

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1105 Tax on sales, use, and other transactions
SPONSOR(S): Rep. Mayfield
TIED BILLS: None **IDEN./SIM. BILLS:** SB 234

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Agriculture	6 Y, 8 N	Kaiser	Reese
2) Finance & Taxation			
3) Agriculture & Environment Appropriations			
4) Appropriations			
5)			

SUMMARY ANALYSIS

Since 1992, ostrich feed sales have been exempt from sales tax as a miscellaneous exemption under paragraph (d) of subsection (7) of section 212.08, F.S. The initial purpose of the exemption was to help a fledgling industry.

This legislation removes the tax exemption for ostrich feed.

This bill has no impact on county or municipal governments and has an effective date of July 1, 2004.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h1105a.ag.doc
DATE: March 11, 2004

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|------------------------------|--|---|
| 1. Reduce government? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

Lower Taxes: The tax exemption for ostrich feed sales is removed.

B. EFFECT OF PROPOSED CHANGES:

Since 1992, ostrich feed sales have been exempt from sales tax as a miscellaneous exemption under paragraph (d) of subsection (7) of section 212.08, F.S. The initial purpose of the exemption was to help a fledgling industry.

This legislation removes the tax exemption for ostrich feed.

C. SECTION DIRECTORY:

Section 1: Amending s. 212.08, F.S.; removing the exemption for ostrich feed.

Section 2: Providing an effective date of July 1, 2004.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The private sector will incur some additional expenses in the amount of sales tax paid on ostrich feed purchases.

D. FISCAL COMMENTS:

It is estimated that the amount of sales tax revenue that will be generated because of this act is insignificant.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require counties or municipalities to take an action requiring the expenditure of funds, does not reduce the authority that counties or municipalities have to raise revenues in the aggregate, and does not reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None