

EXHIBIT F

Position: The City SUPPORTS legislation that authorizes a local option sales tax on alcoholic beverages in establishments licensed to sell alcoholic beverages or at special events held within the municipality for which 100% of the tax proceeds will be used to fund Public Safety expenditures in support of Economic Development a commerce within the municipality.

Purpose of Legislation: City's often engage in economic development and cultural activities that add to the economic base with the State of Florida. Certain activities increase the need for Public Safety Personnel and Capital. Tax proceeds generated at establishments within the municipality or by these special events are distributed amongst the county using distribution formulas. Yet, the hosting municipality must provide for the safety and security of the public enjoying such activities. This proposal will allow for an end-user sin tax to support the increased public safety aspect generated by such economic activity.

Background: Florida State Statutes currently allows Miami-Dade County to levy 2% on the sale of food, beverages, or alcoholic beverages in hotels and motels. The same statute also allows a 1% levy on the sale of food, beverages, or alcoholic beverages in establishments licensed to sell alcohol. Funds generated from these taxes are used to fund homeless shelters and domestic violence centers. Therefore, there is precedent for local option sales tax to fund certain public programs.

Proposed Legislation: Local Option Sales Tax on Alcohol proposed statutory language: 212.0307 Local Option beverage tax; procedure for levying; authorized uses.

- Any pre-platted municipality with a population greater than 150,000 may impose the following additional taxes, by ordinance adopted by a majority vote of the governing body:
 - At the rate of 1 percent on the sale of alcoholic beverages in establishments that are licensed by the state to sell alcoholic beverages for consumption on the premises; however, the tax shall not apply to any alcoholic beverage sold by the package for off-premises consumption
 - At the rate of 1 percent on the sale of alcoholic beverages sold at special events held within the municipality by an entity licensed to sell alcoholic beverages for consumption at the special event.

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- Proceeds from the taxes in paragraph one shall be made available for funding public safety expenditures within the municipality. In addition, the proceeds of the tax and the interest accrued on those proceeds may be used as collateral, pledged, or hypothecated for public safety capital improvement projects authorized by this paragraph, including bonds issued in connection therewith.
- A certified copy of the ordinance that authorizes the imposition of a tax authorized by this section shall be furnished by the municipality to the Department of Revenue within 10 days after the adoption of the ordinance.
- 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.