the sales tax on commercial rent in two ways -
 - 1% tax cut for calendar year 2017
 - Annual tax cut of 0.36% thereafter
- Over the next two fiscal years, businesses will save \$339 million

\$1 BILLION IN TAX CUTS



PUTTING MORE MONEY IN YOUR POCKET, NOT GOVERNMENT

College Textbook Sales Tax Exemption

- In 2015, the Governor proposed and the Legislature passed a one year sales tax exemption for the purchase of college textbooks
- **Recommendation:** Extend the sales tax exemption on college textbooks for one additional year
- College students will save an estimated \$46.5 million per year, or \$60 to \$75 per student per year
 - General Revenue -\$38.0 million
 - Local -\$8.5 million

\$1 BILLION IN TAX CUTS



PUTTING MORE MONEY IN YOUR POCKET, NOT GOVERNMENT

Back to School Sales Tax Holiday

- **Recommendation:** Provide a 10-day back to school sales tax holiday in 2016
- The sales tax holiday will exempt:
 - Clothing (\$100 or less)
 - School supplies (\$15 or less)
 - Computers (the first \$750 of the price)
- Florida families will save an estimated \$68.7 million
 - General Revenue -\$56.1 million
 - Local -\$12.6 million

\$1 BILLION IN TAX CUTS








PUTTING MORE MONEY IN YOUR POCKET, NOT GOVERNMENT

Disaster Preparedness Sales Tax Holiday

- **Recommendation:** Provide a 9-day disaster preparedness sales tax holiday in 2016
- The sales tax holiday will exempt:
 - Self-powered lights (\$20 or less) and radios (\$50 or less)
 - Waterproof sheeting (\$50 or less)
 - Portable generators (\$750 or less)
 - Other items, including first aid kits, anchor systems, gas tanks, batteries, food storage coolers and reusable ice
- Florida families will save an estimated \$4.1 million
 - General Revenue -\$3.4 million
 - Local -\$0.7 million

\$1 BILLION IN TAX CUTS



-  **PERMANENTLY ELIMINATE INCOME TAX ON MANUFACTURING AND RETAIL BUSINESSES**
\$770 MILLION IN ANNUAL SAVINGS FOR RETAILERS AND MANUFACTURERS
-  **PERMANENTLY ELIMINATE THE TAX ON MANUFACTURING MACHINERY AND EQUIPMENT**
\$76.9 MILLION IN ANNUAL SAVINGS FOR MANUFACTURERS
-  **CUT THE TAX ON COMMERCIAL LEASES**
\$339 MILLION IN SAVINGS FOR FLORIDA BUSINESSES OVER THE NEXT 2 YEARS
-  **EXTEND THE SALES TAX EXEMPTION ON COLLEGE TEXTBOOKS**
\$46 MILLION IN SAVINGS FOR COLLEGE STUDENTS
-  **SAVINGS FOR FAMILIES WITH SALES TAX HOLIDAYS**
\$72.8 MILLION IN SAVINGS FOR BACK TO SCHOOL AND DISASTER PREPAREDNESS

\$1 BILLION IN TAX CUTS



Governor's Tax Cut Proposal		Revenue Impacts FY 16/17					
		General Revenue		Local Gov't		Total	
		Cash	Recurring	Cash	Recurring	Cash	Recurring
Corporate Income Tax	Manufacturing and Retail: for tax years beginning January 1, 2017	\$ (384.9)	\$ (769.7)			\$ (384.9)	\$ (769.7)
Sales Tax: M&E	Permanent Extension of Exemption (current expiration 4/30/2017)	\$ -	\$ (59.7)	\$ -	\$ (13.4)		\$ (73.1)
Sales Tax: Textbooks	One Year Exemption Extension through June 2017	\$ (36.2)	\$ -	\$ (8.0)	\$ -	\$ (44.2)	
Sales Tax: Commercial Rent	Rate Reduction of 0.36%: Eff. 1-1-17	\$ (38.1)	\$ (91.5)	\$ (4.9)	\$ (11.8)	\$ (43.1)	\$ (103.3)
	1-year rate reduction of .64%: Effective for Calendar Year 2017	\$ (67.8)	\$ -	\$ (8.8)		\$ (76.5)	
Sales Tax Holidays	Back to School (10 days): August 2016	\$ (56.1)	\$ -	\$ (12.6)	\$ -	\$ (68.7)	
	Disaster Preparedness: May/June 2017	\$ (3.4)	\$ -	\$ (0.7)	\$ -	\$ (4.1)	
TOTALS		\$ (586.5)	\$ (920.9)	\$ (35.0)	\$ (25.2)	\$ (621.5)	\$ (946.1)
	Non-recurring Impacts for 2017-18						
Sales Tax: Commercial Rent	1-year rate reduction of .64%: Effective for Calendar Year 2017	\$ (99.1)		\$ (12.8)		\$ (111.9)	
Sales Tax: Textbooks	One Year Exemption Extension through June 2017	\$ (1.8)	\$ -	\$ (0.5)	\$ -	\$ (2.3)	
Totals	Recurring plus non-recurring only:	\$ (1,084.4)				\$ (1,139.7)	
Totals	Recurring plus 2-year non-recurring:					\$ (1,251.6)	