



School Capital Outlay Surtax (half-cent sales tax)

What is the school half-cent sales tax?

The School Capital Outlay Surtax, more commonly known as the school half-cent sales tax, is a sales tax that may be levied by a school board after a favorable vote of the electorate through a local referendum.¹ The sales tax may not exceed .5 percent.²

For what purposes may the tax proceeds be used?

The school half-cent sales tax proceeds must be used for fixed capital expenditures or fixed capital costs associated with the construction, reconstruction, or improvement of school facilities and campuses that have a useful life expectancy of five or more years, and any land acquisition, land improvement, design, and engineering costs associated with such facilities and campuses.³

How many counties have passed the school half-cent sales tax and how much revenue does the tax generate?

The voters in 16 school districts have passed a school half-cent sales tax that will generate \$399.0 million during the county fiscal year ending September 30, 2010.⁴

<i>School District</i>	<i>Effective Date</i>	<i>Tax Rate (percent)</i>	<i>Estimated Revenue (millions)</i>
Calhoun	Jan. 1, 2009 to Dec. 31, 2018	.5	\$0.4
Escambia	Jan. 1, 1997 – Dec. 31, 2002; Extended until Dec. 31, 2017	.5	\$17.9
Flagler	Jan. 1, 2003 – Dec. 31, 2012	.5	\$3.8
Gulf	Jan 1, 1997 – Dec. 31, 2009	.5	\$0.1
Hernando	Jan 1, 2005 – Dec. 31, 2014	.5	\$7.1
Jackson	Jan 1, 1996 – June 30, 2006; Extended until Dec. 31, 2015	.5	\$1.9
Leon	Jan. 1, 2003 – Dec. 31, 2012	.5	\$16.5
Manatee	Jan. 1, 2003 – Dec. 31, 2017	.5	\$19.8
Marion	Jan. 1, 2005 – Dec. 31, 2009	.5	\$4.6
Monroe	Jan. 1, 1996 – Dec. 31, 2005; Extended until Dec. 31, 2015	.5	\$10.7

¹ Section 212.055(6)(a), F.S.

² *Id.*

³ Section 212.055(6)(c), F.S.

⁴ Florida Legislative Committee on Intergovernmental Relations, *History of Discretionary Sales Surtax Levies*, (Nov. 2009), available at <http://www.floridalcir.gov/UserContent/docs/File/data/2010LDSShist.pdf>; Florida Department of Revenue, *History of Local Sales Tax and Current Rates* (July 2010), available at <https://taxlaw.state.fl.us/wordfiles/SUT%20TRC%20HISTORY.pdf>.

Orange	Jan. 1, 2003 – Dec. 31, 2015	.5	\$146.5
Palm Beach	Jan. 1, 2005 – Dec. 31, 2010	.5	\$94.1
Polk	Jan. 1, 2004 – Dec. 31, 2019	.5	\$29.3
St. Lucie	July 1, 1996 – June 30, 2006; Extended until Dec. 31, 2026	.5	\$12.2
Santa Rosa	Oct. 1, 1998 – Dec. 31, 2018	.5	\$5.8
Volusia	Jan. 1, 2002 – Dec. 31, 2016	.5	\$28.3
TOTAL			\$399.0

May voters approve a school half-cent sales tax under the condition that a portion of their school property taxes is reduced?

Yes. The resolution of a district school board providing for the imposition of the school half-cent sales tax may include a covenant to decrease the Capital Outlay Discretionary Tax and to maintain that tax at the reduced millage as long as the tax is in effect. The resolution may also provide that the tax shall sunset on December 31 of any year in which the district school board levies the Capital Outlay Discretionary Tax at a millage rate in excess of the reduced millage rate promised in the resolution.⁵

For example, in September 2002, Orange County voters approved the levy of a school half-cent sales tax for 13 years⁶ in order to raise capital outlay revenues under the condition that a half-mill of the Capital Outlay Discretionary Tax is reduced while the school half-cent sales tax is in effect.

Where can I get additional information?

Florida Department of Education

Office of Educational Facilities
(850) 245-0494
<http://www.fldoe.org/edfacil/>

Florida House of Representatives

Appropriations Committee
(850) 488-6204
<http://www.myfloridahouse.gov>

Florida House of Representatives

Education Committee
(850) 488-7451
<http://www.myfloridahouse.gov>

⁵ Sections 1011.715 and 1011.71(2), F.S.

⁶ Orange County Public Schools, *Facilities - Frequently Asked Questions*, <https://www.ocps.net/fa/Pages/FAQ'S.aspx> (last visited Sept. 7, 2010).

