

SALES TAX CHANGING IN SIX FLORIDA COUNTIES

Starting January 1, 2005, Florida taxpayers in six counties will see change in the county sales tax rates. While the base sales tax rate statewide is 6%, counties are allowed to charge up to an additional 2% on top of the state sales tax. This extra amount is called the “county” or “discretionary” tax rate. By law, county sales tax rates can change only once a year, on January 1st.

Five counties will have their county tax rate increase. One county is actually decreasing its county rate. The new local rates are:

<u>County</u>	<u>New Rate (%)</u>	<u>Old Rate (%)</u>
Alachua	0.25	None
Hernando	0.5	None
Marion	0.5	1.0
Palm Beach	0.5	None
Pasco	1.0	None
Polk	1.0	0.5

Remember, the above numbers are just the new local portion of the sales tax. To get the total amount of state sales tax charged on transactions, add the above number appropriate for your county to the base Florida sales tax rate of 6%.

In November, the Florida Department of Revenue mailed complete tax rate information to businesses affected by these changes. If you did not get your information or if you have questions about how to apply the new rates, call your nearest Florida Department of Revenue service center (look in the Government blue pages in your local telephone book). Or, you can call the Department at 1-800-352-3671.

DEDUCTIBLE RELIEF FOR THOSE WITH HURRICANE DAMAGE

Because Florida was hit by four different storms this past hurricane season, many citizens were charged more than one deductible by their insurance company to coverage damage resulting from the different storms. In a recent Special Session, the Florida Legislature approved legislation giving these homeowners a total of \$150 million of relief. The new law requires that financial assistance be paid first to Floridians who paid two or more full deductibles, followed by those who paid part of a second or third

deductible. Floridians eligible for the program include homeowners, renters, manufactured homeowners, condominium unit homeowners and condominium associations, who paid one full deductible for hurricane losses and also incurred deductible losses from a second, third or even a fourth hurricane. Maximum reimbursements under the program are \$10,000 per qualifying event up to a maximum of \$20,000. Condominium associations can recover a maximum of \$3,000 per unit that did not have insurance for assessments. Any policyholder who paid more than one full deductible also may be eligible for relief.

Some common questions and answers about this new program are:

- How do I apply for relief? If your insurance company applied two deductibles to your losses, they will contact you and provide you with application forms. The deadline for companies to send this information out is January 20, 2005.
- What if I don't hear from my insurance company? If you don't receive the forms from your insurance company, that means that their records show they did not charge you two deductibles. You may still be eligible for relief, but you will need to apply on your own and will have to prove that you actually had two deductibles applied to your losses.
- What is the deadline to apply? Your application must be postmarked no later than March 1, 2005, and must be either mailed to the Tallahassee address listed on the application or hand-carried to the Tallahassee office. Faxes and emails are not acceptable.
- When can I expect my reimbursement? The state will have to verify all reimbursement requests to make sure the reimbursement amount is correct. At this time, it is not known how long the verification process will take, but it is not expected that reimbursements will be sent before April 15, 2005.
- I had to pay two deductibles, one from the hurricane and one non-hurricane deductible from a power surge after the storm. Am I eligible? No, only hurricane deductibles are reimbursable. If your insurance company charges you one hurricane deductible and one non-hurricane deductible, you are not eligible.
- What if I received a FEMA grant? Reimbursement will not be paid for loss amounts for which you received a grant to cover your deductible. However, grants used solely other things like generators or tarps do not disqualify you.