COUNTY AGENDA REQUEST

Department:	Administration	Presenter(s):	County Administrator Jack Krakeel
Meeting Date:	Wednesday, October 5, 2011	Type of Request:	Old Business

Wording for the Agenda:

County Administrator Jack Krakeel will provide the Board with an update on the County's upcoming Local Option Sales Tax renegotiations.

Background/History/Details:

During the August 3rd Workshop Meeting, County Administrator Jack Krakeel and Assistant Finance Director Toni Jo Howard spoke to the Board about the feasibility and challenges associated with establishing an independent Library system. Part of the discussion concerned the upcoming LOST renegotiations and their potential impact on the Library issue. Mr. Krakeel informed the Board he would return at a later date to the Board to provide an update on the renegotiation effort.

In 1975, the Georgia General Assembly adopted the Local Option Sales Tax (LOST) Act. The purpose of this tax was to provide property tax relief, additional revenue, or both to local governments. It allowed counties, with the approval of voters, to enact a 1 percent general-purpose sales-and-use tax. Proceeds from the tax are collected by the Georgia Department of Revenue and disbursed to a county and its qualified municipalities as directed in an agreement negotiated by the county government and its cities based on criteria established by general law. It allowed these taxes to be collected indefinitely. Fayette County voters passed a referendum in 1980 for the imposition of a general purpose local options sales tax. The law changed afterwards that requires all sales tax referendums in Georgia to be for a "special purpose" and for a specified period of time. The change in the law did not affect Fayette County existing LOST.

Fayette County's LOST tax is renegotiated every ten years between the County itself and its qualified municipalities. The next renegotiations are slated to begin in 2012.

What action are you seeking from the Board of Commissioners?

No action is required. This is for purposes of information and possible direction from the Board.

If this item requires funding, please describe:

Not Applicable.

Has this request been considered within the past two years?	No	If so, when?	
Is Audio-Visual Equipment Required for this Request?	No	Backup Provided with Request?	No

STAFF USE ONLY

Approved by Finance	Not Applicable	Reviewed by Legal	Yes
Approved by Purchasing	Not Applicable	County Clerk's Approval	Yes
Administrator's Approval	Yes		

Staff Notes: