City of Coral Gables
CITY COMMISSION MEETING
March 10, 2020

ITEM TITLE:

Resolution. A Resolution of the City Commission of Coral Gables, Florida urging the Florida Legislature to oppose certain sections of Committee Substitute House Bill 7097, specifically the reduction in the State Communications Services Tax and the future sunset of the Charter County and Regional Transportation System Sales Surtax levied by Miami-Dade County.

BRIEF HISTORY:

Committee Substitute House Bill (CS/HB) 7097 is the 2020 tax package proposed by the Florida House of Representatives. CS/HB 7097, Sec. 17, amends Sec. 202.12, F.S., to include a 0.5% rate reduction for both the State Communications Services Tax (CST) and direct-to-home satellite services beginning on January 1, 2021. While this bill does not reduce the local Communications Services Tax, a portion of the State CST benefits cities and counties through statutorily required revenue sharing.

CS/HB 7097, further impacts cities by requiring any Charter County and Regional Transportation System Surtax as defined in Sec. 125.011(1), F.S., including the surtax levied by Miami-Dade County, to expire on December 31, 2049. Following this expiration, any new levy of the surtax authorized on or after January 1, 2050, would have to be approved by a majority vote of the electorate at a general election held within 2 years before the effective date of the new levy, and once approved could not be levied for more than 20 years.

Miami Dade County's Regional Transportation Surtax funds the Coral Gables trolley system and partially funds the City's freebee program. In addition to the significant effect this amendment would have on Coral Gables in particular, the Florida League of Cities estimates the total local government revenue impact of CS/HB 7097 in fiscal year 2020-21 would be -$17.8 million.

For the abovementioned reasons, the City Commission urges the Florida Legislature to oppose certain sections of CS/HB 7097, specifically the reduction in the State CST and the future sunset of the Charter County and Regional Transportation System Sales Surtax.

ATTACHMENT(S):

1. **Draft Resolution**