

Meeting Minutes  
Finance and Taxation Committee  
Conference Call  
232 Holland Building  
Tallahassee, Florida  
Monday, November 5, 2007  
4:00 p.m. – 5:00 p.m.

**Committee Members:** *Susan Story, Chair; Barney Barnett, Martha Barnett, Julia Johnson, Bruce Kyle, Patricia Levesque, John McKay, Randy Miller, James Scott, Kenneth Wilkinson, Brian Yablonski, Ex-officio: Gwen Margolis*

**Members Present:**

Susan Story, Chair  
Barney Barnett  
Julia Johnson  
Gwen Margolis  
John McKay  
Randy Miller  
James Scott  
Kenneth Wilkinson  
Brian Yablonski

**Members Absent:**

Martha Barnett  
Bruce Kyle  
Patricia Levesque

Chair Susan Story called the Finance and Tax meeting to order at 4:01 pm. The chair determined that a quorum was present (Roll Call was completed later in the meeting to confirm the presence of a quorum.)

Chair Story outlined the objective for the meeting. Members have sent in their top priority issues for discussion and staff has compiled a list of those issues, and analyzed the list to determine the issues most frequently included in members' priorities. Chair Story asked the group if the committee wants to put forward a limited number of broad proposals to capture the issues of most importance to the committee. It is assumed that there will be additional individual member proposals that may touch on the same issues, but the committee proposals would be able to serve as base documents, and guidance to the consideration of other proposals. The Chair indicated that it would be her intent, in order to comply with Sunshine Law issues, to name a lead member of the committee to work with staff on any proposals that the committee decides to advance.

After discussion, the committee decided to go ahead with the concept of developing a limited number of broad proposals for future consideration. Chair Story then called on

staff to review the results of the priority list exercise. Staff reported that the top four areas named by committee members were:

- Property Tax (including: Replacement of RLE, portability, fair and equitable tax system)
- Sales Tax Exemption Review
- Streamlining Project – Collection of Remote Sales and Use Taxes
- Spending Caps for State and Local Governments

The committee had discussion about each of the topics on the short list. It was decided that the property tax issues should be addressed separately in the drafting process.

Several members expressed concern about putting forth a proposal on replacement of RLE without including a specified source of revenue replacement. Commissioner Gwen Margolis noted that sales taxes are less stable than property taxes in uncertain economic times.

Commissioner Ken Wilkinson noted that since the legislature had already addressed the issue of portability, the committee should be careful in its approach so as not to do any damage to the January 29 ballot discussions. The committee agreed.

Commissioner Randy Miller indicated that he thought the group had already agreed to put forth a proposal on streamlining. Chair Story responded that while the group had agreed to ask staff to pursue drafting a proposal, the committee has not had a chance to fully debate and vote on the proposal, or whether to move ahead with it.

Commissioner James Scott noted that there has been much talk about the concept of state and local government caps, and that at a minimum, the committee should hear the issue.

Commissioner John McKay asked for a brief recap of the issues already presented and then asked for the committee to consider adding a review of Sales Tax Exclusions (including sales tax on services) to the list. He spoke about the disparity in the system and how some things are taxed at the commercial, but not the residential, level, and noted that the service sector is the fastest growing component of the state's economy. He closed by saying that it would be short-sighted not to at least review the issue in light of its future importance to the state. Commissioner Julia Johnson indicated that she thought that the issue should be considered separately from sales tax exemptions, but should be considered. After a brief discussion, the committee voted to include a review of Sales Tax Exclusions on the list of issues to be addressed as committee proposals.

Chair Story told the committee that it would be her intent to assign lead commissioners for each of the subject areas identified. She asked for volunteers to be considered as lead members for each of the issues, but reminded members that there were other members not on the call, and she would reserve the right to make assignments after speaking to other members. She thanked all of the members for volunteering and noted that she assumed that they would all be willing to work, as assigned.

Chair Story then asked the group for suggestions for additional meeting dates. The committee will meet on November 16, from 8:30 am – 10:30 am, in Tallahassee, as part of a normal commission meeting day. The Chair asked the committee to consider adding a meeting on November 15 or November 28 in addition to the scheduled meeting date of November 30 in Tallahassee. Members were asked to respond to staff regarding availability on those dates.

There being no further business before the committee, the meeting was adjourned at 4:59 pm.