



LEAGUE OF WOMEN VOTERS® OF COLLIER COUNTY

Presentation to the Collier County State Legislative Delegation Meeting and Public Hearings
November 24, 2009

Distinguished Elected Officials:

I am Sandy Parker, President of the League of Women Voters of Collier County, and I am pleased and proud to be here on behalf of our 150 members.

As you know, the League is a nonpartisan organization. Our mission is to encourage informed and active participation in government, and to influence public policy through education and advocacy.

In your binders is a list of the priorities of the League of Women Voters of Florida for the upcoming legislative session. They were adopted by local Leagues representing thousands of members statewide. Today I will speak about just one of them: the need for more Equitable Taxation.

Currently, many Florida businesses, particularly small- and medium-sized companies, pay more than they should because large multi-state companies are not paying their fair share. These large companies are able, under Florida law, to declare their income in another state. Small business owners and Florida citizens suffer.

It's time to address this inequity, and require these large, un-taxed businesses to pay their fair share, as is happening in states across America who are implementing "combined reporting."¹

Further, many sales tax loopholes exist that reward special interests and provide no public benefit. Last March, Florida Tax Watch, a business-backed research group, compiled a list of \$225 million in annual sales tax exemptions that could be eliminated, including those for charter fishing boats, bottled water, veterinary medicines, sales of religious items, movie theater concession rent, Super Bowl tickets and sales of U.S. and state flags.² In the last legislative session, both the Senate and House Finance & Tax Councils reviewed sales tax exemptions. Representative Grady participated in the House review.

Disappointingly, after review by both Councils, no loopholes were eliminated. Instead, fees were raised on services such as drivers' licenses, title transfers, court fees, university students and fishing licenses. Some of those fees more than doubled and several are for items that seniors and low income families cannot do without.³

The need to equalize the tax burden and repeal unwarranted – or no-longer-affordable – sales tax exemptions is more critical now than ever before. The needs of our citizens for better services demand it.

Florida ranks 49th in the nation in education funding for K-through-college.⁴ We have the second-highest drop-out rate (Georgia is first),⁵ and the third-highest juvenile incarceration rate (above Wyoming and South Dakota) in the country.⁶

Statistics like these will not bring companies with high-paying jobs to our state. According to Florida Trend magazine, companies are looking for states like North Carolina that have laws ensuring a competitive level of funding for their universities, teachers and professors.⁷

In the upcoming session, we ask you to take steps to improve tax equity.

We will be watching your work carefully.

Thank you for your consideration of our priorities, and for your service to our community.

¹ “A Majority of States Have Now Adopted a Key Corporate Tax Reform – ‘Combined Reporting,’” by Michael Mazerov, Center on Budget and Policy Priorities, April 3, 2009, <http://www.cbpp.org/files/4-5-07sfp.pdf>

² “In about-face, TaxWatch suggests ways to tax services, cut exemptions,” by Mary Ellen Klas, Times/Herald Tallahassee Bureau, March 13, 2009, <http://www.tampabay.com/news/politics/legislature/article983597.ece>

³ Capitol Report Wrap-up, League of Women Voters of Florida, May 12, 2009, page 2, http://www.lwvfla.org/pdf/%20files/CapRpts2009/Capitol_Report_-_2009_Wrap_Up_-_Final%5B1%5D.pdf

⁴ State and Local Government Finances: 2004 – 2005, CQ Press, using data from the U.S. Bureau of Census; Rankings and Estimates, December 2007. National Education Association.

⁵ “Left Behind in America: The Nation’s Dropout Crisis,” A Report by the Center for Labor Market Studies at Northeastern University, May 5, 2009, http://www.clms.neu.edu/publication/documents/CLMS_2009_Dropout_Report.pdf

⁶ “Geography Matters: Child Well Being in the States,” Every Child Matters Education Fund, 2008 <http://www.everychildmatters.org/images/stories/geomatters.pdf>

⁷ “North Carolina Stands to Hire Away Our Best Professors,” Florida Trend Magazine, May 1, 2009, http://www.floridatrend.com/industry_article.asp?aID=50930