

Some of you have asked me for my views on Constitutional Amendment 1. While I do not believe this proposal provides the kind of tax relief we really need in Florida, I do think it is a small step in the right direction.

IMPACT ON SCHOOLS

What this measure does not do, however, is decimate government to the point that we will have to cut salaries to classroom teachers. The Amendment exempts the School Board from the limits on assessment increases for non-homestead properties. The Amendment raises the homestead exemption from \$25,000 to \$50,000, but leaves the lower \$25,000 exemption in place for school taxes.

The only provision of this amendment that might affect our school system is the portability provision. Since the Save Our Homes caps already apply to the portion of ad valorem taxes allocated to the Schools, there will not be a net increase in homes with reduced values. The amendment does not expand the Save Our Homes caps now in place. It simply allows owners to move the Save Our Homes caps to new homes. So if I move out of my house, I can take a portion of my reduced value to my new house. If the buyer of my house is from out of State or has not had the benefit of a Save Our Homes cap, then the new owner will pay taxes on the full value of my old house as determined by the sales price.

I recently received a mailing from the Teachers Union that seriously distorts the facts about Amendment 1. We have been unable to verify the data they are distributing and wonder if our teachers are willing to distort the facts to achieve their political ends, what values are they conveying to our children in the classroom?

IMPACT ON POLICE, FIRE AND OTHER SAFETY PERSONNEL

The amendment proposes to increase the homestead exemption from \$25,000 to \$50,000 for houses with values greater than \$75,000. There are currently 17,886 homes in Bay County that will be entitled to an additional \$25,000 of exemption, resulting in a loss of approximately \$5,000,000 in ad valorem revenue to Bay County. **This represents less than 2% of the total budget of Bay County.** Between 2005 and 2008 Bay County's budget has nearly doubled. Between 1990 and 2008, the population of Bay County has grown 27% while the Bay County Budget has increased 459% in the same time period. I surely hope that our public safety officers are not so thinly capitalized that they can not absorb a potential 2% reduction in income when they have consistently increased their expenses at a rate greater than 26% per year.

What the doomsayers from the police and fire unions do not tell you is that all new parcels will continue to be taxed at the full market value. Most of the growth in revenue in Bay County has come from our second family homes and condominiums. As a matter of fact, these properties now account for fully 50% of the ad valorem revenue generated in Bay County. Our out of town

owners also carry the lions share of our expenses through other sales and use taxes that pay for our police and fire protection services when they are not occupying their second homes.

We have previously projected that the new revenue from new condominiums added to the tax roll this year alone, will generate an additional \$23,000,000 in ad valorem revenue for all our governmental entities, or more than ten times the anticipated loss from the increased exemption offered by Amendment 1.

I hope you will join me in voting in favor of Amendment 1.