

**CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY**



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Bill Type and Number: Ordinance 2021-885

Introducer/Sponsor(s): Council Member Dennis

Date of Introduction: December 16, 2021

Committee(s) of Reference: NCSPHS, TEU, F, R

Date of Analysis: December 16, 2021

Type of Action: Conditional approval of fuel tax suspension; direction to Legislative Services Division

Bill Summary: The bill declares the Council's conditional intent to temporarily suspend collection of the local option gas tax should the State of Florida suspend collection of the state gas tax. The Legislative Services Division is directed to forward a copy of the adopted ordinance to the Governor, the Senate President, Speaker of the House, the members of the Duval Legislative Delegation, and the Florida Department of Revenue.

Background Information: The preamble to the bill states that economic conditions related to the CVOID-19 pandemic and related supply chain issues have caused the price of gasoline to increase substantially in a short period of time. Governor DeSantis has proposed suspending collection of the state's gas tax temporarily in order to provide financial relief in response to this increase in gas prices. The City currently collects a 6-cent local option gas tax and via Ordinance 2021-223-E levied a second optional 5-cent tax and the 1-cent gas tax known as the "9th cent". The two new taxes are scheduled to go into effect on January 1, 2022, conditional on an interlocal agreement regarding sharing of the new revenues being signed by the City of Jacksonville, the three Beaches cities and the Town of Baldwin, which is expected to be completed this week or next.

Policy Impact Area: Infrastructure funding

Fiscal Impact: The new and extended gas taxes were projected earlier this year to produce \$994 million over the life of the taxes (\$497 million apiece to the City and JTA, after the proportional distribution to the Beaches and Baldwin).

Analyst: Clements