

By Senator Taddeo

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1 A bill to be entitled
2 An act relating to tax preferences; amending s.
3 216.012, F.S.; requiring the Legislative Budget
4 Commission's long-range financial outlook to delineate
5 projected revenues attributable to tax preferences;
6 creating s. 216.41, F.S.; defining the term "tax
7 preference"; requiring the repeal of a new tax
8 preference or a substantially amended existing tax
9 preference after a specified timeframe unless the
10 Legislature acts to reenact the tax preference;
11 requiring such reenactments, under certain
12 circumstances, to include the identifiable public
13 purpose served by the tax preference; providing
14 retroactive applicability of certain legislative
15 review requirements to tax preferences enacted before
16 a specified date; providing that such tax preferences
17 do not remain in effect after a specified date unless
18 specifically reviewed and reenacted; requiring a tax
19 preference enacted or substantially amended after a
20 specified date to include the identifiable public
21 purpose served by the tax preference and to specify
22 certain information; providing construction; requiring
23 the Legislature to establish and publish a certain
24 schedule of tax preference reviews during certain
25 regular legislative sessions; requiring that
26 subsequent tax preference reviews be conducted at
27 certain intervals; requiring the Legislature to
28 consider certain factors in reviewing tax preferences;
29 providing that the state may not be made a party to

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30 any suit and does not incur liability for certain
31 actions; providing an effective date.

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33 Be It Enacted by the Legislature of the State of Florida:

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35 Section 1. Subsection (1) of section 216.012, Florida
36 Statutes, is amended to read:

37 216.012 Long-range financial outlook.—

38 (1) The commission shall develop a long-range 3-year
39 financial outlook and shall update that outlook each year. The
40 outlook must delineate projected revenues attributable to tax
41 preferences as defined in s. 216.41.

42 Section 2. Section 216.41, Florida Statutes, is created to
43 read:

44 216.41 Tax preferences.—

45 (1) As used in this section, the term "tax preference"
46 means an exemption, an allowance, an exclusion, or a credit to;
47 a preferential rate for; or a deduction or deferral from, any
48 tax imposed under chapters 192 through 220, chapters 561 through
49 565, or chapter 624 or a preference in another chapter which is
50 enacted after July 1, 2017.

51 (2) (a) In the 5th year after enactment of a new tax
52 preference or a substantial amendment of an existing tax
53 preference, the tax preference must be repealed on July 1 of
54 that year unless the Legislature acts to reenact the tax
55 preference. A reenactment of a tax preference enacted before
56 July 1, 2017, must include the identifiable public purpose
57 served by the tax preference if the purpose is not expressly
58 articulated in the section under consideration.

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59 (b) A tax preference enacted before July 1, 2017, remains
60 in effect subject to the review provisions of subsection (3) and
61 a subsequent reenactment. A tax preference enacted before July
62 1, 2017, does not remain in effect after July 1, 2022, unless it
63 is specifically reviewed and reenacted.

64 (3) A tax preference enacted or substantially amended after
65 July 1, 2017, must include the identifiable public purpose
66 served by the tax preference. The legislation must specify that
67 the tax preference is repealed at the end of 5 years and that
68 the tax preference must be reviewed and reenacted by the
69 Legislature before the scheduled repeal date.

70 (a) For purposes of this section, a tax preference is
71 substantially amended if the amendment expands the value of the
72 tax preference. A tax preference is not substantially amended if
73 the amendment narrows the value of the tax preference.

74 (b) This section is not intended to repeal a tax preference
75 that has been amended after legislative review but before the
76 scheduled repeal of the tax preference, if the tax preference is
77 not substantially amended as a result of the review.

78 (c) The Legislature shall establish and publish a schedule
79 for the initial review of each existing tax preference for
80 consideration during the 2018, 2019, 2020, 2021, and 2022
81 regular legislative sessions, respectively. A subsequent
82 legislative review of a tax preference must be conducted no
83 later than 5 years after the initial review and thereafter.

84 (4) As part of the review process, the Legislature shall
85 consider both of the following:

86 (a) The extent to which the tax preference serves its
87 identifiable public purpose.

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88 (b) The estimate of forgone revenues in each of the
89 previous 5 years attributable to the tax preference.

90 (5) Notwithstanding s. 768.28 or any other law, the state
91 may not be made a party to any suit and does not incur any
92 liability for the repeal or revival and reenactment of a tax
93 preference under this section.

94 Section 3. This act shall take effect upon becoming a law.