

**SIDE BY SIDE COMPARISON OF CS FOR CP0002, FIRST ENGROSSED AND  
CS FOR CP0002, SECOND ENGROSSED BY THE STYLE AND DRAFTING COMMITTEE**

	<b>CS for CP0002, First Engrossed</b>	<b>CS for CP0002, Second Engrossed by the Style and Drafting Committee</b>
<b>Limits on Increases on the Assessments on Non-Homestead Property</b>	<p>ARTICLE VII</p> <p>SECTION 4 Taxation;</p> <p>assessments.--</p> <p>(f)</p> <p>(1) Assessments subject to this subsection shall be changed annually on the date of assessment provided by law; but those changes in assessments shall not exceed <u>five</u> <del>ten</del> percent <u>(5%)</u> <del>(10%)</del> of the assessment for the prior year.</p> <p>(g)</p> <p>(1) Assessments subject to this subsection shall be changed annually on the date of assessment provided by law; but those changes in assessments shall not exceed <u>five</u> <del>ten</del> percent <u>(5%)</u> <del>(10%)</del> of the</p>	<p>Same, except that an effective date was added in a new section of the Schedule.</p>

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	assessment for the prior year.	
<b>Property Tax Millage Limit for School Purposes</b>	<p>ARTICLE VII</p> <p>SECTION 9. Local taxes.--</p> <p>(b) Ad valorem taxes, exclusive of taxes levied for the payment of bonds and taxes levied for periods not longer than two years when authorized by vote of the electors who are the owners of freeholds therein not wholly exempt from taxation, shall not be levied in excess of the following millages upon the assessed value of real estate and tangible personal property:</p> <p>. . . for all school purposes, <u>five</u> <del>ten</del> mills; . . .</p>	Same, except that an effective date was added in a new section of the Schedule.

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<b>Catch Line</b>	<u>SECTION 19. Replacement of the ad valorem property taxes set by the legislature under the Florida Education Finance Program.--</u>	<u>SECTION 19. Replacement of ad valorem taxes required by the legislature with other funds for education.--</u>
<b>Elimination of Required Local Effort</b>	<p><u>(a) The legislature shall eliminate the ad valorem property tax applicable to assessments beginning January 1, 2011, set as the required local effort for all school districts under the Florida Education Finance Program, or its successor in function.</u></p> <p><b><i>First Half of Subsection (c)</i></b></p> <p><u>(c) Commencing in the 2011-2012 fiscal year and each fiscal year thereafter, the legislature shall be prohibited</u></p>	<p><u>(a) Commencing in the 2010-2011 fiscal year, the legislature shall be prohibited from requiring school districts to levy an ad valorem tax as a required local effort for participation in the Florida Education Finance Program or a successor program.</u></p>

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	<u>from requiring the levy of an ad valorem property tax as a required local effort for participation by school districts in the Florida Education Finance Program, or successor in function.</u>	
<b>Revenues to Replace Required Local Effort</b>	<p><u>Thereafter, the full revenue impact of the elimination of the required local effort shall be offset by:</u></p> <p><u>(1) the repeal of sales tax exemptions determined not to advance or serve a public purpose, except for the current exemptions for: food; prescription drugs; health</u></p>	<p><u>(b) (1) The legislature shall replace the revenue impact of the elimination of the required local effort as provided in subsection (a) through one or more of the following options:</u></p> <p><u>a. the repeal of sales tax exemptions, which are determined not to advance or serve a public purpose, except for the current exemptions for: food; prescription</u></p>

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	<p><u>services; charitable and religious institutions; and residential rent, electricity and heating fuel, which exemptions advance tax fairness;</u></p> <p><u>(2) a sales tax increase of up to one cent in the sales tax rate in existence on January 6, 2009; and</u></p> <p><u>(3) spending reductions for other components of the state budget and revenue increases resulting from economic growth</u></p>	<p><u>drugs; health services; charitable organizations; religious organizations; residential rent, electricity and heating fuel; sales of tangible personal property purchased for resale or imported, produced, or manufactured in this state for export; sales of real property; and sales of intangible personal property.</u></p> <p><u>b. an increase of up to one percentage point to the sales and use tax rate in existence on January 6, 2009.</u></p> <p><u>c. spending reductions for other components of the state budget and revenue increases resulting from economic growth</u></p>

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	<u>attributable to lower property taxes; and</u> <u>(4) other revenues identified or created by the legislature.</u>	<u>attributable to lower property taxes.</u> <u>d. other revenues identified or created by the legislature.</u>
<b>Education Hold Harmless Amount</b>	<u>In implementing and adopting the legislative actions enumerated in this section, the amount appropriated in the General Appropriations Act in the 2010-2011 fiscal year shall be not less than the amount appropriated in the 2008-2009 fiscal year for the funding of public schools under the Florida Education Finance Program, as increased by the average historical growth for such amounts during the prior two state fiscal years, which</u>	<u>(2) In implementing this section, the amount appropriated and set in the General Appropriations Act in the 2010-2011 fiscal year shall not be less than the amount appropriated and set in the 2008-2009 fiscal year for the funding of public schools under the Florida Education Finance Program, as increased by the average historical growth for such amounts during state fiscal years 2006-2007 and 2007-2008, which</u>

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	<u>appropriated amounts shall be referred to as the "education hold harmless amount."</u>	<u>appropriated and set amount shall be referred to as the "education hold harmless amount."</u>
<b>Protection of School Property Taxes Outside of the Florida Education Finance Program</b>	<p><b><i>Second Half of Subsection (c)</i></b></p> <p><u>Nothing contained in this section replaces or eliminates: the ad valorem tax millage dedicated to capital outlay, school renovation and repair, or for the payment of lease purchase obligations authorized by general law; voter-approved millage authorized in the constitution; or discretionary ad valorem millage for school districts authorized by law.</u></p>	<p><u>(3) Nothing contained herein shall be construed to replace or eliminate: the ad valorem tax millage dedicated to capital outlay, school renovation and repair, or for the payment of lease purchase obligations authorized by general law; voter-approved millage authorized in the constitution; or discretionary ad valorem millage for school districts authorized by law.</u></p>

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<b>Restriction on Creation of New Sales Tax Exemptions</b>	<p><u>(b) Each law creating a sales tax exemption shall contain the single subject-matter of a single exemption and a legislative finding that the exemption advances or serves the public purpose of: encouraging economic development and competitiveness; supporting educational, governmental, literary, scientific, religious, or charitable initiatives or institutions; or securing tax fairness.</u></p>	<p><u>(c) Each law creating a sales tax exemption shall contain the single subject of a single exemption and a legislative finding that the exemption advances or serves the public purpose of: encouraging economic development and competitiveness; supporting educational, governmental, literary, scientific, religious, or charitable initiatives or organizations; or securing tax fairness.</u></p>
<b>Definitions</b>	<p><u>(d) The term "required local effort" means the ad valorem property taxes set by the legislature pursuant to section 1011.62(4), Florida Statutes.</u></p>	None.

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	<p><u>Such term does not include the voter-approved millage currently authorized in section 1011.73, Florida Statutes, or the discretionary ad valorem tax millage authorized in section 1011.62(5) and 1011.71(1), Florida Statutes.</u></p>	
Effective and Implementation Dates	None.	<p>ARTICLE XII</p> <p>SCHEDULE</p> <p><u>SECTION 28. Implementation of school property tax reform.--</u></p> <p><u>(a) The amendments to Section 4 of Article VII reducing the maximum annual change in assessments for non-homestead properties to five percent (5%) from ten percent (10%) shall take effect</u></p>

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		<u>January 1, 2009.</u> <u>(b) The amendment to</u> <u>Section 9 of Article VII</u> <u>reducing to five mills from</u> <u>ten mills the authorized ad</u> <u>valorem millage for school</u> <u>purposes shall take effect</u> <u>January 1, 2010.</u>