

Fox News

Fees are the new taxes

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WINTER PARK, Fla. (WOFL FOX 35) - Taking you back to 1885, it's a custom-made replica of an old fashioned high-wheel bicycle but manufactured today in Winter Park by parts specialist Al Sneller.

Despite high demand, Sneller never keeps the bike in stock at his machinery business. Why not? "They tax you on your inventory. We choose not to keep any inventory to keep costs down," says Sneller.

It's one thing he can do to fight back against taxation, but for the rest of his day, Sneller's getting "nickled and dimed."

"Just like you are," says Matthew Falconer, who's running for Orange County Mayor. "Government spending, on a state and local level, was \$93 billion in 2002. In 2006, it went to \$151 billion dollars, and now they don't have enough money," says Falconer.

Yet despite the property tax millage rate remaining generally constant for two decades, and sales tax revenue declining, government is getting more money from us somehow.

"It's one of those dirty little political secrets," says University of Central Florida Political Science Professor, Aubrey Jewett. The word "tax" has been replaced by another three letter word, "fee," the fastest growing revenue stream for government in recent years.

"Garbage fees, utility fees, park and recreation fees, almost anything has gone up over the last 2 or 3 years," says Jewett.

"Every thing you consume from government - every application, every permit, every fee - is going to double, quadruple," submits Falconer.

"Everybody knows this can't last forever. It just cannot," says Orange County Property Appraiser Bill Donegan. Donegan adds some municipalities will tinker with the property tax bill.

"Cities will pull together these storm water utility fees. But instead of putting them on the property tax roll, they'll put it on the water bill. And people just don't pay attention to when the fee was passed, who passed it," says Donegan.

"The average resident doesn't really notice, but the cumulative effect of raising all those fees is quite a bit of money," says Jewett.

And less hassle for politicians than raising property taxes. "Because that's politically unpopular," says Falconer.

Not always. "Some of the cities, by the way, raised their millage. Like in Apopka, where taxpayers said we don't care if we raised the millage a little bit, because we like our services. Once you've got that, then you know the people trust you, and they don't mind," says Donegan.

But if you do mind, you've got to say something. "Nobody shows up at those meetings. Trust me," submits Donegan.

"These public meetings are held at 9 o'clock in the morning. The taxpayers are out working," adds Falconer.

For example, later this month in Orlando, a budget workshop will be held to talk fee increases -- school lunches up \$2 a month, recreation pavilion rentals going from \$50 to \$75, youth sports up a ten spot per child. None of these fees are tax deductible.

"You can't deduct that from your income taxes, so you're paying Uncle Sam more," says Falconer.

But you can deduct property tax. Either way, "You have to find a way to control the spending," says Donegan about our leadership. "Four out of 5 people don't approve of what the government's doing," adds Falconer.

That's why people like Al Sneller will do what they can to not contribute to government waste, and avoiding inventory tax on his bicycles keeps a lot of money in his pockets.

"Yeah, it's a few thousand dollars," Sneller says.