February 19, 2020

The Honorable Jennifer Sullivan
Florida House of Representatives
308 House Office Building
402 South Monroe Street
Tallahassee, FL 32399-1300

RE: WMC20-01: Taxation

Dear Representative Sullivan:

On Wednesday, February 19, 2020, the House Ways and Means Committee will be considering WMC20-01, or the House tax proposal. The Florida Chamber of Commerce appreciates the House’s continued focus on reducing taxes and returning excess revenue to hard working families and job creators in the state.

WMC 20-01 makes positive steps in improving Florida’s competitiveness by lowering the state communications services tax and reducing the business rent tax. Florida currently has the 9th highest communications services tax rate in the country, despite the reduction passed by the Florida Legislature in 2015. This broad-based tax cut will further reduce the taxes paid on cell phone, cable and other telecommunications services and benefits nearly every Floridian. We are also encouraged by the continued commitment to chip away at the Florida-only business rent tax and appreciate its inclusion in the tax package.

While WMC 20-01 reduces taxes that put Florida at a competitive disadvantage, the Florida Chamber does have concerns with some of the policy changes contained within the bill. The Florida Chamber believes that the tourist development tax should only be used on projects that have a direct connection to tourism or tourism marketing, and while water quality certainly impacts tourism, the new projects contained within the bill do not have a direct benefit to Florida’s tourism marketplace. Additionally, the Florida Chamber has been working with our hospital members and Representative Caruso on how the property tax exemption is calculated for non-profit hospitals and remains concerned with the language as currently drafted.

WMC 20-01 contains other positive provisions that the Florida Chamber also supports. The popular back to school sales tax holiday and disaster preparedness sales tax holiday are included and these sales tax holidays are not only beneficial to families, but are beneficial to retailers selling these supplies and the jobs these businesses support.

As the Florida House moves forward with the House tax package and begins negotiations with the Florida Senate, the Florida Chamber stands ready to assist and provide any information on how these proposals might impact the business community. Thank you for your work to return taxpayer dollars to the residents of Florida. If you have any questions about this or other issues, please do not hesitate to contact me.

Regards,
Securing Florida’s Future

Frank C. Walker, III
Vice President of Government Affairs

CC: Charles Caulkins, Chair, Florida Chamber of Commerce
    Mark Wilson, President & CEO, Florida Chamber of Commerce
    David Hart, Executive Vice President, Florida Chamber of Commerce