



MEMORANDUM

JUL 26 2010
Flagler County

TO: Tom Klinker, Finance Director
FROM: Albert J. Hadeed, County Attorney *Al Hadeed*
RE: Authority for levying the fourth percent of tourist development tourist tax
DATE: July 26, 2010

You inquired about the ability of the County Commission to levy a fourth percent of tourist development tax. Presently, the County has levied three percent, as allowed by law.

A fourth percent is authorized by law provided the BCC passes it by a majority vote in the form of an ordinance amending the County Code. The authority for the fourth percent is contained in FS §125.0104(3)(l). The authorized purposes of such levy, as it applies to Flagler, are as follows:

"Promote and advertise tourism in the State of Florida and nationally and internationally; however, if the tax revenues are expended for an activity, service, venue, or event, the activity, service, venue, or event shall have as one of its main purposes the attraction of tourists as evidenced by the promotion of the activity, service, venue, or event to tourists." Id. §(3)(l)4.

This allowance for the use of funds from the fourth percent should be placed into the TDC ordinance. This is to make sure that the fourth percent is distinguished from the present distribution that governs the revenues from the existing three percent levied. For example, the revenue from the fourth percent could not be used to fund beach park facilities, a purpose authorized for the revenues from the existing three percent of tax. On the other hand, general advertising or supporting activities or events is allowable under the fourth percent. If the BCC desires to put any specific limitations on how the fourth percent revenues are to be expended, such can be included in the ordinance so long as not in conflict with the above statutory language.

Let me know if you have further questions.

cc: Commissioner Holland, TDC Chair
Craig M. Coffey, County Administrator