



Under the Local Government Half-Cent Sales Tax Program, the State of Florida returns 9.653% of sales tax proceeds to cities and counties.

In October 1, 2001 the Communications Services Tax Simplification Law replaced certain franchise and utility fees with telecommunication sales taxes. This change accounts for the large increase in this revenue for FY 2001/02 and a corresponding decrease in Utility Taxes for the same time period. This law is intended to simplify the tax structure for telecommunications and cable services. For fiscal year 2003/04 Telecommunications Sales Tax receipts have been budgeted at nearly the same level as the previous year.

Other Sales Tax revenues had been increasing steadily by an average of 5% per year for fiscal years 1996/97 - 2000/01. These revenues began to grow more slowly in the latter part of FY 2000/01 with the economic downturn. In fiscal year 2003/04 Sales Tax Revenues will generate an estimated \$6,105,580 for the General Fund, an increase of only 4.4% over fiscal year 2002/03 estimates.

The anticipated receipts of the Telecommunications/Sales Tax category will be approximately \$14,230,580 in the new fiscal year, representing 14.3% of General Fund Revenues.