

Comments of Mary Redwine, Interior Plan Designs
Special Council on Tax Reform & Fairness for Georgians
Dalton, Georgia
October 27, 2010

My name is Mary Redwine. My husband, Willard, and I live in Whitfield County where we own and operate a small business, Interior Plan Designs. We are wholesale distributors of live plants to florists in North Georgia, Tennessee, and North Carolina.

Thank you for taking the time to serve our state on this council to research Georgia's tax code and recommend changes. You have a very difficult and important task, and I believe it is worth noting that you serve without compensation. I am grateful for your service, and thank you for coming to Whitfield County to hear our concerns.

On the subject of voluntary service, my family is very familiar with that concept. My husband is currently the Whitfield County Farm Bureau president, and I have served on the Board of Directors for about 20 years. During my service with Farm Bureau, I have worked with countless men and women who have dedicated themselves to agriculture, and I am proud to be associated with such people.

The green industry is a significant part of the agriculture industry in this state. We have many of the same needs and concerns as anybody who grows a crop. In our case, the "crop" happens to be tropical plants.

The plants you see at weddings, funerals, in hospitals and shopping malls, and sent to sweethearts and family members are, for the most part, tropical plants. We arrange to have these plants shipped in from central and south Florida. Some of these plants have origins as far away as Central and South America or Hawaii. The service we perform is to warehouse a wide variety of plants in our greenhouse, maintain the plants, and deliver them to retail florists in our area.

It is an understatement to say that tropical plants do not thrive in the normal range of temperatures we find in North Georgia. In our business, the appearance of the product IS the product. To have value, these plants must be watered and kept warm at an optimum level. Whenever outside temperatures fall below 58 degrees Fahrenheit, we must heat the greenhouse. For us, that means gas heat several months each year.

Under current law, the plants and gas we purchase are not subject to sales taxes. The rationale for the exemption is sound. Since retail florists will charge sales tax when the plants are sold to consumers, taxing inputs would inflate the price of the final product. The exemption for inputs is there to prevent double or triple taxation on the same product. Removal of the exemption would be to increase taxes and ultimately the price on a legitimate, valuable, and wholesome product.

As you continue in your deliberations, I urge you to recommend retaining the exemptions from sales tax on input costs. In our situation, if our input costs were made subject to sales tax, we would have to consider whether the increased costs could be overcome.

The green industry and agriculture has a dramatic impact on Georgia's economy in ways that even most farmers don't realize. When it is all added together, there are thousands of small firms in all areas of the state creating products that are literally used all over the world. I believe taxing agricultural inputs would create a dramatic increase in costs for a low margin, high volume industry. The overall impact on the Georgia economy would be negative.

For the average consumer, sales taxes are an aggravation. In a purely competitive situation like most people in agriculture find themselves, sales taxes could well be the difference between staying in business and finding another line of work.

Again, thank you for coming to Whitfield County, and I appreciate your willingness to listen to my concerns.

Sincerely,

Mary Redwine
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