



PENNY SALES TAX REFERENDUM UPDATE

Revenue from Sarasota County's 1% sales tax is used to invest in local infrastructure improvements, such as public safety, environmental, water quality, libraries, parks, schools and road projects.

County voters first authorized the tax in 1989 and have extended it twice since then.

On Nov. 8, 2022, Sarasota County voters approved a referendum to continue the penny sales tax through 2039. The 1% sales surtax, on top of the 6% state sales tax, applies to the first \$5,000 of any purchase that is subject to the state sales tax.

Historically, tourists and visitors have contributed more than 20% of penny sales tax revenue. One-quarter of the revenue is allocated to the School Board. The remaining 75% is distributed among the county and the municipalities based on population. Proceeds may only be used to invest in public infrastructure projects and may not be used to pay for general operating expenses.

Penny sales tax history

- **Surtax I:** First approved by voters in 1989 for the period of 1989 to 1999.
- **Surtax II:** Extended by voters in 1997 for the period of 1999 to 2009.
- **Surtax III:** Extended by voters in 2007 for the period of 2009 to 2024.
- **Surtax IV:** Extended by voters in 2022 for the period of 2025 to 2039.

In addition to the penny sales tax referendum, voters approved a ballot question to authorize issuance of one-cent sales tax bonds, in excess of the limitations of the County Charter, to finance projects approved under the penny sales tax referendum. This will reduce costs and expedite construction.

NEXT STEPS

- Sarasota County's capital improvement program will be updated to include projects approved under the penny sales tax referendum.
- The county will issue bonds — only as needed — to finance projects on the penny sales tax list that was approved by the county commission earlier this year.
- A citizen tax oversight committee will continue to oversee all expenditures, and a 4/5ths vote of the county commission will be required to modify county projects or allocations.
- Projects that were approved earlier this year will become part of the regular capital improvement program planning process.

Learn more about the current penny sales tax program at sarasotacountysurtax.net.

