

The Honorable Jonathan Martin
Florida Senate
Tallahassee, Florida

RE: Opposition to HB 103 and SB 122

Dear Senator Martin,

We are writing to respectfully express our opposition to House Bill 103 and Senate Bill 122.

As proposed, these companion bills would repeal and substantially revise Chapter 205, Florida Statutes, eliminating local business tax authority that Sanibel has relied upon to support essential local services. For the City of Sanibel, revenues derived from local business taxes contribute to the general fund and help support critical services.

The Sanibel City Council has a long history of assessing the needs of resident's and businesses' and structuring local revenue sources accordingly. The removal of this long-standing local authority will further constrain Sanibel's fiscal flexibility and could require reductions in services or shifts in the local tax burden. Because Sanibel does not collect business taxes based on gross sales receipts, and the proposed legislation prevents us from amending our method of collection. our small community would lose approximately \$350,000 in annual revenue. The financial impact to the City of Sanibel would be substantially worsened if the proposed ad valorem tax reforms affecting homestead properties are approved by the Legislature and ultimately ratified by voters.

Sanibel has worked diligently to balance responsible fiscal management with the unique needs of our island community, particularly as we continue to recover and rebuild in the wake of recent natural disasters. Preserving stable and locally controlled revenue sources is essential to maintaining that progress and reducing our reliance on State assistance.

For these reasons, the Sanibel City Council respectfully urges you to oppose SB 122 and to consider the significant consequences these measures would have on municipalities across Florida.

We appreciate your consideration and your continued support of Sanibel. Please feel free to contact us to provide more direct input on this critical conversation.

Sincerely,

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