



March 9, 2007

Session Begins

The 2007 session of the state Legislature opened on Tuesday, March 6. Newly elected Gov. Charlie Crist's first State of the State address carried a populist tone, calling on legislators to cut property taxes, increase teacher pay and crack down on dangerous criminals.

Speaker of the House Marco Rubio, R-Miami, also exhorted his members to lower property taxes. In addition, he urged them to rewrite school curricula and to make Florida the "Silicon Valley" of alternative energy.

In the Senate, President Ken Pruitt, R-Port St. Lucie, warned colleagues that Florida is in an economic slump and encouraged them to reduce the burden of higher property taxes and insurance rates on the citizens of Florida.

On the subject of taxes, Gov. Crist has proposed doubling the homestead exemption, allowing homeowners to take the three percent tax cap with them when they move, extending the cap to owners of businesses and second homes and eliminating tangible personal property tax for commercial equipment valued under \$25,000.

The House of Representatives has also offered a plan which eliminates property taxes on owner-occupied homes, increases the statewide sales tax by 2.5 cents to 8.5 cents and rolls back city and county revenues to 2001 levels with allowances for inflation and growth.

Over the years, the Legislature has tried to change the tax system in Florida. The last time was in 2002 when then-Senate President John McKay, R-Bradenton, tried to push through a 1.5 cent cut in the state sales tax in exchange for the elimination of billions of dollars in tax

exemptions. Gov. Bush and the House of Representatives saw it as a tax increase, and it was handily defeated.

Farm Bureau will be watching this issue closely.

Farm Bureau Day Activities

We encourage you to mark your calendars now for Farm Bureau Day activities in Tallahassee, March 19 and 20.

The festivities begin with a briefing dinner at the Cross Creek Driving Range and Golf Course on Monday at 6:30 p.m. Space is limited, so **reservations are required**. Cost is \$10 per person. Dress is casual.

Counties setting up displays for the reception on March 20 may begin work at the Civic Center Exhibition Hall at 9 a.m. on Tuesday. Work on displays must be completed by 3 p.m. Limited space is still available for those wanting to participate.

A second briefing will be held in the Civic Center Exhibition Hall at 5 p.m., with the legislative reception officially beginning at 5:30.

Please make appointments with your legislators to see them while you are here and invite them to our reception. Because of the gift ban, legislators, staff and other governmental employees have to pay to attend (\$10).

Tickets for Farm Bureau members are available at your local county Farm Bureau office.

For more information, to reserve space at the briefing dinner or to arrange for an exhibit at the legislative reception, please contact Chris Scovotto at (850) 222-2557.

Farm Bureau's Priority Issues

1. **Greenbelt:** Greenbelt should be protected, not changed. Farm Bureau opposes the following bills:
 - a) **SB 514** by Sen. Steve Geller – Changes the Greenbelt statute.
 - b) **HB 1357** by Rep. Ralph Poppell – Changes the Greenbelt statute.
 - c) **SB 2456** by Sen. Mike Fasano and HB 119 by Rep. Juan Zapata – Takes Greenbelt away from farmers who knowingly hire or who use contractors or subcontractors who employ illegal aliens on their farms.
2. **Sales Tax Exemptions:**
 - a) **Electricity** – Covers electricity used indirectly for the production or processing of agricultural products on farms, such as in offices and barns. (SB 146 by Sen. Jeff Atwater, HB 1199 by Rep. Bryan Nelson)
 - b) **Low Volume Irrigation** – Encourages farmers to save water by offering a sales tax exemption for low volume irrigation systems and equipment. (SB 1968 by Sen. Jeff Atwater, HB 245 by Rep. Baxter Troutman)
 - c) **Buildings and Fences** – Exempts materials used in farms buildings and fences. (SB 1984 by Sen. Carey Baker, HB 1561 by Rep. Ralph Poppell)
3. **Agritourism:** Protects the Greenbelt status of farmers who have tourist activities on their farms and mandates that no permits are needed to conduct such activities. (SB 2754 by Sen. Mike Haridopolis and HB 1427 by Rep. Juan Zapata)
4. **Trespassing:** Reduces landowners' liability for trespassers on agricultural lands and increases penalties for certain trespassing offenses (SB 1522 by Sen. J.D. Alexander and HB 553 by Rep. Baxter Troutman)

Bills Being Monitored

1. **Springs Protection Act** – SB 2636 by Sen. Nancy Argenziano
2. **Lake Okeechobee Bill** – SB 392 by Sen. Burt Saunders and HB 197 by Rep. Richard Machek

Property Tax Reform Proposals

As noted earlier, the Governor's Office and the House of Representatives have both released tax reform proposals. Following is a brief comparison of several aspects under consideration:

Portability: *Crist* – provides for portability of Save Our Homes differential. *House* – does not. Instead, replaces homestead property tax by increasing state sales tax 2.5 cents.

Homestead exemption: *Crist* – doubles exemption from \$25,000 to \$50,000. *House* – does not. Instead, replaces homestead property tax with increased sales tax.

Property assessment limit: *Crist* -- Applies Save Our Homes cap to all non-homestead real property. *House* – Caps property taxes, not assessments.

Tangible personal property exemption: *Crist* – Exempts tangible personal property for persons owning \$25,000 or less. *House* – None.

Property tax cap: *Crist* – Caps property tax assessments, not taxes. *House* – in 2007 will roll back millage rates to 2001 rate, plus annual CPI; for future, by constitutional amendment, allows for increase in rollback rate based on CPI. Excludes schools and bonded debt. Allows for override by vote of governing body.

FFBF STATE LEGISLATIVE OFFICE

Ben Parks, Director
Lee Ann Fisch, Assistant Director
Mary Ann Gosa, Director of Government and Community Affairs
Chris Scovotto, Legislative Assistant
Phone 850/222-2557 Fax 850/222-9927
E-mail BGParks@hotmail.com,
LeeAnn.Fisch@ffbf.org, MaryAnn.Gosa@ffbf.org,
and Christine.Scovotto@ffbf.org

