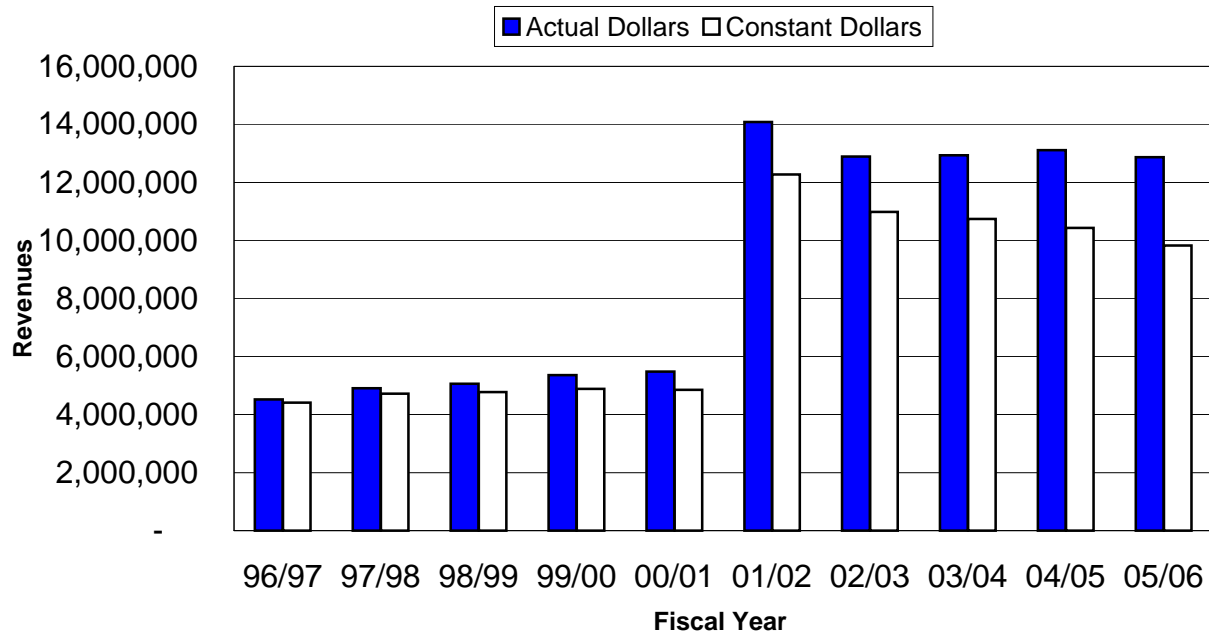


Communications Services/ Sales Tax



This graph combines the Local Government Half-Cent Sales Tax and the Communications Services Tax.

Under the Local Government Half-Cent Sales Tax Program, the State of Florida returns 9.653% of sales tax proceeds to cities and counties. Sales tax revenues have been increasing by an average of 4.1% per year for fiscal years 2000/01 - 2003/04, despite the slower economy. In fiscal year 2005/06 Sales Tax Revenues will generate an estimated \$6,325,000 for the General Fund, an increase of 0.6% over fiscal year 2004/05 estimates.

Effective October 1, 2001, the Communications Services Tax Simplification Law replaced certain franchise and utility fees. This law is intended to simplify the tax structure for telecommunications and cable services. These revenue receipts have been very inconsistent so far. They were \$820,000 more than anticipated in 2002, then \$1.1 million and \$1.3 million less than anticipated in 2003 and 2004. Receipts for 2005 have been close to the amount budgeted. Fiscal year 2005/06 receipts have been budgeted at 4.1% less than budgeted in the previous year based upon estimates provided by the Department of Revenue.

The anticipated receipts of the Communications Services/Sales Tax category will be approximately \$12,872,070 in the new fiscal year, representing 11.6% of General Fund Revenues.