



# **Local Option Tourist Taxes: A Case for Change and Equity**

**Budget/CIP and Grants Division  
November 2013**



Florida cities have a vast number of attractions that make them perfect for tourism including beaches, natural parks, theme parks, and cultural offerings. When combined with the State's tropical climate, Florida cities serve as perfect year-round destinations for domestic and international tourists. Although tourism is positive for Florida businesses and cities, it also creates an additional responsibility for City service provision. It is important to ensure that city residents are not asked to financially support the expenses associated with increased tourism. These expenses should be borne by the tourists.

Local Option Tourist Taxes in the State of Florida are a significant source of revenue, especially for coastal and urban communities that host numerous visitors throughout the year. There are three types of Local Option Tourist Taxes; Local Option Transient Rental Taxes, Food and Beverage Taxes, and Municipal Resort Taxes. This paper will focus on the Local Option Transient Rental Taxes, which is also commonly referred to as "Bed Tax." The Bed Tax is applied to each short-term room rental, less than six months, within the County. The levy and use of these taxes is primarily governed by Florida State Statutes 125.0104 and 212.0305, which are included as Appendix "A".

### **Local Option Transient Rental Taxes (Bed Tax)**

There are four types of taxes that fall under the Local Option Transient Rental Taxes or Bed Tax umbrella:

- Tourist Development Tax
- High Tourism Impact Tax
- Professional Sports Franchise Facility Tax
- Convention Development Tax

Most Florida counties levy a Bed Tax with the exception of five: Calhoun, Hardee, Lafayette, Liberty, and Union. The various Bed Taxes outlined above are levied on the total amount charged to every person who rents or leases any living quarters or accommodations such as a hotel/motel, apartment, rooming house, mobile home/RV park, condominiums, timeshare or home rented for a period of six months or less. An overview for each subcategory of the Bed Tax is provided below.

#### ***Tourist Development Tax***

The Tourist Development Tax (TDT) is the first of the four types of Bed Taxes that a county can levy. The Tourist Development Tax can be levied at 1 or 2 percent, depending on each county's ordinance. This tax can be increased to 3 percent after a minimum of three years after the effective date of the levy and imposition of the initial 2 percent tax.

The tourist tax revenue is used at a county level and limited to "authorized" uses, which based on guidelines provided in Florida State Statutes include the following (see Appendix A for entire statute):

1. To acquire, construct, extend, enlarge, remodel, repair, improve, maintain, operate, or promote one or more:
  - a. Publicly owned and operated convention centers, sports stadiums, sports arenas, coliseums, or auditoriums
  - b. Aquariums or museums
2. To promote zoological parks
3. To promote and advertise tourism in this state and nationally and internationally
4. To fund convention bureaus, tourist bureaus, tourist information centers, and news bureaus
5. To finance beach park facilities or beach improvement, maintenance, renourishment, restoration, and erosion control, including shoreline protection, enhancement, cleanup, or restoration of inland lakes and rivers to which there is public access as those uses relate to the physical preservation of the beach, shoreline, or inland lake or river.

### ***High Tourism Impact Tax***

The second type of Bed Tax that a county can levy is the High Tourism Impact Tax. Currently, only Broward, Monroe, Orange, Osceola, and Walton Counties have been designated as high tourism impact counties. To be considered a high tourism impact county, a county must have levied more than \$600 million in sales subject to the transient rental tax during the previous calendar year or the transient rental tax sales must have equated to 18 percent or more of the county's taxable sales. Counties that levy a Convention Development Tax are excluded from also levying a High Tourism Impact Tax.

A high impact county is eligible to levy an additional 1 percent above the initial allotted 3 percent for the Tourist Development Tax. The authorized uses for the High Tourism Impact Tax are the same as the Tourist Development Tax outlined above.

### ***Professional Sports Franchise Facility Tax***

The third type of Bed Tax that a county can levy is the Professional Sports Franchise Facility Tax. Counties are eligible to levy an additional 1 percent above the initial allotted 3 percent for the Tourist Development Tax for specific "authorized uses". The authorized uses are as follows (see Appendix "A" for entire statute):

1. Pay debt service on bonds issued to finance the construction, reconstruction, or renovation of a professional sports franchise facility, or the acquisition, construction, reconstruction, or renovation of a retained spring training franchise facility
2. Pay debt service on bonds issued to finance the construction, reconstruction, or renovation of a convention center
3. Pay the operation and maintenance costs of a convention center for a period of up to 10 years



4. Promote and advertise tourism in the State of Florida and nationally and internationally

In addition, counties are authorized to levy an additional 1 percent to which can be utilized as follows:

1. Pay debt service on bonds issued to finance:
  - a. The construction, reconstruction, or renovation of a facility either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise
  - b. The acquisition, construction, reconstruction, or renovation of a spring training franchise facility either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient
2. Promote and advertise tourism in the State of Florida, both nationally and internationally

### ***Convention Development Tax***

The last Bed Tax available for counties to levy is the Convention Development Tax. The Convention Development tax is only levied in Duval, Miami-Dade, and Volusia Counties in the State of Florida at this time. The Convention Development Tax can be levied at either 2 or 3 percent depending on the particular levy. There are five different types of Convention Development Taxes; the five Convention Development Taxes are listed below (see Appendix “A” for entire statute):

- Consolidated Government Levy for Convention Development
- Charter County Levy for Convention Development
- Special District Levy for Convention Development
- Sub-county Levy for Convention Development
- Special Levy for Convention Development

Together, the Tourism Development Tax (up to 3%), High Tourism Impact Tax (up to 1%), Professional Sports Franchise Facility Tax (up to 2%), and Convention Development Tax (up to 3%) are considered Local Option Transient Rental Taxes, or Bed Taxes. Another option available to counties is the Local Option Food and Beverage Tax, which can be levied at either 1 or 2 percent depending on the type of tax levied: Tourist Development Surtax or Domestic Violence & Homeless Tax. Only one county, Miami-Dade, is levying the Local Option Food and Beverage Tax at this time.

## Florida Urban Partnership Case Study Communities

Each County's use of the Local Option Tourism Taxes varies. In an effort to demonstrate the origination, distribution, and utilization of these taxes, seven cities, which are a part of the Florida Urban Partnership, are examined on the following pages. These cities are Fort Lauderdale, Jacksonville, Orlando, St. Petersburg, Tampa, Miami, and Hialeah.

### FORT LAUDERDALE

The Local Option Tourist Tax charged in the City of Fort Lauderdale is levied by Broward County. The Broward County Bed Tax Rate is 5 percent (3% Tourist Development Tax and 2% Professional Sports Franchise Facility Tax). For Fiscal Year 2013, Broward County has collected over \$20 Million in Bed Taxes from businesses located in the City of Fort Lauderdale. This constitutes 48.76% of the total \$41.3 Million collected in the entire County.

Despite the fact that almost 50 percent of the County tourist tax is generated within the City of Fort Lauderdale, the City has very little influence on how this revenue is allocated or spent. Four representatives of the eleven-member Tourist Development Council are from within the boundaries of the City; however, only one of those members actually represents the local government of Fort Lauderdale. The Tourist Development Council makes recommendations to the Board of County Commissioners regarding special projects or uses of the tourist development tax revenue to be spent within Broward County.

The 5% Local Option Transient Rental Tax collected in Broward County is disbursed amongst the categories listed below, based on Broward County's Fiscal Year 2014 proposed budget:

- Civic Arena Debt Service (\$10,045,870)
- Civic Arena Operations/Reserve (\$197,660)
- Greater Fort Lauderdale CVB Operations/Reserves (\$20,727,820)
- Convention Center Operations/Reserves (\$5,406,770)
- Beach Renourishment Capital Projects - Segment II Construction & All segments annual ongoing design/construction (\$6,780,860)
- Convention Center Capital Projects/Reserves (\$4,746,000)
- Broward Cultural Council Fund (\$600,000)
- Administrative Costs (\$445,250)

### FY 2013 Broward County Tourist Tax Receipts

Collection Area	Amount Collected	Percentage Collected
City of Fort Lauderdale	\$20,150,835	48.76%
All Other Broward County Cities	\$21,177,147	51.24%
<b>Total</b>	<b>\$41,327,982</b>	<b>100%</b>

## JACKSONVILLE

The Local Option Tourist Tax charged in the City of Jacksonville is levied by Duval County. The Duval County Bed Tax Rate is 6 percent (3% Tourist Development Tax; 1% Professional Sports Franchise Facility Tax; and 2% Consolidated County Convention Development Tax).

For Fiscal Year 2013, Duval County has collected over \$13.6 Million from businesses county-wide. Duval County does not report their Bed Tax collection by City, so there is no breakdown on the revenue generated.

Since Jacksonville is consolidated with Duval County, all nine members of the Tourist Development Council are from the City of Jacksonville. The Tourist Development Council makes recommendations to the County Commission on how this revenue should be spent within Duval County.

The 6% Local Option Transient Rental Tax is disbursed amongst the following categories according to the County's Fiscal Year 2014 proposed budget:

- Tourist Development Council (\$4,895,687)
- Capital Projects
  - Baseball Stadium (\$3,526,5870)
  - Municipal Stadium (\$500,000)
  - Memorial Arena (\$1,011,515)
- Municipal Stadium Debt/Operating (\$7,292,779)

### **FY 2013 Duval County Tourist Tax Receipts**

<b>Collection Area</b>	<b>Amount Collected</b>	<b>Percentage Collected</b>
<b>Duval County</b>	\$13,576,333	100%
<b>Total</b>	<b>\$13,576,333</b>	<b>100%</b>

## ORLANDO

The Local Option Tourist Tax charged in the City of Orlando is levied by Orange County. The Orange County Bed Tax is 6 percent (3% Tourist Development Tax; 1% High Tourism Impact Tax; and 2% Professional Sports Franchise Facility Tax).

For Fiscal Year 2013, Orange County has collected over \$161 Million from businesses county-wide. Orange County does not report their Bed Tax collection by City, so there is no breakdown on the revenue generated.

Like Fort Lauderdale, the City of Orlando also has a minimal influence on how these taxes are spent. The City has one official member on the Tourist Development Council (Mayor), which makes recommendations to the County Commission on how this revenue should be spent within Orange County.

The 6% Local Option Transient Rental Tax is disbursed amongst these categories per the Fiscal Year 2014 proposed budget:

- Convention Center Debt Service (\$72,881,307)
- Convention Center Capital Improvements (\$46,801,000)
- Convention Center Operations (\$10,000,000)
- Convention Center Grants (\$3,851,641)
- Visit Orlando (\$36,200,000)
- City of Orlando Community Venues (\$26,300,000)
- Orange County Regional History Center (\$2,500,000)
- Arts (3,400,000)

Through an inter-local agreement between Orange County, the City of Orlando, and the City of Orlando Community Redevelopment Agency, 6<sup>th</sup> cent revenues that are not pledged to bonded debt of up to \$270 million will be designated towards the Amway Center bond construction proceeds.

### **FY 2013 Orange County Tourist Tax Receipts**

<b>Collection Area</b>	<b>Amount Collected</b>	<b>Percentage Collected</b>
<b>Orange County</b>	\$161,093,100	100%
<b>Total</b>	<b>\$161,093,100</b>	<b>100%</b>

## ST. PETERSBURG

The Local Option Tourist Tax charged in the City of St. Petersburg is levied by Pinellas County. The Pinellas County Bed Tax Rate is 5 percent (3% Tourist Development Tax and 2% Professional Sports Franchise Facility Tax).

For Fiscal Year 2013, Pinellas County has collected over \$3.4 million from St. Petersburg businesses, which constitutes 13.15% of the total \$26.4 million collected in the entire County. Additionally, businesses that have more than one property and located in various cities throughout the county are classified as “Miscellaneous/Other” instead of credited towards the respective cities. This category generates more than \$4 million and constituting 15.46% of the total revenues collected.

Similar to Fort Lauderdale and Orlando, St. Petersburg has very little influence on how this revenue is allocated or spent. The City has one official member on the 11 member Tourist Development Council (Council Member), which makes recommendations to the County Commission on how this revenue should be spent within Pinellas County.

According to the FY 2014 proposed budget, the revenue generated from the Bed Tax is used for the following:

- Tropicana Field Debt Service (St. Petersburg), Spring Training Facility Debt Service (Dunedin), Spring Training Facility Debt Service (Clearwater) (\$7,100,000)
- Beach Renourishment Capital Improvement Projects (\$3,300,000)
- Operations & Promotional Activities (\$19,200,000)
- Reserves (\$5,300,000)

### FY 2013 St. Petersburg Tourist Tax Receipts

Collection Area	Amount Collected	Percentage Collected
City of St. Petersburg	\$3,484,044	13.15%
Miscellaneous/Other*	\$4,096,470	15.46%
All other Pinellas County Cities	\$18,918,841	71.39%
<b>Total</b>	<b>\$26,499,355</b>	<b>100%</b>

\*Includes revenue from St. Petersburg businesses



## TAMPA

The Local Option Tourist Tax charged in the City of Tampa is levied by Hillsborough County. The Hillsborough County Bed Tax Rate is 5 percent (3% Tourist Development Tax and 2% Professional Sports Franchise Facility Tax).

For Fiscal Year 2013, Hillsborough County has collected over \$19 million from businesses county-wide. Hillsborough County does not report their Bed Tax collection by City, so there is no breakdown on the revenue generated.

Similar to most of the other cities discussed, the City of Tampa also has minimal influence on how this revenue is allocated or spent. The City has one official member on the Tourist Development Council (Mayor), which makes recommendations to the County Commission on how this revenue should be spent within Hillsborough County.

According to the FY 2014 proposed budget, the revenue generated from the Bed Tax is used for the following:

- Plant City Stadium (\$400,000)
- Tampa Convention Center (\$1,266,000)
- County Arts & Cultural Co-op (\$250,000)
- Florida Aquarium (\$250,000)
- Friends of the Riverwalk (\$20,000)
- Glazer Children's Museum (\$20,000)
- Plant City & Ybor City Chamber of Commerce (\$124,000)
- Tampa Bay CVB (\$8,450,000)
- Straz Center for Performing Arts (\$470,000)
- Tampa Bay Sports Commission (\$550,000)
- 5% TDT Reserves (\$5,351,239)
- 4<sup>th</sup> & 5<sup>th</sup> Cent Debt (\$3,829,134)
- St. Petersburg Times Forum Debt (\$649,627)
- Raymond James Stadium & George Steinbrenner Field Capital (\$6,236,212)

The 4<sup>th</sup> cent Professional Sports Franchise Facility Tax is used to pay for capital and operating shortfalls pertaining to an inter-local agreement between the City of Tampa and Hillsborough County for the Raymond James Stadium & George Steinbrenner field. The 5<sup>th</sup> cent and additional Professional Sports Franchise Facility Tax is used to pay for the debt service for the St. Petersburg Times Forum in downtown Tampa.

### FY 2013 Hillsborough County Tourist Tax Receipts

Collection Area	Amount Collected	Percentage Collected
Hillsborough County	\$19,812,567	100%
<b>Total</b>	<b>\$19,812,567</b>	<b>100%</b>

## MIAMI

The Local Option Tourist Tax charged in the City of Miami is levied by Miami-Dade County. The Miami-Dade Bed Tax Rate is 6 percent (2% Tourist Development Tax; 1% Professional Sports Franchise Facility Tax; and 3% Charter County Convention Development Tax). Miami-Dade County also collects 2% tourist development surtax and 1% Homeless and Spouse Abuse Tax as part of the Food and Beverage Tax.

For Fiscal Year 2013, Miami-Dade County has collected over \$24 million in Bed Taxes from Miami businesses, which constitutes 26.99% of the total \$91 million collected in the entire County. The cities of Surfside & Bal Harbour are exempt from the entire 6% Bed Tax and Miami Beach is exempt from the 2% Tourist Development Tax and 1% Professional Sports Franchise Facility Tax.

Again, the City of Miami has very little influence on how this revenue is allocated or spent. The City has one official member on the Tourist Development Council (Commissioner), which makes recommendations to the County Commission on how this revenue is spent within Miami-Dade County.

According to the FY 2014 proposed budget, the 6% Bed Tax is allocated to these categories:

- Advertising & Promotion (CVB) (\$17,743,000)
- Cultural Affairs Council (\$4,142,000)
- Tourist Development Council Grants (\$1,150,000)
- Administrative Support for TDC (\$351,000)
- Administrative Support for Finance (\$20,000)
- General Fund Administrative Reimbursement (\$556,000)
- Professional Sports Franchise Facility Tax Bonds (\$14,852,000)
- Payment to Miami Beach (\$4,500,000)
- Cultural Affairs Council Grants (\$1,000,000)
- Performing Arts Center Trust Subsidy (\$7,650,000)
- South Miami-Dade Cultural Arts Center (\$3,278,000)
- American Airlines Arena Operations (\$6,400,000)
- Arena Management (\$3,000,000)
- Parks, Recreation and Open Spaces - Tennis Center (\$1,000,000)
- Vizcaya Museum and Gardens Operations (\$2,500,000)
- Miami Art Museum Operating Grants (\$2,452,000)
- Miami Science Museum Operating Grant (\$2,500,000)
- History of Miami Operating Grant (\$2,169,000)
- Performing Arts Center Trust Operations Subsidy (\$1,000,000)
- New World Symphony (\$700,000)
- Cultural Affairs for Community-based cultural facilities (\$1,304,000)
- Capital Reserve (\$750,000)

- Miami-Dade County Auditorium, Joseph Caleb Auditorium, African Heritage Cultural Arts Center (\$6,423,000)
- Parks, Recreation and Open Spaces - Tropical Park Equestrian Center, Deering Estate Tennis center (\$6,504,000)
- Parks, Recreation and Open Spaces- Miami Zoo (\$18,351,000)
- South Florida Cultural Consortium Projects (\$115,000)

According to the FY 2014 proposed budget, the 3% Local Option Food and Beverage Tax (2% Tourist Development Surtax, 1% Homeless and Spouse Abuse Tax) is allocated to these categories:

- Homeless Trust Operations (\$16,352,000)
- Homeless Trust Administrative Reimbursement (\$60,000)
- Reserves (\$12,911,000)
- Domestic Violence Shelter Operations (\$1,939,000)
- 2<sup>nd</sup> Domestic Violence Shelter Construction (\$1,000,000)

The City of Miami has an inter-local agreement with Miami-Dade County to receive some of the revenues generated from the 3% Charter County Convention Development Tax. The agreement is for inter-local payments to the City of Miami for the Convention Center.

**FY 2013  
Miami-Dade Tourist Tax Receipts**

<b>Collection Area</b>	<b>Amount Collected</b>	<b>Percentage Collected</b>
<b>City of Miami</b>	\$24,776,449	26.99%
<b>All Other Miami-Dade County Cities</b>	\$67,009,976	73.01%
<b>Total</b>	<b>\$91,786,425</b>	<b>100%</b>

## HIALEAH

The Local Option Tourist Tax charged in the City of Hialeah is levied by Miami-Dade County. The Miami-Dade County Bed Tax Rate is 6 percent (2% Tourist Development Tax; 1% Professional Sports Franchise Facility Tax; and 3% Convention Development Tax). Miami-Dade County also collects 2% tourist development surtax and 1% Homeless and Spouse Abuse Tax as part of the Food and Beverage Tax.

For Fiscal Year 2013, Miami-Dade County has collected over \$1 million dollars from Hialeah businesses, which constitutes 1.25% of the total \$91 million collected in the entire County.

The City of Hialeah has little or no influence on how this revenue is allocated or spent. The City has no members on the Tourist Development Council, which makes recommendations to the County Commission on how this revenue should be spent within Miami-Dade County.

According to the FY 2014 proposed budget, the 6% Bed Tax is allocated to the following categories:

- Advertising & Promotion (CVB) (\$17,743,000)
- Cultural Affairs Council (\$4,142,000)
- Tourist Development Council Grants (\$1,150,000)
- Administrative Support for TDC (\$351,000)
- Administrative Support for Finance (\$20,000)
- General Fund Administrative Reimbursement (\$556,000)
- Professional Sports Franchise Facility Tax Bonds (\$14,852,000)
- Payment to Miami Beach (\$4,500,000)
- Cultural Affairs Council Grants (\$1,000,000)
- Performing Arts Center Trust Subsidy (\$7,650,000)
- South Miami-Dade Cultural Arts Center (\$3,278,000)
- American Airlines Arena Operations (\$6,400,000)
- Arena Management (\$3,000,000)
- Parks, Recreation and Open Spaces - Tennis Center (\$1,000,000)
- Vizcaya Museum and Gardens Operations (\$2,500,000)
- Miami Art Museum Operating Grants (\$2,452,000)
- Miami Science Museum Operating Grant (\$2,500,000)
- History of Miami Operating Grant (\$2,169,000)
- Performing Arts Center Trust Operations Subsidy (\$1,000,000)
- New World Symphony (\$700,000)
- Cultural Affairs for Community-based cultural facilities (\$1,304,000)
- Capital Reserve (\$750,000)

- Miami-Dade County Auditorium, Joseph Caleb Auditorium, African Heritage Cultural Arts Center (\$6,423,000)
- Parks, Recreation and Open Spaces - Tropical Park Equestrian Center, Deering Estate Tennis center (\$6,504,000)
- Parks, Recreation and Open Spaces- Miami Zoo (\$18,351,000)
- South Florida Cultural Consortium Projects (\$115,000)

According to the FY 2014 proposed budget, the 3% Local Option Food and Beverage Tax (2% Tourist Development Surtax, 1% Homeless and Spouse Abuse Tax) is allocated to these categories:

- Homeless Trust Operations (\$16,352,000)
- Homeless Trust Administrative Reimbursement (\$60,000)
- Reserves (\$12,911,000)
- Domestic Violence Shelter Operations (\$1,939,000)
- 2<sup>nd</sup> Domestic Violence Shelter Construction (\$1,000,000)

**FY 2013  
Miami-Dade Tourist Tax Receipts**

<b>Collection Area</b>	<b>Amount Collected</b>	<b>Percentage Collected</b>
<b>City of Hialeah</b>	\$1,139,230	1.25%
<b>All Other Miami-Dade County Cities</b>	\$90,647,195	98.75%
<b>Total</b>	<b>\$91,786,425</b>	<b>100%</b>



## **Municipal Resort Tax**

The Cities of Bal Harbour, Miami Beach, and Surfside are able to best capitalize on the tourism that they experience through the Municipal Resort Tax. The Municipal Resort Tax is a Local Option Tourist Tax that is levied on the municipal level and not at the county level. Since the cities levy the Municipal Resort Tax, they are excluded from any additional tax imposed by the counties adopting the Local Option Tourist Development Tax and the Convention Development Tax. However, the City of Miami Beach is not excluded from the Charter County Convention Development Tax that is imposed by Miami-Dade. If the municipalities are excluded, they cannot participate in the expenditure of the revenues collected by the county. This tax and its use in each city is reviewed below.

According to Laws of Florida Chapter 67-930(as amended by Chapters 82-142, 83-363, 93-286, 94-344) the Municipal Resort Tax is a 4 percent tax levied on transient rentals and a 2 percent tax on the sale of food, beverages, or alcoholic beverages for on-premise consumption in hotels, motels, restaurants, and bars. The laws allow its levy only by municipalities in counties having a population of not less than 330,000 and not more than 340,000 or in counties having a population of more than 900,000, whose charter specifically provided or was so amended prior to January 1, 1968, for the levy of this tax, are eligible to impose it by ordinance adopted by the governing body.

The revenues that are generated through this tax are to be used for “authorized uses including:

1. The creation and maintenance of convention and publicity bureaus, cultural and art centers
2. Enhancement of tourism
3. Publicity and advertising purposes
4. For the future cost, purchase, building, designing, engineering, planning, repairing, reconditioning, altering, expanding, maintaining, servicing, and otherwise operating auditoriums, community houses, convention halls and buildings or structures and any other related purposes, including relief from ad valorem taxes previously levied for the above purposes

## BAL HARBOUR

The Municipal Resort Tax charged in the City of Bal Harbour is levied by the City of Bal Harbour. The City of Bal Harbour Municipal Resort Tax Rate is 6 percent (4% Transient Rental Tax; 2% Food and Beverage).

For Fiscal Year 2013, the City of Bal Harbour has collected over \$3 Million from Bal Harbour businesses.

According to the FY 2014 Proposed Operating Budget, the City of Bal Harbour uses the revenues for the following purposes:

- Marketing (\$2,307,988)
- Beautification and Maintenance
  - Operations of Beautification and Maintenance (\$283,835)
  - Landscape Architect Services (\$70,000)
  - Landscaping Material (\$600,000)
  - Tree Treatment (Yellowing Disease Treatment, Fungus Removal, Pest Control/Fertilization) (\$100,000)
  - Tree Replacement (\$110,000)
  - Vehicle Lease (\$5,000)
  - Maintenance (Vehicle & Equipment) (\$61,800)
  - Maintenance of Jogging Path (\$20,000)
  - Miscellaneous (\$1,000)

The City's total Local Option Municipal Resort Tax revenue is shown in below.

<b>Municipal Resort Tax</b>	<b>Amount</b>
3% Transient Rental Rate	\$2,018,231
2% Food and Beverage	\$1,009,115
<b>Total</b>	<b>\$3,027,346</b>

## MIAMI BEACH

The Municipal Resort Tax charged in the City of Miami Beach is levied by the City of Miami Beach. The City of Miami Beach Municipal Resort Tax Rate is 5 percent (3% Transient Rental Tax; 2% Food and Beverage).

For Fiscal Year 2013, the City of Miami Beach has collected over \$55 Million from Miami Beach businesses.

Miami Beach has an inter-local agreement with Miami-Dade County to receive funds from the County collected Convention Development Tax. The City of Miami Beach receives \$4.5 Million annually for the operating, capital and maintenance of the convention center. Also, through two amendments (2001 & 2003) Miami-Dade County provided one-time disbursements to fund convention center capital projects in the amounts of \$35 Million and \$15 Million.

According to the Proposed FY 2014 Budget, the 2% Food and Beverage and 2% Tourist Transient Rental Tax are used for the following purposes:

- Beach Quality of Life Resort Tax Fund—Capital Projects (\$4,161,375)
- Arts (\$1,387,125)
- Debt Service- TIF Bonds (\$5,548,500)
- Miami Beach Convention Center—From Miami-Dade County (\$4,500,000)
- General Fund Transfer (\$32,965,000)
- Contribution to Greater Miami Convention and Visitors Bureau (\$5,366,000)
- Goodwill Ambassadors (\$130,000)
- Contribution to Miami Beach Visitor and Convention Authority (\$2,289,000)
- Municipal Resort Tax Administration/Operation (\$1,141,000)
- Local Miami Beach Marketing Campaign (\$173,000)
- Washington Avenue Tourism Enhancement Initiative (\$73,000)
- Grant to FIU-Wolfsonian for Museum Master Plan (\$75,000)
- Holiday Decorations and Special Events (\$2,939,000)
- Sponsorship Fee to offset Marketing and Advertising for Ms. USA (\$100,000)
- General Fund Administrative Fees (\$165,000)
- Debt Service for North Shore and Gulf Breeze (\$1,211,000)
- Professional Services (\$20,000)
- Reserves (\$1,836,000)
- District Funds (\$175,000)

The City's total Local Option Municipal Resort Tax revenue for FY 2013 is shown below.

<b>Municipal Resort Tax</b>	<b>Amount</b>
3% Transient Rental Rate	\$24,351,787
2% Food and Beverage	\$30,996,510
<b>Total</b>	<b>\$55,348,297</b>

## **SURFSIDE**

The Municipal Resort Tax charged in the City of Surfside is levied by the City of Surfside. The City of Surfside Municipal Resort Tax Rate is 6 percent (4% Transient Rental Tax; 2% Food and Beverage).

For Fiscal Year 2013, the City of Surfside has collected over \$411,000 from Surfside businesses.

According to Ordinance No. 11-1574 of the City of Surfside, the following allocations are made for the use of the Resort Tax funds:

- 66% Allocated to General Fund (to relieve the ad valorem taxes expended on tourist related activities)
- 34% Allocated to Tourist Resort Tax Fund

According to the FY 2014 proposed budget, the 6% Local Option Municipal Resort Tax (4% Transient Rental Tax, 2% Food and Beverage Tax) is allocated to these categories:

- General Fund (\$486,209)
- Tourist Bureau Resort Tax Fund Administration (\$21,126)
- Promotional Activities (\$126,070)
- Professional Services (\$6,800)
- Contractual Services (\$83,600)
- Postage (\$1,500)
- Mobile Phone Allowance (\$780)
- Vehicle Leasing (\$4,595)
- Office Supplies (\$3,000)
- Subscriptions and Memberships (\$1,500)
- Conferences and Seminars (\$1,500)

The City's total Local Option Municipal Resort Tax for Fiscal Year 2013 is shown below.

<b>Fiscal Year</b>	<b>2013</b>
<b>4% Transient Rental Rate</b>	\$196,644
<b>2% Food and Beverage</b>	\$215,147
<b>Total</b>	<b>\$411,791</b>

## Conclusion

Local Option Tourist Taxes (Bed Taxes) generate significant revenues for Florida Counties. These revenues are generated from businesses located within cities that must support and protect their visitors through increased public safety, transportation, infrastructure investment, and hosting of special events that attract tourists. However, current state laws that control the expenditure of the taxes generated from these sources do not ensure that the revenue is appropriately distributed to cities based on the revenue collected or the significant expenses associated with the tourism industry.

Key factors that support equitable distribution of all tourism related taxes to cities:

- ❖ Tourism requires infrastructure investments from the public sector, such as improved buildings, roads, bridges, transportation, beaches, and other infrastructure.
- ❖ Tourism requires continuous operating expenses to support enhance police services, fire-rescue services, lifeguards, park maintenance, sanitation, special events, etc.
- ❖ Tourism is service oriented, thus making it labor-intensive.
- ❖ Planning and evaluation of tourism is a continuous process.
- ❖ Cities require maintaining attractions that draw visitors.
- ❖ Tourism can help diversify the economy.

Coastal and urban communities must join together to lobby for changes to the distribution of the Local Option Tourist Taxes. Our communities must be provided with proportionate and adequate funding to support the tourism industry. Tourism helps our cities prosper, but only if the City can afford to maintain its service levels without further burdening residents with increased taxes and fees. Since tourists do not pay property taxes, tourist related taxes must be utilized towards the expenses necessary to support the tourism industry including infrastructure, transportation and mobility, events and attractions, and sufficient public safety services while they visit our cities.

More equitable distribution of Bed Tax revenue would ensure a better financial position for our tourist impacted communities because the financial requirements of the tourism industry would be supported by the taxes on the services that they enjoy.



# Appendix A

## Supporting Legislation

# Florida Statute

## 125.0104

Tourist Development Tax; High Tourism  
Impact Tax; Professional Sports  
Franchise Facility Tax

Select Year: 2013 

## The 2013 Florida Statutes

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<u>Title XI</u>	<u>Chapter 125</u>	<u>View Entire</u>
COUNTY ORGANIZATION AND INTERGOVERNMENTAL	COUNTY	<u>Chapter</u>
RELATIONS	GOVERNMENT	

**125.0104 Tourist development tax; procedure for levying; authorized uses; referendum; enforcement.—**

(1) **SHORT TITLE.**—This section shall be known and may be cited as the “Local Option Tourist Development Act.”

(2) **APPLICATION; DEFINITIONS.**—

(a) **Application.**—The provisions contained in chapter 212 apply to the administration of any tax levied pursuant to this section.

(b) **Definitions.**—For purposes of this section:

1. “Promotion” means marketing or advertising designed to increase tourist-related business activities.

2. “Tourist” means a person who participates in trade or recreation activities outside the county of his or her permanent residence or who rents or leases transient accommodations as described in paragraph (3)(a).

3. “Retained spring training franchise” means a spring training franchise that had a location in this state on or before December 31, 1998, and that has continuously remained at that location for at least the 10 years preceding that date.

(3) **TAXABLE PRIVILEGES; EXEMPTIONS; LEVY; RATE.**—

(a)1. It is declared to be the intent of the Legislature that every person who rents, leases, or lets for consideration any living quarters or accommodations in any hotel, apartment hotel, motel, resort motel, apartment, apartment motel, roominghouse, mobile home park, recreational vehicle park, condominium, or timeshare resort for a term of 6 months or less is exercising a privilege which is subject to taxation under this section, unless such person rents, leases, or lets for consideration any living quarters or accommodations which are exempt according to the provisions of chapter 212.

2.a. Tax shall be due on the consideration paid for occupancy in the county pursuant to a regulated short-term product, as defined in s. 721.05, or occupancy in the county pursuant to a product that would be deemed a regulated short-term product if the agreement to purchase the short-term right were executed in this state. Such tax shall be collected on the last day of occupancy within the county unless such consideration is applied to the purchase of a timeshare estate. The occupancy of an accommodation of a timeshare resort pursuant to a timeshare plan, a multisite timeshare plan, or an exchange transaction in an exchange program, as defined in s. 721.05, by the owner of a timeshare interest or such owner’s guest, which guest is not paying monetary consideration to the owner or to a third party for the benefit of the owner, is not a privilege subject to taxation under this section. A membership or transaction fee paid by a timeshare owner that does not provide the timeshare owner with the right to occupy any specific timeshare unit but merely provides the timeshare owner with the

opportunity to exchange a timeshare interest through an exchange program is a service charge and not subject to taxation under this section.

b. Consideration paid for the purchase of a timeshare license in a timeshare plan, as defined in s. 721.05, is rent subject to taxation under this section.

(b) Subject to the provisions of this section, any county in this state may levy and impose a tourist development tax on the exercise within its boundaries of the taxable privilege described in paragraph (a), except that there shall be no additional levy under this section in any cities or towns presently imposing a municipal resort tax as authorized under chapter 67-930, Laws of Florida, and this section shall not in any way affect the powers and existence of any tourist development authority created pursuant to chapter 67-930, Laws of Florida. No county authorized to levy a convention development tax pursuant to s. 212.0305, or to s. 8 of chapter 84-324, Laws of Florida, shall be allowed to levy more than the 2-percent tax authorized by this section. A county may elect to levy and impose the tourist development tax in a subcounty special district of the county. However, if a county so elects to levy and impose the tax on a subcounty special district basis, the district shall embrace all or a significant contiguous portion of the county, and the county shall assist the Department of Revenue in identifying the rental units subject to tax in the district.

(c) The tourist development tax shall be levied, imposed, and set by the governing board of the county at a rate of 1 percent or 2 percent of each dollar and major fraction of each dollar of the total consideration charged for such lease or rental. When receipt of consideration is by way of property other than money, the tax shall be levied and imposed on the fair market value of such nonmonetary consideration.

(d) In addition to any 1-percent or 2-percent tax imposed under paragraph (c), the governing board of the county may levy, impose, and set an additional 1 percent of each dollar above the tax rate set under paragraph (c) by the extraordinary vote of the governing board for the purposes set forth in subsection (5) or by referendum approval by the registered electors within the county or subcounty special district. No county shall levy, impose, and set the tax authorized under this paragraph unless the county has imposed the 1-percent or 2-percent tax authorized under paragraph (c) for a minimum of 3 years prior to the effective date of the levy and imposition of the tax authorized by this paragraph. Revenues raised by the additional tax authorized under this paragraph shall not be used for debt service on or refinancing of existing facilities as specified in subparagraph (5)(a)1. unless approved by a resolution adopted by an extraordinary majority of the total membership of the governing board of the county. If the 1-percent or 2-percent tax authorized in paragraph (c) is levied within a subcounty special taxing district, the additional tax authorized in this paragraph shall only be levied therein. The provisions of paragraphs (4)(a)-(d) shall not apply to the adoption of the additional tax authorized in this paragraph. The effective date of the levy and imposition of the tax authorized under this paragraph shall be the first day of the second month following approval of the ordinance by the governing board or the first day of any subsequent month as may be specified in the ordinance. A certified copy of such ordinance shall be furnished by the county to the Department of Revenue within 10 days after approval of such ordinance.

(e) The tourist development tax shall be in addition to any other tax imposed pursuant to chapter 212 and in addition to all other taxes and fees and the consideration for the rental or lease.

(f) The tourist development tax shall be charged by the person receiving the consideration for the lease or rental, and it shall be collected from the lessee, tenant, or customer at the time of payment of the consideration for such lease or rental.

(g) The person receiving the consideration for such rental or lease shall receive, account for, and remit the tax to the Department of Revenue at the time and in the manner provided for persons who collect and remit taxes under s. 212.03. The same duties and privileges imposed by chapter 212 upon dealers in tangible property, respecting the collection and remission of tax; the making of returns; the keeping of books, records, and accounts; and compliance with the rules of the Department of Revenue in the administration of that chapter shall apply to and be binding upon all persons who are subject to the provisions of this section. However, the Department of Revenue may authorize a quarterly return and payment when the tax remitted by the dealer for the preceding quarter did not exceed \$25.

(h) The Department of Revenue shall keep records showing the amount of taxes collected, which records shall also include records disclosing the amount of taxes collected for and from each county in which the tax authorized by this section is applicable. These records shall be open for inspection during the regular office hours of the Department of Revenue, subject to the provisions of s. 213.053.

(i) Collections received by the Department of Revenue from the tax, less costs of administration of this section, shall be paid and returned monthly to the county which imposed the tax, for use by the county in accordance with the provisions of this section. They shall be placed in the county tourist development trust fund of the respective county, which shall be established by each county as a condition precedent to receipt of such funds.

(j) The Department of Revenue is authorized to employ persons and incur other expenses for which funds are appropriated by the Legislature.

(k) The Department of Revenue shall promulgate such rules and shall prescribe and publish such forms as may be necessary to effectuate the purposes of this section.

(l) In addition to any other tax which is imposed pursuant to this section, a county may impose up to an additional 1-percent tax on the exercise of the privilege described in paragraph (a) by majority vote of the governing board of the county in order to:

1. Pay the debt service on bonds issued to finance the construction, reconstruction, or renovation of a professional sports franchise facility, or the acquisition, construction, reconstruction, or renovation of a retained spring training franchise facility, either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds.

2. Pay the debt service on bonds issued to finance the construction, reconstruction, or renovation of a convention center, and to pay the planning and design costs incurred prior to the issuance of such bonds.

3. Pay the operation and maintenance costs of a convention center for a period of up to 10 years. Only counties that have elected to levy the tax for the purposes authorized in subparagraph 2. may use the tax for the purposes enumerated in this subparagraph. Any county that elects to levy the tax for the purposes authorized in subparagraph 2. after July 1, 2000, may use the proceeds of the tax to pay the operation and maintenance costs of a convention center for the life of the bonds.

4. Promote and advertise tourism in the State of Florida and nationally and internationally; however, if tax revenues are expended for an activity, service, venue, or event, the activity, service, venue, or event shall have as one of its main purposes the attraction of tourists as evidenced by the promotion of the activity, service, venue, or event to tourists.

The provision of paragraph (b) which prohibits any county authorized to levy a convention development tax pursuant to s. 212.0305 from levying more than the 2-percent tax authorized by this section, and the



provisions of paragraphs (4)(a)-(d), shall not apply to the additional tax authorized in this paragraph. The effective date of the levy and imposition of the tax authorized under this paragraph shall be the first day of the second month following approval of the ordinance by the governing board or the first day of any subsequent month as may be specified in the ordinance. A certified copy of such ordinance shall be furnished by the county to the Department of Revenue within 10 days after approval of such ordinance.

(m)1. In addition to any other tax which is imposed pursuant to this section, a high tourism impact county may impose an additional 1-percent tax on the exercise of the privilege described in paragraph (a) by extraordinary vote of the governing board of the county. The tax revenues received pursuant to this paragraph shall be used for one or more of the authorized uses pursuant to subsection (5).

2. A county is considered to be a high tourism impact county after the Department of Revenue has certified to such county that the sales subject to the tax levied pursuant to this section exceeded \$600 million during the previous calendar year, or were at least 18 percent of the county's total taxable sales under chapter 212 where the sales subject to the tax levied pursuant to this section were a minimum of \$200 million, except that no county authorized to levy a convention development tax pursuant to s. 212.0305 shall be considered a high tourism impact county. Once a county qualifies as a high tourism impact county, it shall retain this designation for the period the tax is levied pursuant to this paragraph.

3. The provisions of paragraphs (4)(a)-(d) shall not apply to the adoption of the additional tax authorized in this paragraph. The effective date of the levy and imposition of the tax authorized under this paragraph shall be the first day of the second month following approval of the ordinance by the governing board or the first day of any subsequent month as may be specified in the ordinance. A certified copy of such ordinance shall be furnished by the county to the Department of Revenue within 10 days after approval of such ordinance.

(n) In addition to any other tax that is imposed under this section, a county that has imposed the tax under paragraph (l) may impose an additional tax that is no greater than 1 percent on the exercise of the privilege described in paragraph (a) by a majority plus one vote of the membership of the board of county commissioners in order to:

1. Pay the debt service on bonds issued to finance:

a. The construction, reconstruction, or renovation of a facility either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds for a new professional sports franchise as defined in s. 288.1162.

b. The acquisition, construction, reconstruction, or renovation of a facility either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds for a retained spring training franchise.

2. Promote and advertise tourism in the State of Florida and nationally and internationally; however, if tax revenues are expended for an activity, service, venue, or event, the activity, service, venue, or event shall have as one of its main purposes the attraction of tourists as evidenced by the promotion of the activity, service, venue, or event to tourists.

A county that imposes the tax authorized in this paragraph may not expend any ad valorem tax revenues for the acquisition, construction, reconstruction, or renovation of a facility for which tax revenues are used pursuant to subparagraph 1. The provision of paragraph (b) which prohibits any county authorized

to levy a convention development tax pursuant to s. 212.0305 from levying more than the 2-percent tax authorized by this section shall not apply to the additional tax authorized by this paragraph in counties which levy convention development taxes pursuant to s. 212.0305(4)(a). Subsection (4) does not apply to the adoption of the additional tax authorized in this paragraph. The effective date of the levy and imposition of the tax authorized under this paragraph is the first day of the second month following approval of the ordinance by the board of county commissioners or the first day of any subsequent month specified in the ordinance. A certified copy of such ordinance shall be furnished by the county to the Department of Revenue within 10 days after approval of the ordinance.

(4) ORDINANCE LEVY TAX; PROCEDURE.—

(a) The tourist development tax shall be levied and imposed pursuant to an ordinance containing the county tourist development plan prescribed under paragraph (c), enacted by the governing board of the county. The ordinance levying and imposing the tourist development tax shall not be effective unless the electors of the county or the electors in the subcounty special district in which the tax is to be levied approve the ordinance authorizing the levy and imposition of the tax, in accordance with subsection (6). The effective date of the levy and imposition of the tax shall be the first day of the second month following approval of the ordinance by referendum, as prescribed in subsection (6), or the first day of any subsequent month as may be specified in the ordinance. A certified copy of the ordinance shall be furnished by the county to the Department of Revenue within 10 days after approval of such ordinance. The governing authority of any county levying such tax shall notify the department, within 10 days after approval of the ordinance by referendum, of the time period during which the tax will be levied.

(b) At least 60 days prior to the enactment of the ordinance levying the tax, the governing board of the county shall adopt a resolution establishing and appointing the members of the county tourist development council, as prescribed in paragraph (e), and indicating the intention of the county to consider the enactment of an ordinance levying and imposing the tourist development tax.

(c) Prior to enactment of the ordinance levying and imposing the tax, the county tourist development council shall prepare and submit to the governing board of the county for its approval a plan for tourist development. The plan shall set forth the anticipated net tourist development tax revenue to be derived by the county for the 24 months following the levy of the tax; the tax district in which the tourist development tax is proposed; and a list, in the order of priority, of the proposed uses of the tax revenue by specific project or special use as the same are authorized under subsection (5). The plan shall include the approximate cost or expense allocation for each specific project or special use.

(d) The governing board of the county shall adopt the county plan for tourist development as part of the ordinance levying the tax. After enactment of the ordinance levying and imposing the tax, the plan of tourist development may not be substantially amended except by ordinance enacted by an affirmative vote of a majority plus one additional member of the governing board.

(e) The governing board of each county which levies and imposes a tourist development tax under this section shall appoint an advisory council to be known as the “(name of county) Tourist Development Council.” The council shall be established by ordinance and composed of nine members who shall be appointed by the governing board. The chair of the governing board of the county or any other member of the governing board as designated by the chair shall serve on the council. Two members of the council shall be elected municipal officials, at least one of whom shall be from the most populous municipality in the county or subcounty special taxing district in which the tax is levied. Six members of the council shall be persons who are involved in the tourist industry and who have demonstrated an

interest in tourist development, of which members, not less than three nor more than four shall be owners or operators of motels, hotels, recreational vehicle parks, or other tourist accommodations in the county and subject to the tax. All members of the council shall be electors of the county. The governing board of the county shall have the option of designating the chair of the council or allowing the council to elect a chair. The chair shall be appointed or elected annually and may be reelected or reappointed. The members of the council shall serve for staggered terms of 4 years. The terms of office of the original members shall be prescribed in the resolution required under paragraph (b). The council shall meet at least once each quarter and, from time to time, shall make recommendations to the county governing board for the effective operation of the special projects or for uses of the tourist development tax revenue and perform such other duties as may be prescribed by county ordinance or resolution. The council shall continuously review expenditures of revenues from the tourist development trust fund and shall receive, at least quarterly, expenditure reports from the county governing board or its designee. Expenditures which the council believes to be unauthorized shall be reported to the county governing board and the Department of Revenue. The governing board and the department shall review the findings of the council and take appropriate administrative or judicial action to ensure compliance with this section. The changes in the composition of the membership of the tourist development council mandated by chapter 86-4, Laws of Florida, and this act shall not cause the interruption of the current term of any person who is a member of a council on October 1, 1996.

(5) AUTHORIZED USES OF REVENUE.—

(a) All tax revenues received pursuant to this section by a county imposing the tourist development tax shall be used by that county for the following purposes only:

1. To acquire, construct, extend, enlarge, remodel, repair, improve, maintain, operate, or promote one or more:

a. Publicly owned and operated convention centers, sports stadiums, sports arenas, coliseums, or auditoriums within the boundaries of the county or subcounty special taxing district in which the tax is levied; or

b. Aquariums or museums that are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public, within the boundaries of the county or subcounty special taxing district in which the tax is levied;

2. To promote zoological parks that are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public;

3. To promote and advertise tourism in this state and nationally and internationally; however, if tax revenues are expended for an activity, service, venue, or event, the activity, service, venue, or event must have as one of its main purposes the attraction of tourists as evidenced by the promotion of the activity, service, venue, or event to tourists;

4. To fund convention bureaus, tourist bureaus, tourist information centers, and news bureaus as county agencies or by contract with the chambers of commerce or similar associations in the county, which may include any indirect administrative costs for services performed by the county on behalf of the promotion agency; or

5. To finance beach park facilities or beach improvement, maintenance, renourishment, restoration, and erosion control, including shoreline protection, enhancement, cleanup, or restoration of inland lakes and rivers to which there is public access as those uses relate to the physical preservation of the beach, shoreline, or inland lake or river. However, any funds identified by a county as the local matching source for beach renourishment, restoration, or erosion control projects included in the long-range budget plan of the state's Beach Management Plan, pursuant to s. 161.091, or funds contractually

obligated by a county in the financial plan for a federally authorized shore protection project may not be used or loaned for any other purpose. In counties of fewer than 100,000 population, up to 10 percent of the revenues from the tourist development tax may be used for beach park facilities.

Subparagraphs 1. and 2. may be implemented through service contracts and leases with lessees that have sufficient expertise or financial capability to operate such facilities.

(b) Tax revenues received pursuant to this section by a county of less than 750,000 population imposing a tourist development tax may only be used by that county for the following purposes in addition to those purposes allowed pursuant to paragraph (a): to acquire, construct, extend, enlarge, remodel, repair, improve, maintain, operate, or promote one or more zoological parks, fishing piers or nature centers which are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public. All population figures relating to this subsection shall be based on the most recent population estimates prepared pursuant to the provisions of s. 186.901. These population estimates shall be those in effect on July 1 of each year.

(c) The revenues to be derived from the tourist development tax may be pledged to secure and liquidate revenue bonds issued by the county for the purposes set forth in subparagraphs (a)1., 2., and 5. or for the purpose of refunding bonds previously issued for such purposes, or both; however, no more than 50 percent of the revenues from the tourist development tax may be pledged to secure and liquidate revenue bonds or revenue refunding bonds issued for the purposes set forth in subparagraph (a) 5. Such revenue bonds and revenue refunding bonds may be authorized and issued in such principal amounts, with such interest rates and maturity dates, and subject to such other terms, conditions, and covenants as the governing board of the county shall provide. The Legislature intends that this paragraph be full and complete authority for accomplishing such purposes, but such authority is supplemental and additional to, and not in derogation of, any powers now existing or later conferred under law.

(d) Any use of the local option tourist development tax revenues collected pursuant to this section for a purpose not expressly authorized by paragraph (3)(l) or paragraph (3)(n) or paragraph (a), paragraph (b), or paragraph (c) of this subsection is expressly prohibited.

(6) REFERENDUM.—

(a) No ordinance enacted by any county levying the tax authorized by paragraphs (3)(b) and (c) shall take effect until the ordinance levying and imposing the tax has been approved in a referendum election by a majority of the electors voting in such election in the county or by a majority of the electors voting in the subcounty special tax district affected by the tax.

(b) The governing board of the county levying the tax shall arrange to place a question on the ballot at the next regular or special election to be held within the county, substantially as follows:

FOR the Tourist Development Tax

AGAINST the Tourist Development Tax.

(c) If a majority of the electors voting on the question approve the levy, the ordinance shall be deemed to be in effect.

(d) In any case where a referendum levying and imposing the tax has been approved pursuant to this section and 15 percent of the electors in the county or 15 percent of the electors in the subcounty special district in which the tax is levied file a petition with the board of county commissioners for a referendum to repeal the tax, the board of county commissioners shall cause an election to be held for the repeal of the tax which election shall be subject only to the outstanding bonds for which the tax has been pledged. However, the repeal of the tax shall not be effective with respect to any portion of taxes

initially levied in November 1989, which has been pledged or is being used to support bonds under paragraph (3)(d) or paragraph (3)(l) until the retirement of those bonds.

(7) **AUTOMATIC EXPIRATION ON RETIREMENT OF BONDS.**—Notwithstanding any other provision of this section, if the plan for tourist development approved by the governing board of the county, as amended pursuant to paragraph (4)(d), includes the acquisition, construction, extension, enlargement, remodeling, repair, or improvement of a publicly owned and operated convention center, sports stadium, sports arena, coliseum, or auditorium, or museum or aquarium that is publicly owned and operated or owned and operated by a not-for-profit organization, the county ordinance levying and imposing the tax automatically expires upon the later of:

(a) The retirement of all bonds issued by the county for financing the acquisition, construction, extension, enlargement, remodeling, repair, or improvement of a publicly owned and operated convention center, sports stadium, sports arena, coliseum, or auditorium, or museum or aquarium that is publicly owned and operated or owned and operated by a not-for-profit organization; or

(b) The expiration of any agreement by the county for the operation or maintenance, or both, of a publicly owned and operated convention center, sports stadium, sports arena, coliseum, auditorium, aquarium, or museum. However, this does not preclude that county from amending the ordinance extending the tax to the extent that the board of the county determines to be necessary to provide funds to operate, maintain, repair, or renew and replace a publicly owned and operated convention center, sports stadium, sports arena, coliseum, auditorium, aquarium, or museum or from enacting an ordinance that takes effect without referendum approval, unless the original referendum required ordinance expiration, pursuant to the provisions of this section reimposing a tourist development tax, upon or following the expiration of the previous ordinance.

(8) **PROHIBITED ACTS; ENFORCEMENT; PENALTIES.**—

(a) Any person who is taxable hereunder who fails or refuses to charge and collect from the person paying any rental or lease the taxes herein provided, either by himself or herself or through agents or employees, is, in addition to being personally liable for the payment of the tax, guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

(b) No person shall advertise or hold out to the public in any manner, directly or indirectly, that he or she will absorb all or any part of the tax, that he or she will relieve the person paying the rental of the payment of all or any part of the tax, or that the tax will not be added to the rental or lease consideration or, when added, that it or any part thereof will be refunded or refused, either directly or indirectly, by any method whatsoever. Any person who willfully violates any provision of this subsection is guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

(c) The tax authorized to be levied by this section shall constitute a lien on the property of the lessee, customer, or tenant in the same manner as, and shall be collectible as are, liens authorized and imposed in ss. 713.67, 713.68, and 713.69.

(9) **COUNTY TOURISM PROMOTION AGENCIES.**—In addition to any other powers and duties provided for agencies created for the purpose of tourism promotion by a county levying the tourist development tax, such agencies are authorized and empowered to:

(a) Provide, arrange, and make expenditures for transportation, lodging, meals, and other reasonable and necessary items and services for such persons, as determined by the head of the agency, in connection with the performance of promotional and other duties of the agency. However, entertainment expenses shall be authorized only when meeting with travel writers, tour brokers, or other persons connected with the tourist industry. All travel and entertainment-related expenditures in excess of \$10 made pursuant to this subsection shall be substantiated by paid bills therefor. Complete



and detailed justification for all travel and entertainment-related expenditures made pursuant to this subsection shall be shown on the travel expense voucher or attached thereto. Transportation and other incidental expenses, other than those provided in s. 112.061, shall only be authorized for officers and employees of the agency, other authorized persons, travel writers, tour brokers, or other persons connected with the tourist industry when traveling pursuant to paragraph (c). All other transportation and incidental expenses pursuant to this subsection shall be as provided in s. 112.061. Operational or promotional advancements, as defined in s. 288.35(4), obtained pursuant to this subsection, shall not be commingled with any other funds.

(b) Pay by advancement or reimbursement, or a combination thereof, the costs of per diem and incidental expenses of officers and employees of the agency and other authorized persons, for foreign travel at the current rates as specified in the federal publication "Standardized Regulations (Government Civilians, Foreign Areas)." The provisions of this paragraph shall apply for any officer or employee of the agency traveling in foreign countries for the purposes of promoting tourism and travel to the county, if such travel expenses are approved and certified by the agency head from whose funds the traveler is paid. As used in this paragraph, the term "authorized person" shall have the same meaning as provided in s. 112.061(2)(e). With the exception of provisions concerning rates of payment for per diem, the provisions of s. 112.061 are applicable to the travel described in this paragraph. As used in this paragraph, "foreign travel" means all travel outside the United States. Persons traveling in foreign countries pursuant to this subsection shall not be entitled to reimbursements or advancements pursuant to s. 112.061(6)(a)2.

(c) Pay by advancement or reimbursement, or by a combination thereof, the actual reasonable and necessary costs of travel, meals, lodging, and incidental expenses of officers and employees of the agency and other authorized persons when meeting with travel writers, tour brokers, or other persons connected with the tourist industry, and while attending or traveling in connection with travel or trade shows. With the exception of provisions concerning rates of payment, the provisions of s. 112.061 are applicable to the travel described in this paragraph.

(d) Undertake marketing research and advertising research studies and provide reservations services and convention and meetings booking services consistent with the authorized uses of revenue as set forth in subsection (5).

1. Information given to a county tourism promotion agency which, if released, would reveal the identity of persons or entities who provide data or other information as a response to a sales promotion effort, an advertisement, or a research project or whose names, addresses, meeting or convention plan information or accommodations or other visitation needs become booking or reservation list data, is exempt from s. 119.07(1) and from s. 24(a), Art. I of the State Constitution.

2. The following information, when held by a county tourism promotion agency, is exempt from s. 119.07(1) and from s. 24(a), Art. I of the State Constitution:

- a. A trade secret, as defined in s. 812.081.
- b. Booking business records, as defined in s. 255.047.
- c. Trade secrets and commercial or financial information gathered from a person and privileged or confidential, as defined and interpreted under 5 U.S.C. s. 552(b)(4), or any amendments thereto.

(e) Represent themselves to the public as convention and visitors bureaus, visitors bureaus, tourist development councils, vacation bureaus, or county tourism promotion agencies operating under any other name or names specifically designated by ordinance.

(10) LOCAL ADMINISTRATION OF TAX.—

(a) A county levying a tax under this section or s. 125.0108 may be exempted from the requirements of the respective section that:

1. The tax collected be remitted to the Department of Revenue before being returned to the county; and
2. The tax be administered according to chapter 212,

if the county adopts an ordinance providing for the local collection and administration of the tax.

(b) The ordinance shall include provision for, but need not be limited to:

1. Initial collection of the tax to be made in the same manner as the tax imposed under chapter 212.
2. Designation of the local official to whom the tax shall be remitted, and that official's powers and duties with respect thereto. Tax revenues may be used only in accordance with the provisions of this section.
3. Requirements respecting the keeping of appropriate books, records, and accounts by those responsible for collecting and administering the tax.
4. Provision for payment of a dealer's credit as required under chapter 212.
5. A portion of the tax collected may be retained by the county for costs of administration, but such portion shall not exceed 3 percent of collections.

(c) A county adopting an ordinance providing for the collection and administration of the tax on a local basis shall also adopt an ordinance electing either to assume all responsibility for auditing the records and accounts of dealers, and assessing, collecting, and enforcing payments of delinquent taxes, or to delegate such authority to the Department of Revenue. If the county elects to assume such responsibility, it shall be bound by all rules promulgated by the Department of Revenue pursuant to paragraph (3)(k), as well as those rules pertaining to the sales and use tax on transient rentals imposed by s. 212.03. The county may use any power granted in this section to the department to determine the amount of tax, penalties, and interest to be paid by each dealer and to enforce payment of such tax, penalties, and interest. The county may use a certified public accountant licensed in this state in the administration of its statutory duties and responsibilities. Such certified public accountants are bound by the same confidentiality requirements and subject to the same penalties as the county under s. 213.053. If the county delegates such authority to the department, the department shall distribute any collections so received, less costs of administration, to the county. The amount deducted for costs of administration by the department shall be used only for those costs which are solely and directly attributable to auditing, assessing, collecting, processing, and enforcing payments of delinquent taxes authorized in this section. If a county elects to delegate such authority to the department, the department shall audit only those businesses in the county that it audits pursuant to chapter 212.

(11) INTEREST PAID ON DISTRIBUTIONS. —

(a) Interest shall be paid on undistributed taxes collected and remitted to the Department of Revenue under this section. Such interest shall be included along with the tax proceeds distributed to the counties and shall be paid from moneys transferred from the General Revenue Fund. The department shall calculate the interest for net tax distributions using the average daily rate that was earned by the State Treasury for the preceding calendar quarter and paid to the General Revenue Fund. This rate shall be certified by the Chief Financial Officer to the department by the 20th day following the close of each quarter.

(b) The interest applicable to taxes collected under this section shall be calculated by multiplying the tax amounts to be distributed times the daily rate times the number of days after the third working day following the date the tax is due and payable pursuant to s. 212.11 until the date the department

issues a voucher to request the Chief Financial Officer to issue the payment warrant. The warrant shall be issued within 7 days after the request.



(c) If an overdistribution of taxes is made by the department, interest shall be paid on the overpaid amount beginning on the date the warrant including the overpayment was issued until the third working day following the due date of the payment period from which the overpayment is being deducted. The interest on an overpayment shall be calculated using the average daily rate from the applicable calendar quarter and shall be deducted from moneys distributed to the county under this section.

**History.**—ss. 1, 2, 3, 4, 5, 6, 7, 8, ch. 77-209; s. 3, ch. 79-359; s. 72, ch. 79-400; s. 4, ch. 80-209; s. 2, ch. 80-222; s. 5, ch. 83-297; s. 1, ch. 83-321; s. 40, ch. 85-55; s. 1, ch. 86-4; s. 76, ch. 86-163; s. 61, ch. 87-6; s. 1, ch. 87-99; s. 35, ch. 87-101; s. 1, ch. 87-175; s. 5, ch. 87-280; s. 4, ch. 88-226; s. 6, ch. 88-243; s. 2, ch. 89-217; ss. 31, 66, ch. 89-356; s. 2, ch. 89-362; s. 1, ch. 90-107; s. 1, ch. 90-349; s. 81, ch. 91-45; s. 230, ch. 91-224; s. 3, ch. 92-175; s. 1, ch. 92-204; s. 32, ch. 92-320; s. 4, ch. 93-233; s. 1, ch. 94-275; s. 3, ch. 94-314; s. 37, ch. 94-338; s. 3, ch. 94-353; s. 1, ch. 95-133; s. 1434, ch. 95-147; s. 3, ch. 95-304; s. 1, ch. 95-360; s. 1, ch. 95-416; ss. 44, 46, ch. 96-397; s. 43, ch. 96-406; s. 15, ch. 97-99; s. 1, ch. 98-106; s. 58, ch. 99-2; s. 1, ch. 99-287; ss. 6, 11, 14, ch. 2000-312; s. 11, ch. 2000-351; s. 14, ch. 2001-252; s. 10, ch. 2002-265; s. 1, ch. 2003-34; s. 1, ch. 2003-37; s. 2, ch. 2003-78; s. 145, ch. 2003-261; s. 1, ch. 2005-96; s. 1, ch. 2009-133; s. 1, ch. 2012-180; s. 1, ch. 2013-168.

# Florida Statute

## 212.0305

Convention Development Taxes

Select Year: 2013  

## The 2013 Florida Statutes

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Title XIV  
TAXATION AND  
FINANCE

Chapter 212  
TAX ON SALES, USE, AND OTHER  
TRANSACTIONS

[View Entire  
Chapter](#)

**212.0305 Convention development taxes; intent; administration; authorization; use of proceeds.—**

(1) **TITLE.**—This section may be cited as the “Convention Development Tax Act.”

(2) **LEGISLATIVE INTENT.**—No convention development tax on transient rentals shall be imposed by the governing body of any county unless specifically authorized herein. Any tax authorized pursuant to this section shall be administered and collected exclusively as provided herein and may consist of one or more component levies as enumerated in subsection (4). It is the legislative intent that any authorization for imposition of a convention development tax shall be published in the Florida Statutes as a paragraph of subsection (4), irrespective of the duration of the levy. Each enactment shall specify the types of local governments authorized to levy a convention development tax; the rate or rates which may be imposed; the maximum length of time the tax may be imposed, if any; the procedure which must be followed to secure voter approval, if required; the purpose for which the proceeds may be expended; and such other requirements as the Legislature may provide. One of the principal purposes of the convention development tax is to promote tourism and the use of hotel facilities by facilitating the improvement and construction of convention centers. Any municipality or county wherein the convention development tax is levied is specifically authorized to adopt and implement a convention center booking policy to apply to convention centers owned or operated by a municipality or county which gives priority to bookings after July 1, 1993, in accordance with the minimum number of hotel rooms to be utilized in connection with such convention center bookings or in accordance with the impact of such bookings on the convention development tax generated.

(3) **APPLICATION; ADMINISTRATION; PENALTIES.**—

(a)1. The convention development tax on transient rentals imposed by the governing body of any county authorized to so levy shall apply to the amount of any payment made by any person to rent, lease, or use for a period of 6 months or less any living quarters or accommodations in a hotel, apartment hotel, motel, resort motel, apartment, apartment motel, roominghouse, tourist or trailer camp, mobile home park, recreational vehicle park, condominium, or timeshare resort. When receipt of consideration is by way of property other than money, the tax shall be levied and imposed on the fair market value of such nonmonetary consideration. Any payment made by a person to rent, lease, or use any living quarters or accommodations which are exempt from the tax imposed under s. 212.03 shall likewise be exempt from any tax imposed under this section.

2.a. Tax shall be due on the consideration paid for occupancy in the county pursuant to a regulated short-term product, as defined in s. 721.05, or occupancy in the county pursuant to a product that would be deemed a regulated short-term product if the agreement to purchase the short-term right was executed in this state. Such tax shall be collected on the last day of occupancy within the county unless

such consideration is applied to the purchase of a timeshare estate. The occupancy of an accommodation of a timeshare resort pursuant to a timeshare plan, a multisite timeshare plan, or an exchange transaction in an exchange program, as defined in s. 721.05, by the owner of a timeshare interest or such owner's guest, which guest is not paying monetary consideration to the owner or to a third party for the benefit of the owner, is not a privilege subject to taxation under this section. A membership or transaction fee paid by a timeshare owner that does not provide the timeshare owner with the right to occupy any specific timeshare unit but merely provides the timeshare owner with the opportunity to exchange a timeshare interest through an exchange program is a service charge and not subject to taxation under this section.

b. Consideration paid for the purchase of a timeshare license in a timeshare plan, as defined in s. 721.05, is rent subject to taxation under this section.

(b) The tax shall be charged by the person receiving the consideration for the lease or rental, and the tax shall be collected from the lessee, tenant, or customer at the time of payment of the consideration for such lease or rental.

(c) The person receiving the consideration for such rental or lease shall receive, account for, and remit the tax to the department at the time and in the manner provided for persons who collect and remit taxes under s. 212.03. The same duties and privileges imposed by this chapter upon dealers in tangible property respecting the collection and remission of tax; the making of returns; the keeping of books, records, and accounts; and compliance with the rules of the department in the administration of this chapter apply to and are binding upon all persons who are subject to the provisions of this section. However, the department may authorize a quarterly return and payment when the tax remitted by the dealer for the preceding quarter did not exceed \$25.

(d) The department shall keep records showing the amount of taxes collected, which records shall disclose the taxes collected from each county in which a local government resort tax is levied. These records shall be subject to the provisions of s. 213.053 and are confidential and exempt from the provisions of s. 119.07(1).

(e) The collections received by the department from the tax, less costs of administration, shall be paid and returned monthly to the county which imposed the tax, for use by the county as provided in this section. Such receipts shall be placed in a specific trust fund or funds created by the county.

(f) The department shall promulgate such rules and shall prescribe and publish such forms as may be necessary to effectuate the purposes of this section. The department is authorized to establish audit procedures and to assess for delinquent taxes.

(g) The estimated tax provisions contained in s. 212.11 do not apply to the administration of any tax levied under this section.

(h) Any person taxable under this section who, either by himself or herself or through the person's agents or employees, fails or refuses to charge and collect the taxes herein provided from the person paying any rental or lease is, in addition to being personally liable for the payment of the tax, guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

(i) No person shall advertise or hold out to the public in any manner, directly or indirectly, that he or she will absorb all or any part of the tax; that he or she will relieve the person paying the rental of the payment of all or any part of the tax; or that the tax will not be added to the rental or lease consideration or, if added, that the tax or any part thereof will be refunded or refused, either directly or indirectly, by any method whatsoever. Any person who willfully violates any provision of this paragraph is guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

(j) The tax shall constitute a lien on the property of the lessee, customer, or tenant in the same manner as, and shall be collectible as are, liens authorized and imposed by ss. 713.67, 713.68, and 713.69.

(k) Any tax levied pursuant to this section shall be in addition to any other tax imposed pursuant to this chapter and in addition to all other taxes and fees and the consideration for the rental or lease.

(l) The department shall administer the taxes levied herein as increases in the rate of the tax authorized in s. 125.0104. The department shall collect and enforce the provisions of this section and s. 125.0104 in conjunction with each other in those counties authorized to levy the taxes authorized herein. The department shall distribute the proceeds received from the taxes levied pursuant to this section and s. 125.0104 in proportion to the rates of the taxes authorized to the appropriate trust funds as provided by law. In the event of underpayment of the total amount due by a taxpayer pursuant to this section and s. 125.0104, the department shall distribute the amount received in proportion to the rates of the taxes authorized to the appropriate trust funds as provided by law and the penalties and interest due on both of said taxes shall be applicable.

(4) AUTHORIZATION TO LEVY; USE OF PROCEEDS; OTHER REQUIREMENTS.—

(a) *Consolidated government levy for convention development.*—

1. Each county that operates under a government consolidated with that of one or more municipalities in the county may impose, pursuant to an ordinance enacted by the governing body of the county, a levy on the exercise within its boundaries of the taxable privilege of leasing or letting transient rental accommodations described in subsection (3) at the rate of 2 percent of each dollar and major fraction of each dollar of the total consideration charged therefor. The proceeds of this levy shall be known as the consolidated county convention development tax.

2. The county shall furnish to the department, within 10 days after approval of the ordinance imposing the levy, a copy of the ordinance. The effective date of imposition of the levy must be the first day of any month that is at least 60 days after enactment of the ordinance.

3. All consolidated county convention development moneys, including any interest accrued thereon, received by a county imposing the levy must be used in any of the following manners, although the utilization authorized in sub-subparagraph a. shall apply only to municipalities with a population of 10,000 or more:

- a. To promote and advertise tourism;
- b. To extend, enlarge, and improve existing publicly owned convention centers in the county;
- c. To construct a multipurpose convention/coliseum/exhibition center or the maximum components thereof as funds permit in the county; and
- d. To acquire, construct, extend, enlarge, remodel, repair, improve, or maintain one or more convention centers, stadiums, exhibition halls, arenas, coliseums, or auditoriums.

4. For the purposes of completion of any project under this paragraph, tax revenues and interest accrued may be used:

- a. As collateral, pledged, or hypothecated for projects authorized by this paragraph, including bonds issued in connection therewith; or
- b. As a pledge or capital contribution in conjunction with a partnership, joint venture, or other business arrangement between the county and one or more business entities for projects authorized by this paragraph.

5.a. The county may designate or appoint an authority to administer and disburse such proceeds and any other related source of revenue. However, the annual budget of the authority is subject to approval of the governing body of the county.



b. Except as otherwise provided by law, one-half of the proceeds of the tax which are collected within a municipality the government of which is not consolidated with that of the county must, at the request of the governing body of the municipality, be remitted to the municipality. The revenue remitted to a municipality under this sub-subparagraph may be used by the municipality only for the purposes and in the manner authorized in this paragraph, but the municipality may enter into an interlocal agreement with the county or with any other municipality in the county to use such revenue to jointly finance any project authorized by this paragraph. This sub-subparagraph does not apply to the distribution to the county of any convention development tax revenues necessary to repay the principal of or the interest on any bonds issued under sub-subparagraph 4.a. before May 29, 1984.

Notwithstanding this sub-subparagraph, if the governing body of such a municipality adopts a resolution stating that the municipality is unable to use such revenue for any purpose authorized in this paragraph, the municipality may use the revenue to acquire and develop municipal parks, lifeguard stations, or athletic fields.

6. The consolidated county convention development tax shall be in addition to any other levy imposed under this section.

7. Revenues collected and returned to the county must be deposited in a convention development trust fund, which must be established by the county as a condition precedent to receipt of such funds.

(b) *Charter county levy for convention development.*—

1. Each county, as defined in s. 125.011(1), may impose, under an ordinance enacted by the governing body of the county, a levy on the exercise within its boundaries of the taxable privilege of leasing or letting transient rental accommodations described in subsection (3) at the rate of 3 percent of the total consideration charged therefor. The proceeds of this levy shall be known as the charter county convention development tax.

2. All charter county convention development moneys, including any interest accrued thereon, received by a county imposing the levy shall be used as follows:

a. Two-thirds of the proceeds shall be used to extend, enlarge, and improve the largest existing publicly owned convention center in the county.

b. One-third of the proceeds shall be used to construct a new multipurpose convention/coliseum/exhibition center/stadium or the maximum components thereof as funds permit in the most populous municipality in the county.

c. After the completion of any project under sub-subparagraph a., the tax revenues and interest accrued under sub-subparagraph a. may be used to acquire, construct, extend, enlarge, remodel, repair, improve, plan for, operate, manage, or maintain one or more convention centers, stadiums, exhibition halls, arenas, coliseums, auditoriums, or golf courses, and may be used to acquire and construct an intercity light rail transportation system as described in the Light Rail Transit System Status Report to the Legislature dated April 1988, which shall provide a means to transport persons to and from the largest existing publicly owned convention center in the county and the hotels north of the convention center and to and from the downtown area of the most populous municipality in the county as determined by the county.

d. After completion of any project under sub-subparagraph b., the tax revenues and interest accrued under sub-subparagraph b. may be used, as determined by the county, to operate an authority created pursuant to subparagraph 4. or to acquire, construct, extend, enlarge, remodel, repair, improve, operate, or maintain one or more convention centers, stadiums, exhibition halls, arenas, coliseums, auditoriums, golf courses, or related buildings and parking facilities in the most populous municipality in the county.

e. For the purposes of completion of any project pursuant to this paragraph, tax revenues and interest accrued may be used:

(I) As collateral, pledged, or hypothecated for projects authorized by this paragraph, including bonds issued in connection therewith; or

(II) As a pledge or capital contribution in conjunction with a partnership, joint venture, or other business arrangement between a municipality and one or more business entities for projects authorized by this paragraph.

3. The governing body of each municipality in which a municipal tourist tax is levied may adopt a resolution prohibiting imposition of the charter county convention development levy within such municipality. If the governing body adopts such a resolution, the convention development levy shall be imposed by the county in all other areas of the county except such municipality. No funds collected pursuant to this paragraph may be expended in a municipality which has adopted such a resolution.

4.a. Before the county enacts an ordinance imposing the levy, the county shall notify the governing body of each municipality in which projects are to be developed pursuant to sub-subparagraph 2.a., sub-subparagraph 2.b., sub-subparagraph 2.c., or sub-subparagraph 2.d. As a condition precedent to receiving funding, the governing bodies of such municipalities shall designate or appoint an authority that shall have the sole power to:

(I) Approve the concept, location, program, and design of the facilities or improvements to be built in accordance with this paragraph and to administer and disburse such proceeds and any other related source of revenue.

(II) Appoint and dismiss the authority's executive director, general counsel, and any other consultants retained by the authority. The governing body shall have the right to approve or disapprove the initial appointment of the authority's executive director and general counsel.

b. The members of each such authority shall serve for a term of not less than 1 year and shall be appointed by the governing body of such municipality. The annual budget of such authority shall be subject to approval of the governing body of the municipality. If the governing body does not approve the budget, the authority shall use as the authority's budget the previous fiscal year budget.

c. The authority, by resolution to be adopted from time to time, may invest and reinvest the proceeds from the convention development tax and any other revenues generated by the authority in the same manner that the municipality in which the authority is located may invest surplus funds.

5. The charter county convention development levy shall be in addition to any other levy imposed pursuant to this section.

6. A certified copy of the ordinance imposing the levy shall be furnished by the county to the department within 10 days after approval of such ordinance. The effective date of imposition of the levy shall be the first day of any month at least 60 days after enactment of the ordinance.

7. Revenues collected pursuant to this paragraph shall be deposited in a convention development trust fund, which shall be established by the county as a condition precedent to receipt of such funds.

(c) *Special district levy for convention development.*—

1. Each county which was chartered under Art. VIII of the State Constitution and which on January 1, 1984, levied a tourist advertising ad valorem tax within a special taxing district in that county may impose, pursuant to an ordinance enacted by the governing body of the county, a levy within the boundaries of such special taxing district on the exercise of the taxable privilege of leasing or letting transient rental accommodations described in subsection (3) at a rate of up to 3 percent of each dollar and major fraction of each dollar of the total consideration charged therefor. The proceeds of this levy shall be known as the special district convention development tax.

2. The county shall designate or appoint an authority to administer and disburse the proceeds of such levy and any revenue related to the levy authorized by this paragraph. The members of such authority shall be selected from persons involved in the tourism and lodging industries doing business within such special district. Not less than a majority of the members shall be selected from persons doing business in the lodging industry. Members shall serve at the pleasure of the governing body of such county and shall serve without compensation. The annual budget of such authority shall be subject to approval of the governing body of the county. The authority shall consist of 11 members, who shall annually select a chair from among their members.

3. The county shall have no power to levy and impose the tourist advertising ad valorem tax in such district on or after January 1 of the year following the date of the adoption of the levy authorized in this paragraph. All special district convention development moneys, including any interest accrued thereon, received by a county imposing the special district convention development levy shall be used for the following purposes only:

- a. To promote and advertise tourism;
- b. To fund convention bureaus, tourist bureaus, tourist information centers, and news bureaus.
4. The special district convention development tax shall be in addition to any other levy imposed pursuant to this section.

5. A certified copy of the ordinance imposing the levy shall be furnished by the county to the department within 10 days after approval of such ordinance. The effective date of the levy shall be the first day of any month at least 60 days after enactment of the ordinance.

6. Revenues collected and returned to the county shall be deposited in a convention development trust fund, which shall be established by the county as a condition precedent to receipt of such funds.

(d) *Special levy for convention development.*—

1. Each county which was chartered under Art. VIII of the State Constitution and which on January 1, 1984, levied a tourist advertising ad valorem tax within a special taxing district in that county may impose, pursuant to an ordinance enacted by the governing body of the county, a levy outside the boundaries of such special taxing district and to the southeast of State Road 415, on the exercise of the taxable privilege of leasing or letting transient rental accommodations described in subsection (3), at a rate of up to 3 percent of each dollar and major fraction of each dollar of the total consideration charged therefor. The proceeds of this levy shall be known as the special convention development tax.

2. The county shall designate or appoint an authority to administer and disburse the proceeds of such levy and any revenue related to the levy authorized by this paragraph. The members of the authority shall be selected from persons doing business within the area in which the tax is levied. Not less than three of the members shall be selected from persons doing business in the lodging industry. Members shall serve at the pleasure of the governing body of the county and shall serve without compensation. The annual budget of the authority shall be subject to approval of the governing body of the county. The authority shall consist of seven members, who shall annually select a chair from among their members.

3. All special convention development moneys, including any interest accrued thereon, received by a county imposing the special convention development levy shall be used for the following purposes only:

- a. To promote and advertise tourism;
- b. To fund convention bureaus, tourist bureaus, tourist information centers, and news bureaus.
4. The special convention development tax shall be in addition to any other levy imposed pursuant to this section.

5. A certified copy of the ordinance imposing the levy shall be furnished by the county to the department within 10 days after approval of the ordinance. The effective date of the levy shall be the first day of any month at least 60 days after enactment of the ordinance.

6. Revenues collected and returned to the county shall be deposited in a separate convention development trust fund, which shall be established by the county as a condition precedent to receipt of such funds.

(e) *Subcounty levy for convention development.*—

1. Each county which was chartered under Art. VIII of the State Constitution and which on January 1, 1984, levied a tourist advertising ad valorem tax within a special taxing district in that county may impose, pursuant to an ordinance enacted by the governing body of the county, a levy outside the boundaries of such special taxing district and to the northwest of State Road 415, on the exercise of the taxable privilege of leasing or letting transient rental accommodations described in subsection (3), at a rate of up to 3 percent of each dollar and major fraction of each dollar of the total consideration charged therefor. The proceeds of this levy shall be known as the subcounty convention development tax.

2. The county shall designate or appoint an authority to administer and disburse the proceeds of such levy and any revenue related to the levy authorized by this paragraph. The members of the authority shall be selected from persons doing business within the area in which the tax is levied. Not less than three of the members shall be selected from persons doing business in the lodging industry. Members shall serve at the pleasure of the governing body of the county and shall serve without compensation. The annual budget of the authority shall be subject to approval of the governing body of the county. The authority shall consist of seven members, who shall annually select a chair from among their members.

3. All subcounty convention development moneys, including any interest accrued thereon, received by a county imposing the subcounty convention development levy shall be used for the following purposes only:

- a. To promote and advertise tourism;
- b. To fund convention bureaus, tourist bureaus, tourist information centers, and news bureaus.

4. The subcounty convention development tax shall be in addition to any other levy imposed pursuant to this section.

5. A certified copy of the ordinance imposing the levy shall be furnished by the county to the department within 10 days after approval of the ordinance. The effective date of the levy shall be the first day of any month at least 60 days after enactment of the ordinance.

6. Revenues collected and returned to the county shall be deposited in a separate convention development trust fund, which shall be established by the county as a condition precedent to receipt of such funds.

(5) **LOCAL ADMINISTRATION OF TAX.**—

(a) A county levying a tax under the provisions of this section may be exempt from the requirements of this section that the tax collected be remitted to the Department of Revenue before being returned to the county and that such tax be administered according to the provisions of this chapter, if the county adopts an ordinance providing for the collection and administration of the tax on a local basis.

(b) The ordinance shall include provision for, but need not be limited to:

1. Initial collection of the tax to be made in the same manner as the tax imposed under this chapter.

2. Designation of the local official to whom the tax shall be remitted and that official's powers and duties with respect thereto. Tax revenues may be used only in accordance with the provisions of this section.

3. Requirements respecting the keeping of appropriate books, records, and accounts by those responsible for collecting and administering the tax.

4. Payment of a dealer's credit as required under this chapter.

5. A portion of the tax collected may be retained by the county for costs of administration, but such portion shall not exceed 2 percent of collections.



(c) A county adopting an ordinance providing for the collection and administration of the tax on a local basis shall also adopt an ordinance electing either to assume all responsibility for auditing the records and accounts of dealers, and assessing, collecting, and enforcing payments of delinquent taxes, or to delegate such authority to the Department of Revenue. If the county elects to assume such responsibility, it shall be bound by the rules promulgated by the Department of Revenue pursuant to paragraph (3)(f), as well as those rules pertaining to the sales and use tax on transient rentals imposed by s. 212.03. The county may use any power granted in this chapter to the department to determine the amount of tax, penalties, and interest to be paid by each dealer and to enforce payment of such tax, penalties, and interest. The county may use a certified public accountant licensed in this state in the administration of its statutory duties and responsibilities. Such certified public accountants are bound by the same confidentiality requirements and subject to the same penalties as the county under s. 213.053. If the county delegates such authority to the department, the department shall distribute any collections so received, less costs of administration, to the county. The amount deducted for costs of administration by the department shall be used only for those costs which are solely and directly attributable to auditing, assessing, collecting, processing, and enforcing payments of delinquent taxes authorized in this section. If a county elects to delegate such authority to the department, the department shall audit only those businesses in the county that it audits pursuant to this chapter.

**History.**—s. 1, ch. 83-356; ss. 2, 4, ch. 84-67; s. 70, ch. 86-152; s. 82, ch. 87-6; s. 11, ch. 87-99; s. 51, ch. 87-101; s. 1, ch. 87-258; s. 30, ch. 88-119; s. 1, ch. 88-401; s. 32, ch. 89-356; s. 30, ch. 90-132; s. 2, ch. 90-349; s. 47, ch. 90-360; s. 85, ch. 91-45; s. 25, ch. 91-112; s. 1, ch. 91-155; s. 238, ch. 91-224; s. 8, ch. 93-286; s. 3, ch. 94-351; s. 1493, ch. 95-147; s. 1, ch. 95-290; ss. 1, 47, ch. 96-397; s. 61, ch. 96-406; s. 18, ch. 97-99; s. 9, ch. 2000-210; ss. 7, 11, ch. 2000-312; s. 1, ch. 2005-96; s. 12, ch. 2005-280; s. 4, ch. 2009-133.

# Florida Statute

## 212.0306

Food and Beverage Taxes

Select Year: 2013  

## The 2013 Florida Statutes

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Title XIV  
TAXATION AND  
FINANCE

Chapter 212  
TAX ON SALES, USE, AND OTHER  
TRANSACTIONS

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Chapter](#)

**212.0306 Local option food and beverage tax; procedure for levying; authorized uses; administration.—**

(1) Any county, as defined in s. 125.011(1), may impose the following additional taxes, by ordinance adopted by a majority vote of the governing body:

(a) At the rate of 2 percent on the sale of food, beverages, or alcoholic beverages in hotels and motels only.

(b) At the rate of 1 percent on the sale of food, beverages, or alcoholic beverages in establishments that are licensed by the state to sell alcoholic beverages for consumption on the premises, except for hotels and motels; however, the tax shall not apply to any alcoholic beverage sold by the package for off-premises consumption.

(2)(a)1. The sales in any establishment licensed by the state to sell alcoholic beverages for consumption on the premises, except for hotels and motels, that had gross annual revenues of \$400,000 or less in the previous calendar year, are exempt from the tax authorized by paragraph (1)(b).

2. For purposes of determining qualification for this exemption, each such establishment must determine the annual gross revenues of the business at the end of each calendar year. If an establishment's exemption status changes, the establishment must cease or begin collection of the tax effective the following February 1, in accordance with its new exemption status. An establishment must notify the tax collector of the county levying the tax of such change in writing no later than 20 days after the end of the calendar year.

3. Each newly opened establishment must collect the tax authorized by paragraph (1)(b) for 45 days commencing with its first day of business. After such time a newly opened business may cease collecting the tax if its projected gross annual revenues are \$400,000 or less. Projected gross annual revenues shall be determined by dividing gross revenues for the first 45 days by 45, and multiplying the resulting quotient by 365. Newly opened businesses which cease collecting the tax must notify the tax collector of the county levying the tax within 20 days after the last day the tax is collected. A newly opened establishment which has been in business for less than 45 days as of the end of its first calendar year is exempt from the provisions of subparagraph 2. for that calendar year.

(b) Sales in any veterans' organization are exempt from the tax authorized by paragraph (1)(b).

(c) All transactions that are exempt from the state sales tax are exempt from the taxes authorized by subsection (1).

(d) Sales in cities or towns presently imposing a municipal resort tax as authorized by chapter 67-930, Laws of Florida, are exempt from the taxes authorized by subsection (1).

(3)(a) The proceeds of the tax authorized by paragraph (1)(a) shall be allocated by the county to a countywide convention and visitors bureau which, by interlocal agreement and contract with the county,



has been given the primary responsibility for promoting the county and its constituent cities as a destination site for conventions, trade shows, and pleasure travel, to be used for purposes provided in s. 125.0104(5)(a)2. or 3., 1992 Supplement to the Florida Statutes 1991. If the county is not or is no longer a party to such an interlocal agreement and contract with a countywide convention and visitors bureau, the county shall allocate the proceeds of such tax for the purposes described in s. 125.0104(5)(a)2. or 3., 1992 Supplement to the Florida Statutes 1991.

1(b) For the first 12 months, the proceeds from the tax authorized by paragraph (1)(b) shall be used by the county to assist persons who have become, or are about to become, homeless. These funds shall be made available for emergency homeless shelters, food, clothing, medical care, counseling, alcohol and drug abuse treatment, mental health treatment, employment and training, education, and housing. Thereafter, not less than 15 percent of these funds shall be made available for construction and operation of domestic violence centers, and the remainder shall be used for the other purposes set forth in this paragraph. In addition, the proceeds of the tax and the interest accrued on those proceeds may be used as collateral, pledged, or hypothecated for projects authorized by this paragraph, including bonds issued in connection therewith. Prior to enactment of the ordinance levying and imposing the tax provided for by paragraph (1)(b), the county shall appoint a representative task force including, but not limited to, service providers, homeless persons' advocates, and impacted jurisdictions to prepare and submit to the governing board of the county for its approval a plan for addressing the needs of persons who have become, or are about to become, homeless. The governing board of the county shall adopt this countywide plan for addressing homeless needs as part of the ordinance levying the tax.

(c) The county and each municipality in that county shall continue to contribute each year at least 85 percent of aggregate expenditures from the respective county or municipal general fund budget for county-operated or municipally operated homeless shelter services at or above the average level of such expenditures in the 2 fiscal years preceding the date of levying this tax.

(4) A certified copy of the ordinance that authorizes the imposition of a tax authorized by this section shall be furnished by the county to the Department of Revenue within 10 days after the adoption of the ordinance.

(5) A tax authorized by this section may take effect on the first day of any month, but may not take effect until at least 60 days after the adoption of the ordinance levying the tax.

(6) Any county levying a tax authorized by this section must locally administer the tax using the powers and duties enumerated for local administration of the tourist development tax by s. 125.0104, 1992 Supplement to the Florida Statutes 1991. The county's ordinance shall also provide for brackets applicable to taxable transactions.

(7) Each county shall also appoint an oversight board including, but not limited to, service providers, domestic violence victim advocates, members of the judiciary, concerned citizens, a victim of domestic violence, and impacted jurisdictions to prepare and submit to the governing board of the county for its approval a plan for disbursing the funds made available for the construction and operation of domestic violence centers. Each member of the county's governing board shall appoint a member, and the county manager shall appoint two members, to the oversight board.

**History.**—s. 2, ch. 89-362; s. 4, ch. 93-233; ss. 1, 2, ch. 94-351; ss. 71, 72, ch. 94-353.

**1Note.**—As amended by s. 71, ch. 94-353. Paragraph (b) was also amended by s. 1, ch. 94-351. The ch. 94-353 version is published here as the last expression of legislative will. Paragraph (b), as amended by s. 1, ch. 94-351, reads:

(b) For the first 12 months, the proceeds from the tax authorized by paragraph (1)(b) shall be used by the county to assist persons who have become, or are about to become, homeless. These funds shall be made available for emergency homeless shelters, food, clothing, medical care, counseling, alcohol and drug abuse treatment, mental health treatment, employment and training, education, and housing. Thereafter, not less than 15 percent of these funds shall be made available for

construction and operation of domestic violence centers, and the remainder shall be used for the other purposes set forth in this paragraph. In addition, the proceeds of the tax and interest accrued may be used as collateral, pledged or hypothecated, for any projects authorized by this paragraph, including bonds issued in connection therewith. Prior to enactment of the ordinance levying and imposing the tax provided for by paragraph (1)(b), the county shall appoint a representative task force including, but not limited to, service providers, homeless advocates, and impacted jurisdictions to prepare and submit to the governing board of the county for its approval a plan for addressing the needs of persons who have become, or are about to become, homeless. The governing board of the county shall adopt this countywide plan for addressing homeless needs as part of the ordinance levying the tax.

**Note.**—Former s. 125.0104(3)(n).

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# Laws of Florida

## Chapter 67-930

### Municipal Resort Taxes

## Attachment "1"

### Law of Florida, Chapter 67-930

#### Section 1.

All cities and towns, in counties of the state having a population of not less than three hundred thirty thousand (330,000) and not more than three hundred forth thousand (340,000) and in counties having a population of more than nine hundred thousand (900,000), according to the latest official decennial census, whose charter specifically provides now or whose charter is so amended prior to January 1, 1968, for the levy of the exact tax as herein set forth, are hereby given the right, power and authority by ordinance to impose, levy and collect a tax within their corporate limits, to be known as a municipal resort tax, upon the rent of every occupancy of a room or rooms in any hotel, motel, apartment house, rooming house, tourist or trailer camp, as the same are defined in part I, chapter 212, Florida Statutes, and upon the retail sale price of all items of food, beverages and alcoholic beverages, other than beer or malt beverages, sold at retail for consumption on the premises of any place of business required by law to be licensed by the state hotel and restaurant commission or by the state beverage department; provided, however, this tax shall not apply to those sales the amount of which is less than fifty cents (50¢).

#### Section 6.

Any funds received under and by virtue of the municipal resort tax imposed or levied under the authority of this act shall be used for the following purposes only: creating and maintenance of convention and publicity bureaus, cultural and art centers, enhancement of tourism, publicity and advertising purposes, and for the future cost, purchase, building, designing, engineering, planning, repairing, reconditioning, altering, expanding, maintaining, servicing and otherwise operating auditoriums, community houses, convention halls, convention buildings or structures, and other related purposes, including relief from ad valorem taxes heretofore levied for such purposes.'

# FLORIDA TOURIST-RELATED TAXES - HISTORY

TYPE OF TAX	INITIAL STATUTE	AMENDMENTS
<p><b>Municipal Resort Tax</b></p> <p>Chapter 67-930, Laws of Florida</p>	<p>1967 - Chapter 67-930, L.O.F., authorized municipalities with populations between 330,000 and 340,000, or with populations over 900,000 to levy a tax on the sale or leasing of transient rentals, or the sale of food, beverages, or alcoholic beverages for on-premise consumption in hotels and motels, at a rate of 2 percent. The levy of this tax could be adopted by a referendum election in which a majority of voters in the municipality approved the tax prior to January 1, 1968 or if five-sevenths of the city council and four-fifths of the Tourist Development Authority appointed to administer the tax vote affirmatively to levy the tax. Municipalities levying the municipal resort tax may be excluded from any additional tax imposed by counties adopting the local option tourist development tax or the convention development tax. If the cities choose to be excluded from these other taxes, they may not participate in the expenditure of revenues collected from such taxes by the county.</p> <p>Funds collected under and by virtue of the municipal resort tax are authorized to be used for the creation and maintenance of convention and publicity bureaus, cultural and art centers, enhancement of tourism, publicity and advertising purposes and for the future cost, purchase, building, designing, engineering, planning, repairing, reconditioning, altering, expanding, maintaining, servicing, and otherwise operating auditoriums, community houses, convention halls and buildings or structures and any other related purpose, including relief from ad valorem taxes previously levied for the above purposes.</p>	<p>1982 - Chapter 82-142, L.O.F., authorized municipalities to increase the tax to three percent on transient rentals, provided the increase was approved in another referendum election prior to January 1, 1983.</p> <p>1983 - Chapter 83-363, L.O.F., authorized municipalities to increase the tax to four percent, contingent upon a referendum vote.</p> <p>1993 - Chapter 93-286, L.O.F., sections 9-11, removed the exemption from the tax from beer or malt beverages.</p> <p>1994 - Chapter 94-344, L.O.F., sections 5-7, extend the authorization to levy the tax (at the rate of 2%) on the sale of food and beverages sold at retail (other than alcoholic beverages) regardless of whether or not the food or beverages are to be consumed on the premises of any business establishment licensed by the state hotel and restaurant or state beverage agencies. The tax does not apply to sales of less than 50 cents or on certain home delivered meals. Additionally, certain enforcement powers are provided to municipalities collecting the tax.</p>