

RE: Local Chamber Federation Letter Supporting Eliminating the Florida-Only Business Rent Tax

The undersigned members of the Local Chambers of Commerce Federation, representing job creators and local businesses from across Florida, stand united with the Florida Chamber of Commerce urging you to continue efforts to fully eliminate the Florida-only business rent tax as you consider the annual tax relief package during the 2024 legislative session.

We appreciate the efforts the Florida Legislature in concert with Governor Ron DeSantis has made over the last several years to reduce the Florida-only business rent tax, which puts our local businesses at a competitive disadvantage compared to businesses in other states. Since 2017, the legislature has taken several steps to reduce the sales tax paid on commercial leases, but there is still more work to be done. As you know, Florida remains the only state in the country to levy this tax on local businesses, and while the business rent tax will be reduced to 2 percent later this year, that's still a \$760 million burden on Florida-based businesses.

Savings resulting from elimination or significant reduction of this tax would allow local businesses to reinvest back in their business, in their employees and in their communities. Beyond the impact that the tax savings would have locally, fostering a business-friendly tax climate is pivotal for not only attracting out of state businesses, but for encouraging Florida-based businesses to expand within the state instead of seeking opportunities elsewhere. While businesses and consumers are fighting near-historic inflation and Florida is fiscally sound, it is imperative we continue to reinvest in Florida's local communities and businesses by building upon your efforts to foster the most business-friendly tax climate in the country.

Continuing to reduce or fully eliminate Florida's business rent tax is important to Florida's business community because it:

- Allows local businesses to make meaningful investments in their communities and workforce, generate new employment opportunities, and fuel business growth;
- Improves the competitiveness of local businesses by putting them on an even playing field with businesses across the country; and
- Augments Florida's business-friendly environment and fulfills the work started in 2017 by the legislature to eliminate the business rent tax.

The undersigned chambers of commerce in the Local Chambers of Commerce Federation ask you to continue efforts to fully eliminate the business rent tax. This will provide substantial savings to local businesses across the state that have been put at a competitive disadvantage due to this Florida-only tax and allow them to reinvest in their businesses, employees, and communities.