



Frequently Asked Questions

1% Local Option Sales Tax – One Cent Makes a Difference

Last updated April 4, 2018

1. What is the 1% Local Option Sales Tax?

Counties, with voter approval, can increase the state-wide six percent sales tax to seven percent for infrastructure needs. The sales tax is applied to transactions subject to state tax. However, food, medicine and certain services are not subject to sales tax. In addition, the 1% tax is only levied on the first \$5,000 of any large purchase.

These monies can be used for a wide range of capital infrastructure expenses such as public safety vehicles, acquiring park or environmental land, or engineering, design & construction of any public facility with a life span of over five years. Maintenance and operating costs are not eligible expenses, nor are reimbursements for prior land purchases.

2. Is this a new tax?

No, this is NOT a new tax. There will be no increase in the amount of sales tax you currently pay. This is a continuation of the existing 1% local option sales tax that was first approved by the voters in 1994.

3. What are the advantages of using a sales tax?

It is a funding source that is paid by everyone, not just local property owners. Tourists and visitors contribute toward roads, parks and public safety that improve the quality of life for everyone.

4. What projects would be funded if the Local Option Sales Tax were to be extended?

Transportation/Infrastructure

- Olean Boulevard Widening
- Piper Road North Improvements

Public Safety

- Jail Expansion—Medical Wing
- Charlotte County Sheriff District 1 (West County) Headquarters
- West County Annex Replacement
- Public Safety Digital Radio System
- Fiber to Fire Stations

Education

- School Security Initiatives - Classroom Security Function Lock Sets
- School Security Initiatives - Front Entry Access Control
- School Wireless Technology Upgrade

Quality of Life

- McGuire Park Phase 1
- Veterans Memorial Park
- Family Services Center Expansion and Remodeling
- Recreation Center Renovations (Tringali, Harold Avenue, and South County Recreational Centers)
- Ann Dever Regional Park Splash Pad
- Punta Gorda Charlotte Library
- North Charlotte Regional Park Recreation Center
- Ann Dever Regional Park Recreation Center
- Multi-use Trails and On-road Bicycle Lanes
- Harbor Walk/Gateway Project Phase 2

5. How many Counties have a Local Sales Tax in place?

Of the 67 counties in Florida, 55 of them, or 82%, have a local option sales tax. This includes our neighboring counties of Sarasota, Glades, and DeSoto.

6. What did Charlotte County do with the sales tax funds already collected?

In 1994, voters approved the 1% local option sales tax to be levied over a four year period for two specific projects, the construction of a new Justice Center and a new jail. In 1998, 2002, and again in 2008, the voters approved an extension. The current extension runs through December 2014. The status of the projects is as follows (*figures last updated July 11, 2017*):

Charlotte County 1994 Projects \$52,176,000			
1	Charlotte County Jail	\$25,291,000	Complete
2	Charlotte County Justice Center	26,885,000	Complete

Charlotte County 1998 Projects \$57,024,000			
1	Winchester Blvd Hurricane Evacuation Route	\$11,362,000	Complete
2	30+ miles of sidewalks	11,810,000	Complete
3	Franz Ross Park	950,000	Complete
4	Englewood Beach Park	1,127,000	Complete
5	Stump Pass Beach	100,000	Complete
6	911 Equipment/Dispatch	1,000,000	Complete
7	Special ops vehicle and 2 rescue units	555,000	Complete
8	Emergency shelter & 15 refuge sites	550,000	Complete
9	Amberjack Environmental Park	400,000	Complete
10	Oyster Creek Environmental Park	500,000	Complete
11	Port Charlotte Beach Park	700,000	Complete
12	Rotonda Community Park	300,000	Complete
13	South County Regional Park Phase I	2,500,000	Complete
14	West County Regional Park Phase I (Oyster Creek)	2,500,000	Complete
15	North County Regional Park Phase I	3,550,000	Complete
16	New Fire Stations #13 & 14	1,840,000	Complete
17	Cultural Center Expansion & Renovation	6,436,000	Complete
18	Center for Performing Arts @ Charlotte High	1,500,000	Complete
19	Mid-County Regional Library	8,139,000	Complete
20	Sunrise Environmental Park	700,000	Complete
21	Emergency Shelter @ Dept of Health	505,000	Complete

Charlotte County 2002 Projects \$117,890,131 (Expenditures through July 2014)			
1	Edgewater Mitigation Land (Scrub Jays)	1,700,000	Complete
2	Burnt Store Road Safety Features	3,000,000	Complete
3	Veterans Blvd	7,300,000	Complete
4	Fire Rescue Tech Truck	200,000	Complete
5	EOC/9-1-1 Center	3,575,000	Complete
6	Expand Emergency Radio System	3,200,000	Complete
7	Fire Rescue Mobile Operations Truck	550,000	Complete
8	South County Regional Park – all phases	8,991,000	Complete
9	Oyster Creek Regional Park – all phases	7,957,000	Complete
10	Bayshore Live Oaks Park – Phases I & II	5,180,000	Complete
11	Boat Ramps – expand existing/add parking	3,000,000	Complete
12	Oyster Creek Regional Park Pool	2,000,000	Complete
13	Murdock Business Park – Project Development	3,000,000	Complete
14	Homeless Shelter – Funded Homeless Coalition Projects	600,000	Complete
15	Fair Association Expo Building	600,000	Complete
16	Connect School Operations to County Radio System	100,000	Complete
17	Upgrade Three School Gymnasiums – PCHS/LBHS/CHS	3,200,000	Complete
18	Sidewalks - around schools and linkage	5,700,000	Complete
19	Regional Water Interconnections – Englewood & Punta Gorda	8,978,365	Complete
20	US 41 Revitalization	4,287,000	Complete
21	Englewood Fire/EMS Station (Englewood Fire District)	2,424,000	Complete

22	North County Regional Park – all phases	4,332,330	Complete
23	Auditorium/Event Center	5,919,442	Complete
24	Reclaimed Water for US 41 Revitalization	14,712	Complete (Used other funds)
25	Airport Commerce Park – Water Retention/Stormwater	1,200,000	Complete
26	Airport Commerce Park – Piper Road Phase I	5,000,000	Complete
27	Winchester Corridor	8,989,793	Complete
28	Fire Training Facility	91,489	Complete (Used other funds)
29	Aqui Esta	900,000	Complete
30	Edgewater/Flamingo Corridor	15,900,000	Complete

Charlotte County 2008 Projects \$32,683,118 (Expenditures through July 2017)			
1	Burnt Store Phase 3	9,474,784	Complete
2	Edgewater Corridor Phase 2	3,954,234	Complete
3	Midway Elkcam to Kings	8,386,984	Under Construction
4	C.R. 775 (Placida Road)	1,157,933	Under Construction
5	Sidewalks	7,959,895	Under Construction
6	C.R. 771/Gasparilla Road	1,749,288	Complete

7. What does the City of Punta Gorda receive from the 1% Sales Tax?

Under Florida Statutes, the City of Punta Gorda receives approximately 10% of the sales tax revenue. The City allocated its portion of the 1994 sales tax funds to the Jail & Justice Center. The sales tax funds from 1998, 2002, and 2008 were used for the projects listed below:

City of Punta Gorda Projects 1998, 2002, & 2008 \$32,348,000 (Expenditures through July 2014)			
1	Freeman House & Gov Center Plaza/Parking	1,933,000	Complete
2	City Contribution to Historic Courthouse Renovations	1,009,000	Complete
3	Police/Fire/Emergency Vehicles, Equipment,	2,830,000	Complete
4	Bridge Lights	139,000	Complete
5	City Contribution to Center for Performing Arts	350,000	Complete
6	Fleet Maintenance Building	500,000	Complete
7	Public Safety Building, Fire Stations 2 & 3	4,745,000	Complete
8	Park Land Acquisition & Development	1,490,000	Complete
9	Laishley Park	2,169,000	Complete
10	Martin Luther King Blvd Streetscape	350,000	Complete
11	Harborwalk at Event Center	750,000	Complete
12	City Beautification (US 41 & other areas)	705,000	Complete
13	Taylor Street Parking Improvements	323,000	Complete
14	Public Works/Utility Complex	4,850,000	Complete
15	Day Docks	158,000	Complete
16	Computer Aided Dispatch & Records Management	424,000	Complete
17	Punta Gorda Pathways	4,992,000	Complete
18	Downtown Flooding Mitigation (Phase 1) &	1,101,000	Complete
19	Downtown Flooding Mitigation (Phase 2)	407,000	Complete
20	Laishley Park Irrigation & Drainage	320,000	Complete
21	800 MHz Radio System	250,000	Complete
22	Police/Public Works/Code Vehicles	557,000	Complete
23	Project Management	768,000	Complete
24	Interest on Project Financing	772,000	Complete
25	Energy Improvements	456,000	Complete

8. When would the extension of the existing Sales Tax go into effect?

The current sales tax expires on Dec. 31, 2014. If approved by voters, the extension would begin on Jan. 1, 2015.

9. How much money would be collected over this period of time for capital projects?

We conservatively estimate that in the coming years the 1% local option sales tax would add up to \$18,000,000 per year.

10. What if more or less money is collected than the estimated \$18 million per year?

If less money is collected than anticipated, the Commission would decide how to best fund the projects. If more is collected than anticipated, the Commission has identified six projects to fund. These are designated as "Tier 2" projects:

- Justice Center Generator Upgrade (Tier 2)
- Toledo Blade Widening (Tier 2)
- Charlotte Harbor Trails and Wayfinding (Tier 2)
- North Charlotte Regional Park Aquatic Center (Tier 2)
- Sailing Center at Port Charlotte Beach (Tier 2)
- Cattle Dock Boat Ramp (Tier 2)

11. How were the projects selected?

Community organizations were asked for input, a community survey was conducted and a Sales Tax Focus Group reviewed and recommended proposed projects. The County Commission approved the final list based on the recommended proposed projects.

12. Is it 1 cent or 1%?

One percent local option sales tax is 1 cent per each 1 dollar spent. Thus it is sometimes referred to as the "One Cent Sales Tax" or "Penny Sales Tax."

13. Why use Sales Tax for these projects over other revenue sources?

One mil of County-wide ad valorem taxes equals \$12 million. A tax increase to fund \$108 million in projects is not economically feasible and would be a burden to property owners. There are several advantages in a local option sales tax over property taxes:

- Visitors to the County, whether on vacation, driving through, or living elsewhere but working here, pay the 1% local option sales tax when they make most purchases. Ad valorem taxes are 100% paid by property owners;
- The local option sales tax has been in effect for 20 years, so if extended there will not be an increase to the sales tax we are currently paying; and
- Anyone on fixed spending incomes pay a smaller overall percentage of sales tax as opposed to those who spend more on major taxable purchases.

14. What happens if the Sales Tax question is not approved by voters?

One of the larger board-approved projects, the Public Safety Digital Radio System, is a necessary replacement of the countywide radio system that is at end of life and the replacement must be accomplished somehow. Funding sources would need to be found for this \$10 million-dollar project. The other projects would have to wait for available funding, which could be many years in the future. Funding sources for the projects, mandated or otherwise, may fall on the capital improvement ad valorem tax, and property owners will be paying for their construction, with no assistance from visitors to our county.

15. Where can I get more information on the projects?

For complete project information, visit the Charlotte County website at www.CharlotteCountyFL.gov—click 1% Local Option Sales Tax from the links on the left.

If your homeowner's or community group desires a presentation on the sales tax extension, please call 941.743.1944 to schedule.