

# **SPLOST II 2023**

## **Frequently Asked Questions**

### **What is a SPLOST?**

The Special Purpose Local Option Sales Tax (SPLOST) was enacted in 1985. The SPLOST was conceived and enacted as a county tax for funding capital projects. It is not a municipal tax, nor is it a joint county-municipal tax like the regular Local Option Sales Tax (LOST). As a county tax, a SPLOST can only be initiated by the County Board of Commissioners.

### **Is there a SPLOST now?**

In November 2017, DeKalb County voters approved the County's first SPLOST that is expected to generate over \$20,500,000 for capital projects in the City of Decatur through the six-year term of the SPLOST. SPLOST I expires in March 2024.

### **What projects has Decatur used SPLOST I funds for?**

Close to \$12,000,000 from SPLOST I has been used to pay debt service for the City's public works facilities, Decatur Recreation Center, Fire Station #1 and the Beacon Municipal Complex. The balance has been committed to the Atlanta Avenue railroad crossing project and the South Columbia Drive multi-use path.

### **What is the process for deciding how the funds will be spent?**

The legislation, House Bill 431, determines how the SPLOST proceeds must be spent and DeKalb County and the cities will comply with rules in the legislation.

### **When was the DeKalb SPLOST II bill passed?**

The SPLOST II bill was passed by the Georgia General Assembly on March 31, 2023.

### **When did the Governor sign the bill into law?**

HB 431 was signed by Governor Kemp on May 3, 2023.

### **How long can a SPLOST last?**

Several factors determine the length of time that a SPLOST may be imposed. In general, the tax may be levied for up to five years. If the county and the municipalities enter into an intergovernmental agreement, the tax may be imposed for six years.

### **How long will SPLOST II last?**

DeKalb County and the cities of Avondale Estates, Brookhaven, Chamblee, Clarkston, Decatur, Doraville, Dunwoody, Lithonia, Pine Lake, Stonecrest, Stone Mountain and Tucker have entered into an intergovernmental agreement for a six year period.

### **Who established the revenue estimates for SPLOST?**

DeKalb County is responsible for estimating the SPLOST II revenues expected to be collected over the life of the SPLOST. For the City of Decatur, SPLOST II is anticipated to generate approximately \$30,529,000 or \$5,088,000 annually.

### **How much detail is required in the SPLOST referendum?**

The SPLOST law requires that the purpose or purposes for which SPLOST revenues will be used be written on the ballot. The degree of specificity is left to the county or municipality imposing the SPLOST.

### **Will SPLOST and EHOST be on the ballot in November?**

Yes. In addition to the SPLOST II, the ballot will include a referendum for the continuation of the Equalized Homestead Option Sales tax (EHOST). The EHOST uses 100% of its proceeds to fund homestead exemptions from DeKalb County property tax funds for maintenance and operations and the hospital authority for taxpayers in owner-occupied residences.

Both the SPLOST and EHOST referendums must be approved for either to become effective.

### **What can funds be spent on?**

Capital Projects.

**Will there be a list of projects?**

Yes. The City of Decatur’s projects include:

<u>Project*</u>	<u>Estimated Cost</u>
Transportation**	\$9,350,000
Culture**	\$4,185,000
Recreation**	\$4,972,369
Purchase Price of Public Works Building B	\$461,426
Purchase Price of Fire Station #1, the Leveritt Public Works Building and the Decatur Recreation Center	\$4,027,100
Purchase Price of the City’s portion of the Beacon Municipal Complex	\$7,596,230

\* The City may fund the City of Decatur Projects in any order or priority that it may deem necessary or convenient.

\*\* These projects may include land, facilities, equipment, vehicles and other capital costs related to such Projects.

**When would SPLOST II become effective?**

If the referenda are approved on November 7, 2023, SPLOST II would become effective in April 2024.