

Consideration of a motion authorizing the establishment of a separate bank checking account for the collection and administration of Floating Local Option Sales Tax (FLOST) proceeds

Overview:

Earlier last week Governor Brian Kemp signed Senate Bill 33 into law. This legislation impacts a number of areas, including the original legislation known as House Bill 581, which was passed in 2024. This is the legislation that allowed Cleveland, Helen and White County to have a referendum in 2025 that creates the Floating Local Option Sales Tax FLOST, a funding stream aimed exclusively at reducing property taxes for White County homeowners. This was passed by the voters in our county by a 3,322 to 1,058 margin.

During implementation, we have determined that we need a separate checking account to utilize a new local option sales tax mechanism to provide property tax relief through a (FLOST). With HB 581 and SB 33 now in effect, these laws establish new requirements for the collection, accounting, transparency, and administration of revenues associated with this tax reducing opportunity for Cleveland homeowners. Authorizing a separate checking account for FLOST revenues will ensure proper segregation of funds, improve financial tracking and audit compliance, provide clear accountability to taxpayers, and support compliance with state reporting and statutory requirements related to the dedicated use of FLOST proceeds for property tax relief purposes.