

MARTIN COUNTY SALES TAX PRIMER

DON'T BE FOOLED BY THE "ONE CENT" MISNOMER: The proposed sales tax hike is not one cent. It's not a penny. It's an increase from 6% to 7% on each dollar you spend on items you purchase every day, like clothing, toiletries, paper products, restaurant and fast-food meals.

DO THE MATH: The proposed hike from 6 cents to 7 cents on the dollar is a 17% increase. The sales tax surcharge is expected to raise \$23 million for the County each year for 10 years. But at the same time, Commissioners have promised to roll back the FPL franchise fee, which is now 6% of your monthly electric bill and raises about \$9 million annually. Reduced to its lowest level, the franchise fee will generate less than \$1 million. Sales tax revenues of \$23 million accompanied by an \$8 million reduction in franchise fee receipts produce a net increase of \$15 million in revenue for the County. It's mathematically inaccurate to claim that the County will have \$23 million in increased sales tax revenues to spend on infrastructure if Commissioners keep their promise to reduce the FPL franchise fee.¹

READ THE ORDINANCE: The ordinance that implements the sales tax hike allows County Commissioners to spend 65% of the proceeds on "infrastructure" and "public works" projects. There is no requirement that any of the proceeds be used to repair crumbling roads, failing bridges or backed-up drainage systems. "Infrastructure" is any building, project, or vehicle that may last 5 years or more. Up to \$10 million can be spent to build any single project, so long as it is a "public works" facility, that is, a facility owned by or used for the benefit of the public.

REMEMBER THE ALGAE BLOOMS: While the ordinance requires at least 35% of sales tax proceeds to be spent on projects to improve water quality, there are dozens of projects the County has identified as water quality projects even though they are not critical to a comprehensive program to reduce toxic discharges from Lake Okeechobee. Taxpayers should not pay to install utility lines miles outside the Urban Services Boundary to serve properties owned by developers while thousands of homes inside the USB remain without public water and sewer service and pose a genuine threat to water quality.

DO YOUR HOMEWORK: Read the implementing ordinance, not just the 75-word ballot question. Go to www.martin.fl.us/salestax and click on "Sales Tax Ordinance" to see how the County proposes to spend your money. The election is August 29. Commissioners decided to spend \$110,000.00 on a special election for the sales tax issue rather than to wait for the next general election when more voters would likely participate. Urge your friends and neighbors to contact the Supervisor of Elections at www.martinvotes.com to request a ballot so you will have a voice in this decision.

VOTE AGAINST THE SALES TAX SURCHARGE ON AUGUST 29TH

¹ The County could face another \$7 million loss in annual real estate tax receipts during the 10-year lifetime of the proposed sales tax hike if voters approve an increase in the homestead exemption on the 2018 statewide ballot.