

BUDGET SUMMARY

	FY 04 Adopted	FY 04 Projected	FY 05 Adopted	FY 06 Adopted
Local Sales Tax	\$ 6,750,000	\$ 6,650,000	\$ 6,850,000	\$ 7,050,000
Transient Occupancy Tax	2,050,000	1,800,000	2,650,000	2,650,000
Meals Tax	4,075,000	4,200,000	4,440,000	4,660,500
Delinquent Taxes	42,500	28,000	25,000	25,000
Deeds of Conveyance	275,000	350,000	375,000	400,000
Bank Franchise Tax	210,000	200,000	245,000	245,000
Telecommunication Taxes	1,000,000	1,050,000	1,183,725	1,327,725
Recordation Tax	675,000	950,000	1,462,000	1,585,000
Total	<u>\$ 15,077,500</u>	<u>\$ 15,228,000</u>	<u>\$ 17,230,725</u>	<u>\$ 17,943,225</u>

BUDGET COMMENTS

Other Local Taxes include the budget for the 1 percent **Local Sales Tax**. This tax is collected with the 3.5 percent State sales tax at the time of sale, and remitted to the County. A modest increase is anticipated over the next two years.

Transient Occupancy Room Tax revenues are those received from the 4 percent tax imposed on hotel, motel room sales, and rental condominium units. Half of this tax revenue is targeted toward tourism in compliance with State law. FY 2005 and FY 2006 receipts are expected to increase with a new \$2 per room/per night tax authorized for marketing.

The **Meals Tax** represents a tax on prepared food and beverages. The County levies a 4 percent tax. Because of the impact on tourism in the County, it is estimated that 70 percent of the revenue is generated by nonresidents of the County. Growth over FY 2004 collections is expected at 5.7 percent.

Deeds of Conveyance records revenue received from the tax imposed on conveyance of property deeds. The tax is based on the value of the property involved. As property values continue to rise and property transactions increase, this revenue is projected to continue to rise.

Bank Franchise Tax represents revenue received from the tax imposed on bank deposits in County bank branches, less certain allowable deductions. New bank branches are expected to open in the County within the next fiscal year.

Telecommunications Taxes are assessed to recover capital and maintenance expenses of the County's enhanced 911 program and are collected as part of residential and commercial telephone bills. There is a \$1.20 maximum per line per month on both land lines and wireless phones. The County E-911 tax for each landline is proposed in this budget to rise from 75-cents to \$1.00, generating an additional \$72,000. Wireless phone owners pay a 75-cent 911 tax to the State.

The **Recordation Taxes** are fees levied for documents recorded at the Clerk of Circuit Court's Office. Fees vary based on the type of document and the value of real estate. As real estate values continue to rise and property transactions increase, the activity is projected to continue to rise. Tied to one-third of the State tax rate, an increase in the State rate also has produced an increase in the local tax rate in FY 2005 and FY 2006.