

**DRAFT**

SECTION 19. Replacement of ad valorem taxes set by the legislature with other funds for education.--

50 → (a) Commencing in the 2010-2011 fiscal year, the legislature <sup>shall</sup> ~~may~~ not require 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.

(b) The legislature shall replace the revenue impact of the elimination of the required local effort as provided in subsection (a) ~~and~~ through a combination of the following actions:

→ which are determined not to advance or serve a public purpose

2- (1) the repeal of sales tax exemptions, <sup>except for the</sup> current exemptions for: food; prescription drugs; health services; <sup>charitable organizations; religious organizations;</sup> residential rent, electricity and heating fuel, which exemptions advance tax fairness; sales of tangible personal property purchased for resale or imported, produced, or manufactured in this state for export; sales of real property; or sales of intangible personal property;

(2) an increase of up to one percentage point to the sales and use tax rate imposed by chapter 212, Florida Statutes;

(3) spending reductions <sup>for other components of</sup> ~~within~~ the state budget ~~and~~ ~~and~~ revenue increases resulting from economic growth attributable to lower property taxes; and

<sup>4</sup>  
(4) other revenues identified or created by the legislature.

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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~~ <sup>be</sup> not <sup>and set</sup> less than the amount appropriated <sup>in</sup> 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~~ <sup>2006-2007 and 2007-2008</sup> state fiscal years, ~~which~~ <sup>2006-2007 and 2007-2008</sup> ~~appropriated amounts~~ shall be referred to as the "education hold harmless amount."

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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.

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(c)(1) 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.

BE IT FURTHER RESOLVED that the following statement be placed on the ballot:

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CONSTITUTIONAL AMENDMENT

ARTICLE VII, SECTIONS 4, 9, AND 19

REPLACEMENT OF SCHOOL PROPERTY TAXES AS REQUIRED LOCAL  
EFFORT SET BY LEGISLATURE

## DRAFT

Directing legislature to replace  
required local property taxes for public  
school funds with other state revenues  
through combination of: repealing sales tax  
exemptions; ~~and~~ increasing sales tax rate up to one 30  
cent; spending reductions; or, other revenues.

Excluded from <sup>sales tax</sup> repeal are <sup>certain</sup> current exemptions

including food, prescription drugs, health services,

residential rent and utilities.

Limiting subject matter of laws -  
granting future exemptions. Limiting annual increases in  
assessment of non-homestead real property. Reducing the  
authorized millage for school purposes.

YES

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