



SPLOST Fact Sheet

1. What is SPLOST?

A Special Purpose Local Option Sales Tax (SPLOST) is a county-wide 1% sales tax used to fund capital outlay projects proposed by the county government and participating municipal governments. It may not be used for operating expenses. The tax is imposed when the county board of commissioners calls a local referendum and the referendum is subsequently passed by the voters within the county. The tax is collected on all items subject to state sales tax, plus the sale of motor fuels and the sale of food and beverage, which are not subject to the state sales tax.

2. Is a SPLOST currently being collected in Houston County?

Yes. In 2006, the voters renewed a SPLOST estimated to bring in \$130 million. The SPLOST was approved to be collected for 6 years (the maximum amount of time permitted by law) and will expire September 30, 2012. Over \$100,675,000 of the 2006 SPLOST was earmarked for transportation improvements with the balance of the funds designated to public safety projects, library improvements, recreation and debt payoff.

3. Do we need to extend our current SPLOST?

Despite the recession, Houston County continues to experience growth. This growth requires new or upgraded facilities to serve the public. A SPLOST is an equitable, consumption tax shared by those who make purchases in Houston County, to include numerous visitors. It provides a method of funding the cost of capital improvements contributed to by everyone, not just property owners.

4. If the SPLOST is extended, how much money would be raised and how long would this sales tax be in place?

It is estimated that up to \$155 million could be collected over a six-year period. Collections on the 2012-2018 SPLOST would begin after the current SPLOST ends in September 2012. The collection would be seamless.

5. When would the SPLOST vote take place?

The Board of Commissioners will call for a SPLOST referendum on March 6, 2012 during the Presidential Preference. By placing the referendum before the voters prior to the expiration of the current SPLOST, it allows the county and cities to plan in advance for funding and allows no lapse in funding.

6. Will a SPLOST increase property taxes?

No, a SPLOST is a consumption tax, not a property tax. It is charged on goods purchased in Houston County, regardless of where the purchaser resides.

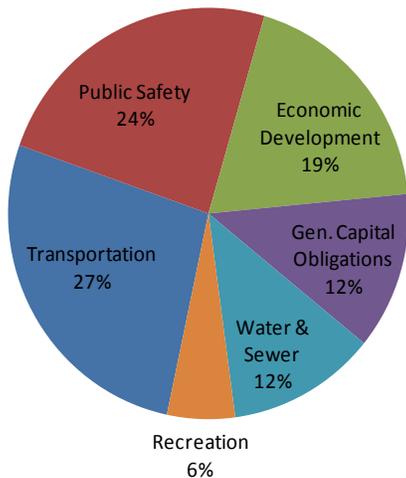
7. Will a SPLOST increase sales tax?

No, it would be a continuation of the existing sales tax, remaining at the current level of seven percent. If approved, the current one percent sales tax would be extended for an additional six years.

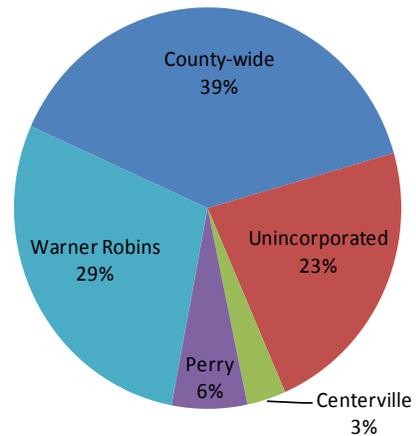
8. What would the County and cities do with the money raised from the SPLOST extension?

Senior staff from the County and the cities has been working to identify the long-term capital needs for each community. These needs have been divided into countywide projects (projects that benefit all communities) and specific unincorporated/municipal projects. Generally, the cost of countywide projects has been deducted from the estimated \$155,000,000 to be collected with the balance of the funds being distributed to unincorporated/municipal projects on a population basis. The final project list will be approved after public input and adoption of an intergovernmental agreement by the county and three cities. A proposed allocation of SPLOST funds by project type and community is outlined below.

SPLOST Allocation By Project Type
\$155,000,000



SPLOST Allocation By Community
\$155,000,000



9. What happens if the SPLOST is extended?

The project mix in this SPLOST includes a number of smaller capital expenditures which have historically been paid for with property taxes. Using SPLOST proceeds, instead of property taxes, will help keep our ad valorem taxes low. Additionally, there is a heavy emphasis on improving economic development which should make the County more competitive in attracting industry and relieving the tax burden on residential development. There are other opportunities to leverage local SPLOST funds with state and DOD grant funds to help resolve the encroachment issue at RAFB.

10. What happens if the SPLOST is not extended?

Without an extension of the current SPLOST, there would be a number of lost opportunities for the residents of Houston County and the cities of Centerville, Perry and Warner Robins. To fund these opportunities without an extension of the SPLOST, the governing body of each community would have to raise property taxes. Currently, our county taxes are among the lowest in Middle Georgia. Passage of the SPLOST extension would allow us to maintain our low county millage rate using a consumption tax, rather than relying solely on property taxes for needed community improvements.