



The Coalition to Protect Florida's Economy

FOR IMMEDIATE RELEASE
July 3, 2008

Contact: Jennifer J. Green
(850) 528-8809

GROUP FILES SUIT TO REMOVE 'TAX SWAP' FROM BALLOT *Coalition to Protect Florida's Economy calls the proposed amendment 'misleading'*

Tallahassee, July 3, 2008 – A broad group of organizations ranging from school officials to business owners filed suit today in Leon County Court to remove proposed constitutional Amendment 5, known as the 'tax swap', from the November ballot. Represented by veteran attorney Barry Richard, the group calls the proposed amendment ballot language misleading.

"The misleading title fails to adequately inform voters of the chief purpose of the proposed amendment," said Barry Richard, attorney for the Coalition to Protect Florida's Economy. "The question is affirmatively and materially misleading by indicating to the voter that Amendment 5 is just about school property taxes."

Formed in 2001, the Coalition to Protect Florida's Economy represents a wide-range of everyday Floridians – farmers, health care providers, professionals, small businesses, large businesses and many other citizens who are the backbone of Florida's economy.

"Each of us has our own reason for opposing Amendment 5" said Kathy Anderson, CEO-Executive Director, Florida Institute of Certified Public Accountants. "CPAs see Amendment 5's uncertainty as a threat to Florida's already fragile economy."

"This is not just a business community issue," said Jennifer Green, a consultant for the Coalition's efforts. "It's a disservice to Florida voters to put another bait and switch on the ballot. Florida citizens deserve full transparency on an issue so critical to our educational system, tax structure and economy. We can't afford not to fully inform our collective members about the impact this amendment will have on them."

While many members of the Coalition have banded together to fight a tax on services, other members see Amendment 5 as imminent harm to Florida's educational system.

"This amendment is misleading and will be devastating to schools throughout Florida. Amendment 5 is the biggest blue smoke and mirrors shell game ever put before the voters of Florida" said Dr. Wayne Blanton, Executive Director, Florida School Boards Association.

“Florida already spends less than almost any other state on education. Amendment 5, when combined with other issues on the ballot, will drive a stake through the heart of our public schools. If it was clear, I do not believe the people of Florida would choose to vote away their public schools” said Jim Warford, Florida Association of School Administrators.

“This plan forces the largest tax increase in history upon the state of Florida, in exchange for a property tax cut many will never see,” says Allen Douglas, National Federation of Independent Business – Florida. “It also creates great uncertainty in the small business community because no one knows how much the sales tax rate will increase, or what services will be taxed.”

The Coalition contends that Florida’s constitution was never intended to include substantive tax laws. As provided in testimony during the recent Taxation and Budget Reform deliberations on the proposal, the group raised concerns that the amendment would create at least a \$9 billion hole in Florida’s budget and that voters need to know they would not be getting true property tax savings – just a shift to pay higher taxes or see less services in other places.

“If Amendment 5 were true property tax reform you would not see the across-the-board opposition on this issue” said Ben Parks, Florida Farm Bureau. “It’s rare to see agriculture, education, business and health care sharing exactly the same opinion on an issue. Voters deserve to know the full impact of this amendment and we don’t believe it’s clear. If this amendment is passed the state will be forced to make up the shortfall through increases on other taxes and decreases in services.”

“AIF is committed to fighting this amendment because it jeopardizes the economic growth of our state,” said Barney Bishop, president and CEO, Associated Industries of Florida. “This reckless venture sends a signal to the business community everywhere to avoid relocation or expansion of business operations in Florida. Amendment 5 is a blind leap into Florida’s future that would halt economic development – a leap we cannot afford in an already sour economy.”

What the group views as a fourth attempt to circumvent the legislative process with regard to creating substantive tax policy within the Florida Constitution, the Coalition to Protect Florida’s Economy is no stranger to seeking court opinions on similar constitutional amendments. In 2002, the Coalition joined forces and successfully fought to have a legislatively proposed constitutional amendment spearheaded by then-Senate President John McKay stricken from the ballot. In 2004, the Coalition again joined forces and the Florida Supreme Court struck a revised initiative amendment from the ballot. In 2005, three separate sales tax amendments were proposed for the 2006 ballot – two of which were opposed by the Coalition and subsequently removed from the ballot.

Coalition members that were named parties in the complaint include the Florida School Boards Association; Florida Association of District School Superintendents; Florida Association of School Administrators; Florida Farm Bureau Federation; Florida Institute of Certified Public Accountants; National Federation of Independent Business-Florida; Associated Industries of Florida; Printing Association of Florida; Florida Fruit and Vegetable Association and Beverly Slough.

###