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Tax plan passes: The people have spoken

By Jim Ash

FLORIDA CAPITAL BUREAU CHIEF

ST. PETERSBURG — Amendment 1 passed easily Tuesday night, riding comfortably on the coattails of its No. 1 supporter, Gov. Charlie Crist, and defying pollsters.

Realtors gathered in a hotel bar at the bay front Renaissance Vinoy Resort cheered as the results were splashed across large-screen TV's. Fireworks could be seen exploding over Tampa Bay.

"The people of Florida have spoken and they have demanded relief, tax relief," Lt. Gov. Jeff Kottkamp told a cheering crowd of about 50 supporters. "This is a great day for Florida."

With 99 percent of the precincts reporting, here was the vote on Amendment 1:

- Yes: 2.63 million votes, 64 percent
- No: 1.47 million, 36 percent

The victory was more about the dismal state of Florida's economy and lawmakers will have to be more creative than ever to keep schools afloat, warned Florida Education Association chief Andy Ford, one of the measure's chief critics.

"Tonight the voters of Florida have indicated that they are strapped financially and that they need immediate relief ... even at the cost of funding our schools and other vital services," he said in a written statement.

Buoyed by the results, lawmakers are poised for another round of tax-cutting proposals, including measures that would make it easier for property owners to challenge their assessments in court and giving breaks to waterfront hotels and marinas.

"This is not the end of the fight," said Sen. Mike Haridopolos, R-Indianapolis and a key Senate negotiator for the proposal. "I think it sends the message that the people of Florida are ready to put a limit on the money local government spends."

The results mean that for the first time, homeowners will be able to take their accumulated Save Our Homes assessment savings with them when they move. Homes worth more than \$50,000 will get a boost to their \$25,000 homestead exemption, but not for school taxes, saving the average homeowner \$240.

Commercial and non-homestead property owners will see a 10 percent annual Save Our Homes-like cap on their assessments. Businesses will get a \$25,000 exemption on the tangible personal property taxes they pay on items such as equipment, wiping more than 1 million small businesses off the rolls entirely.

Opponents, including teachers, firefighters and government worker unions, were bracing for the worst. Teachers predicted more failing schools and local governments warned about loss of services and cutbacks in police and fire protection.

The race was close until the polls opened. Crist adviser and former Chief of Staff George LeMieux said earlier in the day that internal polls as late as Sunday showed the measure reaching only 59 percent, just 1 percent shy of the 60 percentage points needed for passage.

The passage was not only a personal victory for Crist, but a testament to the power of fundraising. Supporters at Yes on 1 racked up more than \$4.1 million, including \$1 million donations each from the Florida Association of Realtors and Florida Power & Light.

Opponents, including the Florida Education Association and the Florida Professional Firefighters and the Florida League of Cities, raised a little more than \$2 million.