TSPLOST RENEWAL

WHAT IS TSPLOST?

The **Transportation Special Purpose Local Option Sales Tax** or **TSPLOST** is a sales tax in which the proceeds are dedicated solely to **transportation-related** projects. It serves as a funding mechanism available at the local level to support the planning, construction, improvement, and maintenance of transportation infrastructure.

HOW CAN THE MONEY BE SPENT?

Funds can be spent on **"transportation purposes,"** which are legally defined for the TSPLOST as: 'Transportation purposes' means and includes: (A) Roads, bridges, public transit, rails, airports, buses, seaports, including without limitation road, street, and bridge purposes pursuant to paragraph (1) of subsection (b) of Code Section 48-8-121, and all accompanying infrastructure and services necessary to provide access to these transportation facilities, including new general obligation debt and other multi-year obligations issued to finance such purposes; (B) The retirement of previously incurred general obligation debt with respect only to such purposes as identified in subparagraph (A) of this paragraph; (C) A capital outlay project or projects under subparagraph (a)(1)(M) of Code Section 48-8111, with respect only to such purposes as identified in subparagraph (A) of this paragraph; or (D) Any combination of two or more of the foregoing.

HOW LONG MAY THE TSPLOST BE COLLECTED?

The single county TSPLOST may last for **up to 6 years** if all qualified municipalities have signed on to the required Intergovernmental Agreement; otherwise, the single county TSPLOST may last for up to 5 years without being renewed.

WHEN WILL COLLECTIONS BEGIN?

On the first day of the calendar quarter following an 80-day period after the vote. If a successful referendum is held in November, the collections would begin on April 1 of the following year.

WILL ALL PROCEEDS GO TO ACTUAL PROJECTS?

Nearly all of funds will go to projects, including funds for project engineering and acquisition of rights of way. However, there could be money set aside for program management. Program management costs typically are in the range of 3-5%.

HOW IS A REFERENDUM CALLED?

- The county must hold a formal meeting to discuss proposed referendum projects and the tax rate.
- The meeting must occur at least 30 days before the referendum is called, with 10 days' notice provided to each qualified municipality.
- After the meeting, the county and municipalities representing over 50% of the municipal population must execute an intergovernmental agreement (IGA).