

Tab 1 SB 356 by Jones; (Similar to H 00201) Sales Tax Holiday for ENERGY STAR and WaterSense Products

Tab 2 SB 500 by Perry; Back-to-school Sales Tax Holiday

Tab 3 SB 542 by Rodriguez; (Similar to H 00411) Evidentiary Standards for Actions Arising During an Emergency

Tab 4 SB 800 by Albritton; (Compare to H 00685) Economic Development

Tab 5 SB 786 by Hutson; (Identical to H 06051) Aircraft Sales and Lease Tax

303042	A	S	FAV	FT, Hutson	Delete L.41 - 42:	01/13 10:26 AM
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Tab 6 SB 830 by Hooper; (Similar to H 00509) Sales Tax

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The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA

COMMERCE AND TOURISM
Senator Hooper, Chair
Senator Wright, Vice Chair

MEETING DATE: Tuesday, November 30, 2021
TIME: 9:00—11:30 a.m.
PLACE: *Toni Jennings Committee Room, 110 Senate Building*

MEMBERS: Senator Hooper, Chair; Senator Wright, Vice Chair; Senators Diaz, Garcia, Gruters, Hutson, Pizzo, Powell, Taddeo, and Torres

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	SB 356 Jones (Similar H 201)	Sales Tax Holiday for ENERGY STAR and WaterSense Products; Providing a sales tax exemption for certain ENERGY STAR and WaterSense products during a specified timeframe; defining terms; authorizing the Department of Revenue to adopt emergency rules, etc. CM 11/30/2021 Favorable FT AP	Favorable Yeas 9 Nays 0
2	SB 500 Perry	Back-to-school Sales Tax Holiday; Providing exemptions from the sales and use tax on the retail sale of certain clothing, wallets, bags, school supplies, personal computers, and personal computer-related accessories during a specified timeframe; specifying locations where the exemptions do not apply; authorizing certain dealers to opt out of participating in the tax holiday, subject to certain requirements, etc. CM 11/30/2021 Favorable FT AP	Favorable Yeas 9 Nays 0
3	SB 542 Rodriguez (Similar H 411)	Evidentiary Standards for Actions Arising During an Emergency; Defining the term "engaged individual"; prohibiting certain actions taken by a business during a public health emergency from being used as evidence in certain civil causes of action, etc. CM 11/30/2021 Favorable JU RC	Favorable Yeas 9 Nays 0

COMMITTEE MEETING EXPANDED AGENDA

Commerce and Tourism

Tuesday, November 30, 2021, 9:00—11:30 a.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
4	SB 800 Albritton (Compare H 685)	Economic Development; Authorizing municipalities to exempt by ordinance the public service tax that specified users would pay on electrical energy purchases; providing an exemption from the state tax on sales, use, and other transactions for building materials used in the rehabilitation of real property in an opportunity zone; revising the qualification criteria and tax credit amounts for new and existing businesses under the Rural Job Tax Credit Program; establishing a rural opportunity tax refund program for qualified target industry businesses in rural areas, etc. CM 11/30/2021 Favorable FT AP	Favorable Yeas 10 Nays 0
5	SB 786 Hutson (Identical H 6051)	Aircraft Sales and Lease Tax; Exempting all aircraft sales and leases, rather than the sales and leases of certain aircraft, from the sales and use tax; deleting the definition of the term "common carrier" to conform to changes made by the act, etc. CM 11/30/2021 Favorable FT AP	Favorable Yeas 8 Nays 2
6	SB 830 Hooper (Similar H 509)	Sales Tax; Specifying the sales tax rate on mobile homes subject to sales tax as tangible personal property, etc. CM 11/30/2021 Fav/CS FT AP	Fav/CS Yeas 9 Nays 0

Other Related Meeting Documents

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
Senate professional staff conducting the meeting

11/30/21
Meeting Date

356
Bill Number or Topic

Commerce & Tourism
Committee

Amendment Barcode (if applicable)

Name Jonathan Webber

Phone _____

Address 1700 N Monroe #11-286
Street

Email jwebber@fvoters.org

Tally FL 32303
City State Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

Florida conservation voters

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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The Florida Senate

APPEARANCE RECORD

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11/30/21

Meeting Date

SB 356

Bill Number or Topic

Commerce & Tourism

Committee

Amendment Barcode (if applicable)

Name

JEFF SCALA

Phone

727 637 4081

Address

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Email

jscala@fl-counties.com

Street

Tallahassee FL

City

State

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

Florida Association of Counties

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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11/30/21

Meeting Date

Commerce & Tourism 110SoB

Committee

The Florida Senate

APPEARANCE RECORD

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356

Bill Number or Topic

Amendment Barcode (if applicable)

Name David Cullen

Phone 941-323-2404

Address 9830 Elm St

Email cullenasea@gmail.com

Street

Ocean City

MD

21842

City

State

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

Sierra Club Florida

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: SB 356

INTRODUCER: Senator Jones

SUBJECT: Sales Tax Holiday for ENERGY STAR and WaterSense Products

DATE: November 29, 2021

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Renner	McKay	CM	Favorable
2.	_____	_____	FT	_____
3.	_____	_____	AP	_____

I. Summary:

SB 356 establishes a three-day sales tax holiday period, from April 22, 2022 to April 24, 2022, on the retail sale of a new ENERGY STAR or WaterSense product.

The Revenue Estimating Conference determined that the bill will have a cash impact on current fiscal year 2020-2021. The bill will reduce the General Revenue Fund by \$4.4 million, and will reduce local revenues by \$1.3 million.

The bill takes effect upon becoming law.

II. Present Situation:

Florida Sales Tax

Florida levies a 6 percent sales and use tax on the sale or rental of most tangible personal property,¹ admissions,² transient rentals,³ and a limited number of services. Chapter 212, F.S., contains provisions authorizing the levy and collection of Florida's sales and use tax, as well as the exemptions and credits applicable to certain items or uses under specified circumstances. Sales tax is added to the price of the taxable good or service and collected from the purchaser at the time of sale.⁴

Counties are authorized to impose local discretionary sales surtaxes in addition to the state sales tax.⁵ A surtax applies to "all transactions occurring in the county which transactions are subject

¹ Section 212.05(1)(a)1.a, F.S.

² Section 212.04(b), F.S.

³ Section 212.03(1)(a), F.S.

⁴ See s. 212.07(2), F.S.

⁵ Section 212.055, F.S.

to the state tax imposed on sales, use, services, rentals, admissions, and other transactions by [ch. 212, F.S.], and communications services as defined in ch. 202.”⁶ The discretionary sales surtax is based on the tax rate imposed by the county where the taxable goods or services are sold or delivered. Discretionary sales surtax rates currently levied vary by county in a range of 0.5 to 2.5 percent.⁷

ENERGY STAR and WaterSense

In 1992, the United States Environmental Protection Agency (EPA) established the ENERGY STAR program under the authority of section 103(g) of the Clean Air Act to promote energy efficiency.⁸ The program provides unbiased information on the energy consumption of products to consumers and businesses.⁹ The EPA ensures that each product that earns the ENERGY STAR label is independently certified to deliver energy efficiency. In Florida, approximately 530 businesses and organizations participate in the program.¹⁰

WaterSense is a voluntary partnership program sponsored by the EPA with a mission to encourage water efficiency through the use of a label for water-efficient products. WaterSense maintains partnerships with manufacturers, retailers and distributors, homebuilders, and utilities throughout the United States.¹¹

Emergency Rulemaking

State agencies with rulemaking authority in a specific area generally may adopt emergency rules in that area if there is an immediate danger to the public health, safety, or welfare.¹² Emergency rules typically are effective only for 90 days and may not be renewed except in certain circumstances.¹³

III. Effect of Proposed Changes:

The bill establishes a three-day sales tax holiday period, from April 22, 2022, to April 24, 2022, on the retail sale of a new ENERGY STAR or WaterSense product.

The bill defines an “ENERGY STAR” product as a room air conditioner, air purifier, ceiling fan, clothes washer or dryer, dehumidifier, dishwasher, freezer, refrigerator, water heater, swimming

⁶ Section 212.054(2)(a), F.S.

⁷ Office of Economic and Demographic Research, *Florida Tax Handbook*, 227-228 (2021), available at <http://edr.state.fl.us/Content/revenues/reports/tax-handbook/taxhandbook2021.pdf> (last visited Nov. 29, 2021).

⁸ ENERGY STAR, *EPA’s Role*, available at https://www.energystar.gov/about/origins_mission/epas_role_energy_star (last visited Nov. 29, 2021).

⁹ ENERGY STAR, *What is ENERGY STAR*, available at <https://www.energystar.gov/about> (last visited Nov. 29, 2021).

¹⁰ ENERGY STAR, *Florida Fact Sheet* (April 2021), available at https://www.energystar.gov/sites/default/files/asset/document/2020_State_Fact_Sheet_FL_508.pdf (last visited Nov. 29, 2021).

¹¹ United States Environmental Protection Agency, *About WaterSense*, available at <https://www.epa.gov/watersense/about-watersense> (last visited Nov. 29, 2021).

¹² Section 120.54(4), F.S.

¹³ Section 120.54(4)(c), F.S. Emergency rules typically may be renewed only if the agency has initiated rulemaking to adopt permanent rules on the same subject and either a challenge to those proposed rules is pending or the proposed rule is still pending legislative ratification.

pool pump, or a package of light bulbs. Additionally, each product must be affixed with an ENERGY STAR label.

The bill defines a “WaterSense” product as a bathroom sink faucet, faucet accessory, high-efficiency toilet or urinal, showerhead, or weather- or sensor-based irrigation controller. Each product must be affixed with a WaterSense label.

The bill provides that only ENERGY STAR products designated by the EPA and the United States Department of Energy as meeting or exceeding each agency’s requirements under the ENERGY STAR program or WaterSense products recognized as water efficient by the WaterSense program by April 1, 2022, qualify for the sales tax holiday.

The Department of Revenue may adopt emergency rules pursuant to s. 120.54(4), F.S.

The bill takes effect upon becoming law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Article VII, s. 18 of the Florida Constitution governs laws that require counties and municipalities to spend funds, limit the ability of counties and municipalities to raise revenue, or reduce the percentage of state tax shared with counties and municipalities.

Subsection (b) of Art. VII, s. 18 of the Florida Constitution provides that except upon approval of each house of the Legislature by two-thirds vote of the membership, the legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would be to reduce the authority that municipalities or counties have to raise revenue in the aggregate, as such authority existed on February 1, 1989. However, the mandates requirements do not apply to laws having an insignificant impact,^{14 15} which is \$2.2 million or less for Fiscal Year 2022-2023.¹⁶

The Revenue Estimating Conference determined that the bill will have a cash impact on current fiscal year 2020-2021. The bill will reduce the General Revenue Fund by \$4.4 million, and will reduce local revenues by \$1.3 million.

B. Public Records/Open Meetings Issues:

None.

¹⁴ FLA. CONST. art. VII, s. 18(d).

¹⁵ An insignificant fiscal impact is the amount not greater than the average statewide population for the applicable fiscal year multiplied by \$0.10. See Florida Senate Committee on Community Affairs, *Interim Report 2012-115: Insignificant Impact*, (September 2011), available at <http://www.flsenate.gov/PublishedContent/Session/2012/InterimReports/2012-115ca.pdf> (last visited Nov. 29, 2021).

¹⁶ Based on the Demographic Estimating Conference’s population adopted on March 3, 2021. The conference packet is available at <http://edr.state.fl.us/Content/conferences/population/demographicsummary.pdf> (last visited Nov. 29, 2021).

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

Not applicable.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The Revenue Estimating Conference determined that the bill will have a cash impact on current fiscal year 2020-2021. The bill will reduce the General Revenue Fund by \$4.4 million, and will reduce local revenues by \$1.3 million.

B. Private Sector Impact:

Persons purchasing certain ENERGY STAR or WaterSense products during the sales tax holiday will realize savings.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

The bill takes effect upon becoming law. There is a possibility that the bill would not become law until after the sales tax holiday is supposed to have taken place.

VII. Related Issues:

The bill provides that only ENERGY STAR products meeting or exceeding the requirements under the ENERGY STAR program by April 1, 2022, or WaterSense products recognized as water efficient by the WaterSense program by April 1, 2022, qualify for the sales tax holiday.

Dealers of these products may not know if a product became eligible under the programs after April 1, 2022 and, therefore, would be ineligible for the holiday.

VIII. Statutes Affected:

The bill creates an undesignated section of chapter law.

IX. Additional Information:

- A. **Committee Substitute – Statement of Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

- B. **Amendments:**

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

By Senator Jones

35-00548-22

2022356__

A bill to be entitled

An act relating to a sales tax holiday for ENERGY STAR and WaterSense products; providing a sales tax exemption for certain ENERGY STAR and WaterSense products during a specified timeframe; defining terms; authorizing the Department of Revenue to adopt emergency rules; providing an effective date.

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

Section 1. ENERGY STAR and WaterSense products; sales tax holiday.-

(1) The tax levied under chapter 212, Florida Statutes, may not be collected during the period from 12:01 a.m. on April 22, 2022, through 11:59 p.m. on April 24, 2022, on the retail sale of a new ENERGY STAR or WaterSense product.

(2) As used in this section, the term:

(a) "ENERGY STAR product" means a room air conditioner, air purifier, ceiling fan, clothes washer, clothes dryer, dehumidifier, dishwasher, freezer, refrigerator, water heater, swimming pool pump, or package of light bulbs designated by the United States Environmental Protection Agency and the United States Department of Energy by April 1, 2022, as meeting or exceeding each agency's requirements under the ENERGY STAR program. Each product must be affixed with an ENERGY STAR label.

(b) "WaterSense product" means a bathroom sink faucet, faucet accessory, high-efficiency toilet or urinal, showerhead, or weather- or sensor-based irrigation controller that is recognized as water efficient by the WaterSense program

Page 1 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

35-00548-22

2022356__

sponsored by the United States Environmental Protection Agency by April 1, 2022. Each product must be affixed with a WaterSense label.

(3) The Department of Revenue is authorized, and all conditions are deemed met, to adopt emergency rules pursuant to s. 120.54(4), Florida Statutes, to administer this section.

Section 2. This act shall take effect upon becoming a law.

Page 2 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

11/30/2021

Meeting Date

Commerce & Tourism

Committee

The Florida Senate

APPEARANCE RECORD

500

Bill Number or Topic

Deliver both copies of this form to
Senate professional staff conducting the meeting

Amendment Barcode (if applicable)

Name Lorena Holley

Phone 850.222.4082

Address 227 S. Adams Street

Email lorena@frf.org

Street

Tallahassee

FL

32301

City

State

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

FLORIDA RETAIL FEDERATION

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(fisenate.gov\)](https://www.fisenate.gov/2020-2022-joint-rules)

This form is part of the public record for this meeting.

S-001 (08/10/2021)



The Florida Senate

Committee Agenda Request

To: Senator Ed Hooper, Chair
Committee on Commerce and Tourism

Subject: Committee Agenda Request

Date: November 22, 2021

I respectfully request that **Senate Bill #500**, relating to Back-to-school Sales Tax Holiday, be placed on the:

- committee agenda at your earliest possible convenience.
- next committee agenda.

A handwritten signature in black ink that reads "W. Keith Perry".

Senator Keith Perry
Florida Senate, District 8

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: SB 500

INTRODUCER: Senator Perry

SUBJECT: Back-to-school Sales Tax Holiday

DATE: November 29, 2021

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Renner	McKay	CM	Favorable
2.			FT	
3.			AP	

I. Summary:

SB 500 establishes a 10-day “back-to-school” sales tax holiday from Friday, July 29, 2022, to Sunday, August 7, 2022, for certain clothing, school supplies, personal computers, and personal computer-related accessories.

The Revenue Estimating Conference has not yet estimated the revenue impact of the bill.

The bill takes effect upon becoming law.

II. Present Situation:

Florida Sales Tax

Florida levies a 6 percent sales and use tax on the sale or rental of most tangible personal property,¹ admissions,² transient rentals,³ and a limited number of services. Chapter 212, F.S., contains provisions authorizing the levy and collection of Florida’s sales and use tax, as well as the exemptions and credits applicable to certain items or uses under specified circumstances. Sales tax is added to the price of the taxable good or service and collected from the purchaser at the time of sale.⁴

Counties are authorized to impose local discretionary sales surtaxes in addition to the state sales tax.⁵ A surtax applies to “all transactions occurring in the county which transactions are subject to the state tax imposed on sales, use, services, rentals, admissions, and other transactions by [ch.

¹ Section 212.05(1)(a)1.a, F.S.

² Section 212.04(b), F.S.

³ Section 212.03(1)(a), F.S.

⁴ See s. 212.07(2), F.S.

⁵ Section 212.055, F.S.

212, F.S.], and communications services as defined in ch. 202.”⁶ The discretionary sales surtax is based on the tax rate imposed by the county where the taxable goods or services are sold or delivered. Discretionary sales surtax rates currently levied vary by county in a range of 0.5 to 2.5 percent.⁷

“Back-to-School” Sales Tax Holidays

Florida has enacted a “back-to-school” sales tax holiday 19 times since 1998. The Florida Residents’ Tax Relief Act of 1998 established Florida’s first tax holiday, during which clothing purchases of \$50 or less were exempt from tax.⁸ Backpacks were added to the tax holiday in 1999 and school supplies were added in 2001. In 2013, the Legislature expanded the exemption to include personal computers and related accessories selling for \$750 or less, purchased for noncommercial home or personal use. The duration of “back-to-school” sales tax holidays has varied from 3 to 10 days. The type and value of exempt items have also varied.⁹

Florida’s 75 school districts began the 2021-2022 school year between August 10 and August 23, 2020.¹⁰

Emergency Rulemaking

State agencies with rulemaking authority in a specific area generally may adopt emergency rules in that area if there is an immediate danger to the public health, safety or welfare.¹¹ Emergency rules typically are effective only for 90 days and may not be renewed except in certain circumstances.¹²

III. Effect of Proposed Changes:

The bill establishes a 10-day period, from July 29, 2022, to August 7, 2022, during which the following items are exempt from the state sales tax and local discretionary sales surtaxes:

- Clothing with a sales price of \$60 or less per item. “Clothing” is defined as any article of wearing apparel intended to be worn on or about the human body, excluding watches, watchbands, jewelry, umbrellas, and handkerchiefs. Clothing includes all footwear, excluding skis, swim fins, in-line skates, and rollerblades;
- Wallets and bags with a sales price of \$60 or less per item, including handbags, backpacks, fanny packs, and diaper bags, but excluding briefcases, suitcases, and other garment bags;

⁶ Section 212.054(2)(a), F.S.

⁷ Office of Economic and Demographic Research, *Florida Tax Handbook*, 227-228 (2021), available at <http://edr.state.fl.us/Content/revenues/reports/tax-handbook/taxhandbook2021.pdf> (last visited Nov. 29, 2021).

⁸ Chapter 98-341, Laws of Fla.

⁹ *Supra* note 7, at 155-162.

¹⁰ Florida Department of Education, *PK-12 Public School Data Publications and Reports*, available at <http://www.fldoe.org/accountability/data-sys/edu-info-accountability-services/pk-12-public-school-data-pubs-reports/index.shtml> (last visited Nov. 29, 2021).

¹¹ Section 120.54(4), F.S.

¹² Section 120.54(4)(c), F.S. Emergency rules typically may be renewed only if the agency has initiated rulemaking to adopt permanent rules on the same subject and either a challenge to those proposed rules is pending or the proposed rule is still pending legislative ratification.

- School supplies with a sales price of \$15 or less per item. “School supplies” is defined as pens, pencils, erasers, crayons, notebooks, notebook filler paper, legal pads, binders, lunch boxes, construction paper, markers, folders, poster board, composition books, poster paper, scissors, cellophane tape, glue or paste, rulers, computer disks, staplers and staples used to secure paper products, protractors, compasses, and calculators;
- Personal computers with a sales price of \$1,000 or less per item. “Personal computers” includes electronic book readers, laptops, desktops, handhelds, tablets, and tower computers and excludes cellular telephones, video game consoles, digital media receivers, or devices that are not primarily designed to process data; and
- Personal computer-related accessories with a sales price of \$1,000 or less per item. “Personal computer-related accessories” includes keyboards, mice, personal digital assistants, monitors, other peripheral devices, modems, routers, and non-recreational software regardless of whether the accessories are used in association with a personal computer base unit. The term excludes furniture or systems, devices, software, monitors with a television tuner, or peripherals designed or intended primarily for recreational use.

The bill allows a business to opt out of participating in the sales tax holiday if less than 5 percent of the business’ gross sales of tangible personal property in the prior calendar consisted of items that would be exempt under the bill. A business meeting this threshold must notify the Department of Revenue (department) in writing by July 28, 2022, of its election to collect sales tax during the holiday. The business must post a copy of that notice in a conspicuous location at its place of business.

The exemptions provided in the bill do not apply to the following:

- Sales within a theme park or entertainment complex, as defined in s. 509.013(9), F.S.;
- Sales within a public lodging establishment, as defined in s. 509.013(4), F.S.; and
- Sales within an airport, as defined in s. 330.27(2), F.S.

The department may adopt emergency rules pursuant to s. 120.54(4), F.S., for the purpose of implementing the bill.

The bill takes effect upon becoming law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Article VII, s. 18 of the Florida Constitution governs laws that require counties and municipalities to spend funds, limit the ability of counties and municipalities to raise revenue, or reduce the percentage of state tax shared with counties and municipalities.

Subsection (b) of s. 18, Art. VII of the Florida Constitution provides that except upon approval of each house of the Legislature by two-thirds vote of the membership, the legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would be to reduce the authority that municipalities or counties have to raise revenue in the aggregate, as such authority existed on February 1, 1989. However, the

mandates requirements do not apply to laws having an insignificant impact,^{13, 14} which is \$2.2 million or less for Fiscal Year 2022-2023.¹⁵

The Revenue Estimating Conference has not yet estimated the revenue impact of the bill.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The Revenue Estimating Conference has not yet estimated the revenue impact of the bill.

B. Private Sector Impact:

Persons purchasing exempted items during the sales tax holidays will realize savings.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

¹³ FLA. CONST. art. VII, s. 18(d).

¹⁴ An insignificant fiscal impact is the amount not greater than the average statewide population for the applicable fiscal year multiplied by \$0.10. *See* Florida Senate Committee on Community Affairs, *Interim Report 2012-115: Insignificant Impact*, (September 2011), available at <http://www.flsenate.gov/PublishedContent/Session/2012/InterimReports/2012-115ca.pdf> (last visited Nov. 29, 2021).

¹⁵ Based on the Demographic Estimating Conference's population adopted on March 3, 2021. The conference packet is available at <http://edr.state.fl.us/Content/conferences/population/demographicsummary.pdf> (last visited Nov. 29, 2021).

VIII. Statutes Affected:

This bill creates an undesignated section of chapter law:

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

By Senator Perry

8-00611-22

2022500__

A bill to be entitled

An act relating to a back-to-school sales tax holiday; providing exemptions from the sales and use tax on the retail sale of certain clothing, wallets, bags, school supplies, personal computers, and personal computer-related accessories during a specified timeframe; defining terms; specifying locations where the exemptions do not apply; authorizing certain dealers to opt out of participating in the tax holiday, subject to certain requirements; authorizing the Department of Revenue to adopt emergency rules; providing an effective date.

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

Section 1. Clothing, wallets, bags, school supplies, personal computers, and personal computer-related accessories; sales tax holiday.

(1) The tax levied under chapter 212, Florida Statutes, may not be collected during the period from 12:01 a.m. on July 29, 2022, through 11:59 p.m. on August 7, 2022, on the retail sale of:

(a) Clothing, wallets, or bags, including handbags, backpacks, fanny packs, and diaper bags, but excluding briefcases, suitcases, and other garment bags, having a sales price of \$60 or less per item. As used in this paragraph, the term "clothing" means:

1. Any article of wearing apparel intended to be worn on or about the human body, excluding watches, watchbands, jewelry,

Page 1 of 3

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

8-00611-22

2022500__

umbrellas, and handkerchiefs; and

2. All footwear, excluding skis, swim fins, in-line skates, and roller skates.

(b) School supplies having a sales price of \$15 or less per item. As used in this paragraph, the term "school supplies" means pens, pencils, erasers, crayons, notebooks, notebook filler paper, legal pads, binders, lunch boxes, construction paper, markers, folders, poster board, composition books, poster paper, scissors, cellophane tape, glue or paste, rulers, computer disks, staplers and staples used to secure paper products, protractors, compasses, and calculators.

(2) The tax levied under chapter 212, Florida Statutes, may not be collected during the period from 12:01 a.m. on July 29, 2022, through 11:59 p.m. on August 7, 2022, on the retail sale of personal computers or personal computer-related accessories having a sales price of \$1,000 or less per item and purchased for noncommercial home or personal use. As used in this subsection, the term:

(a) "Personal computers" includes electronic book readers, laptops, desktops, handhelds, tablets, and tower computers. The term does not include cellular telephones, video game consoles, digital media receivers, or devices that are not primarily designed to process data.

(b) "Personal computer-related accessories" includes keyboards, mice, personal digital assistants, monitors, other peripheral devices, modems, routers, and nonrecreational software, regardless of whether the accessories are used in association with a personal computer base unit. The term does not include furniture or systems, devices, software, monitors

Page 2 of 3

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8-00611-22

2022500__

59 with a television tuner, or peripherals designed or intended
60 primarily for recreational use.

61 (3) The tax exemptions provided in this section do not
62 apply to sales within a theme park or entertainment complex as
63 defined in s. 509.013(9), Florida Statutes, within a public
64 lodging establishment as defined in s. 509.013(4), Florida
65 Statutes, or within an airport as defined in s. 330.27(2),
66 Florida Statutes.

67 (4) The tax exemptions provided in this section may apply
68 at the option of a dealer if less than 5 percent of the dealer's
69 gross sales of tangible personal property in the prior calendar
70 year consisted of items that would be exempt under this section.
71 If a qualifying dealer chooses not to participate in the tax
72 holiday, the dealer must notify the Department of Revenue in
73 writing by July 28, 2022, of its election to collect sales tax
74 during the holiday and must post a copy of that notice in a
75 conspicuous location at its place of business.

76 (5) The Department of Revenue may, and all conditions are
77 deemed met to, adopt emergency rules pursuant to s. 120.54(4),
78 Florida Statutes, for the purpose of implementing this section.
79 Notwithstanding any other law, emergency rules adopted pursuant
80 to this subsection are effective for 6 months after adoption and
81 may be renewed during the pendency of procedures to adopt
82 permanent rules addressing the subject of the emergency rule.

83 Section 2. This act shall take effect upon becoming a law.

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
Senate professional staff conducting the meeting

11/30/21

Meeting Date

542

Bill Number or Topic

Commerce & Tourism

Committee

Amendment Barcode (if applicable)

Name Phillip Sudermann

Phone _____

Address _____

Street

Email _____

City

State

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

Americans for Prosperity

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

This form is part of the public record for this meeting.



The Florida Senate

Committee Agenda Request

To: Senator Ed Hooper, Chair
Committee on Commerce and Tourism

Subject: Committee Agenda Request

Date: November 16, 2021

I respectfully request that **Senate Bill #542**, relating to Evidentiary Standards for Actions Arising During an Emergency, be placed on the:

- committee agenda at your earliest possible convenience.
- next committee agenda.

A handwritten signature in black ink, appearing to read "Ana Maria Rodriguez".

Senator Ana Maria Rodriguez
Florida Senate, District 39

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: SB 542

INTRODUCER: Senator Rodriguez

SUBJECT: Evidentiary Standards for Actions Arising During an Emergency

DATE: November 29, 2021

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	McMillan	McKay	CM	Favorable
2.			JU	
3.			RC	

I. Summary:

SB 542 provides that the following actions taken by a business during a public health emergency may not be used as evidence against the business to establish the existence of an employer-employee relationship in specified civil causes of action:

- Providing financial assistance to previously engaged individuals who are unable to work because of health and safety concerns;
- Directly providing benefits related to the health and safety of engaged individuals, including medical or cleaning supplies, personal protective equipment, health checks, or medical testing;
- Providing training or information related to the health and safety of engaged individuals or the public; or
- Taking any action, including action required or suggested by any federal, state, or local law, ordinance, order, or directive intended to protect public health and safety.

The term “engaged individual” means an individual who provides a good or service to a business or on behalf of a business and who is remunerated for the good or service, regardless of the individual’s classification as an employee or independent contractor.

The bill applies to civil actions relating to workers’ compensation, retaliatory personnel actions, state minimum wage, labor pool violations, devices used in payment for labor, and unclaimed wages. Additionally, the bill applies to civil actions to recover lost wages, salary, employment benefits, or other compensation.

The bill takes effect July 1, 2022.

II. Present Situation:

Public Health Emergency

In Florida, the State Health Officer is responsible for declaring public health emergencies, issuing public health advisories, and ordering isolation or quarantines.¹ A “public health emergency” means any occurrence, or threat of occurrence, which may result in substantial injury or harm to the public health from infectious disease, chemical agents, nuclear agents, biological toxins, or situations involving mass casualties or natural disasters.²

Florida Workers’ Compensation System

Each employer and employee is bound by Florida’s Workers’ Compensation Law.³ An employer must pay compensation or furnish benefits required by the Workers’ Compensation Law if an employee suffers an accidental compensable injury or death arising out of work performed in the course and scope of employment.⁴ The injury must be established to a reasonable degree of medical certainty, based on objective relevant medical findings, and the accidental compensable injury must be the major contributing cause of any resulting injuries.⁵ Generally, employers may secure coverage from an authorized carrier, qualify as a self-insurer,⁶ or purchase coverage from the Workers’ Compensation Joint Underwriting Association, the insurer of last resort.⁷

An employee has a civil cause of action against his or her employer if the employer:

- Failed to carry sufficient workers’ compensation coverage;
- Deliberately intended to injure the employee; or
- Engaged in conduct that he or she knew was virtually certain to result in the employee’s injury or death in certain situations.⁸

Retaliatory Personnel Actions

An employer may not take any retaliatory personnel action⁹ against an employee because the employee has:

- Disclosed or threatened to disclose, to any appropriate governmental agency, under oath, in writing, any activity, policy or practice of the employer that violates a law, rule, or regulation;
- Provided information to, or testified before, any appropriate governmental agency, person, or entity conducting an investigation, hearing, or inquiry into an alleged violation of a law, rule, or regulation by the employer; or

¹ Section 381.00315, F.S.

² Section 381.00315(1)(c), F.S.

³ Sections 440.03 and 440.10, F.S.

⁴ Section 440.09(1), F.S.

⁵ *Id.*

⁶ Section 440.38, F.S.

⁷ Section 627.311(5)(a), F.S.

⁸ Section 440.11, F.S.

⁹ “Retaliatory personnel action” means the discharge, suspension, or demotion by an employer of an employee or any other adverse employment action taken by an employer against an employee in the terms and conditions of employment. *See s. 448.101(5), F.S.*

- Objected to, or refused to participate in, any activity, policy, or practice of the employer which is in violation of a law, rule, or regulation.¹⁰

An employee who is the object of a retaliatory personnel action has a civil cause of action against his or her employer for the following relief:

- An injunction restraining a continued violation;
- The employee's reinstatement to the same position held before the retaliatory personnel action or to an equivalent position;
- Reinstatement of the employee's full fringe benefits and seniority rights;
- Compensation for lost wages, benefits, and other remuneration; and
- Any other compensatory damages allowable at law.¹¹

Minimum Wage

The Florida Constitution requires an employer to pay employees a minimum wage.¹² On September 30, 2021, the minimum wage increased to \$10.00 per hour, and will increase each September 30th by \$1.00 per hour until the minimum wage reaches \$15.00 per hour on September 30, 2026.¹³ An employee not paid the minimum wage may bring a civil cause of action against his or her employer to recover the full amount of back wages unlawfully withheld, plus the same amount as liquidated damages.¹⁴ An employee bringing such an action may also be entitled to legal or equitable relief, including employment reinstatement or injunctive relief.¹⁵

Labor Pool Violations

A labor pool¹⁶ must not:

- Charge a day laborer¹⁷ for safety equipment, clothing, accessories, any other items required by the nature of the work, more than a reasonable amount to transport a worker to or from the designated worksite, or for directly or indirectly cashing a worker's check;¹⁸
- Request or require that any day laborer sign any document waiving statutory protections;¹⁹
- Charge more than the actual cost of providing lunch, if the labor pool provides lunch at the worksite;²⁰ or

¹⁰ Section 448.102, F.S.

¹¹ Section 448.103, F.S.

¹² See Art. X, Sec. 24, Fla. Const.

¹³ *Id.* On September 30th, 2027 and each subsequent September 30th, the State Agency for Workforce Innovation must calculate an adjusted minimum wage rate in the manner specified in the State Constitution.

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ "Labor pool" means a business entity that operates a labor hall by one or more of the following methods: contracting with third-party users to supply day laborers on a temporary basis; hiring, employing, recruiting, or contracting with workers to fulfill these temporary labor contracts for day labor; or fulfilling any contracts for day labor in accordance with this subsection, even if the entity also conducts other business. See s. 448.22(1), F.S.

¹⁷ "Day labor" means temporary labor or employment that is occasional or irregular for which the worker is employed for not longer than the time period required to complete the temporary assignment for which the individual worker was hired, although an individual may be eligible for additional temporary assignments when available. See s. 448.22(2), F.S.

¹⁸ Section 448.24(1), F.S.

¹⁹ Section 448.24(3), F.S.

²⁰ Section 448.24(4), F.S.

- Restrict a day laborer's right to accept a permanent position with a third-party user to whom the laborer is referred for temporary work, or to restrict the right of such a third-party user to offer such employment to an employee of the labor pool.²¹

A labor pool must:

- Provide restroom facilities, drinking water, and sufficient seating for a worker waiting at the labor hall for a job assignment;²²
- Select cash, commonly accepted negotiable instruments that are payable in cash, a payroll debit card, or an electronic fund transfer, to pay a day laborer for work performed;²³
- Notify a day laborer of the payment method that the labor pool intends to use and the day laborer's options to elect a different payment method;²⁴
- If selecting to pay a day laborer by payroll debit card, offer the day laborer the option to elect payment by electronic fund transfer and provide the day laborer with a list, including the address, of a nearby business that does not charge a fee to withdraw the debit card's contents;²⁵
- Compensate day laborers at or above the minimum wage;²⁶
- Comply with the requirements of workers' compensation;²⁷
- Insure any motor vehicle owned or operated by the labor pool and used for worker transportation;²⁸
- Furnish each worker with a written itemized statement showing in detail each wage deduction; and
- Give each worker an annual earnings statement summary.²⁹

Any worker harmed by a labor pool violation may bring a civil action against the labor pool to recover actual and consequential damages, or \$1,000, whichever is greater, for each violation.³⁰

Devices Issued in Payment for Labor

Any order, check, draft, note, memorandum, payroll debit card, or other acknowledgement of indebtedness for wages due must be negotiable and payable in cash, on demand, without discount, at some established place of business in Florida.³¹

Any person issuing a coupon, punch-out, ticket, tokens, or other device in lieu of cash as payment for labor is:

²¹ Section 448.24(6), F.S.

²² Section 448.24(5), F.S.

²³ Section 448.24(2), F.S.

²⁴ *Id.*

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.*

²⁹ *Id.*

³⁰ Section 448.25, F.S.

³¹ The business's name and address must appear on the instrument or in the payroll debit card issuing materials. At the time of its issuance, and for at least 30 days thereafter, the maker or drawer must have sufficient funds or credit, arrangement, or understanding with the drawee for its payment. *See s. 532.01, F.S.*

- Liable for the full face value thereof in current legal tender on or after the 30th day after the date of issuance;
- Liable for payment in legal tender; and
- Subject to suit brought in any court of competent jurisdiction.³²

Additionally, an employer may not terminate an employee solely for refusing to authorize the direct deposit of wages.³³ An employee may bring a civil action against an employer for equitable relief.³⁴

Unclaimed Wages

Unpaid wages owing in the ordinary course of the holder's business that have not been claimed by the owner for more than 1 year after becoming payable are presumed unclaimed.³⁵ Every holder of unclaimed wages must report the unclaimed wages to the Department of Financial Services (DFS) before May 1 of each year and must simultaneously pay to DFS all unclaimed wages required to be reported.³⁶ Employers violating these requirements face penalties imposed by DFS.³⁷

III. Effect of Proposed Changes:

The bill creates s. 448.111, F.S., and establishes that the following actions taken by a business during a public health emergency declared by the State Health Officer may not be used as evidence against the business to establish the existence of an employer-employee relationship in specified civil causes of action:

- Providing financial assistance to previously engaged individuals who are unable to work because of health and safety concerns;
- Directly providing benefits related to the health and safety of engaged individuals, including medical or cleaning supplies, personal protective equipment, health checks, or medical testing;
- Providing training or information related to the health and safety of engaged individuals or the public; or
- Taking any action, including action required or suggested by any federal, state, or local law, ordinance, order, or directive intended to protect public health and safety.

The bill defines the term "engaged individual" to mean an individual who provides a good or service to a business or on behalf of a business and who is remunerated for the good or service, regardless of the individual's classification as an employee or independent contractor.

The bill applies to civil actions relating to workers' compensation, retaliatory personnel actions, state minimum wage, labor pool violations, devices used in payment for labor, and unclaimed

³² The legal holder's recovery must include the full face value of the device, with legal interest from the date of demand. *See* s. 532.02, F.S.

³³ Section 532.04(2), F.S.

³⁴ Section 532.04(3), F.S.

³⁵ Section 717.115, F.S.

³⁶ Sections 717.117 and 717.119, F.S.

³⁷ *Id.*; Ch. 69I-20, F.A.C.

wages. Additionally, the bill applies to civil actions to recover lost wages, salary, employment benefits, or other compensation.

The bill takes effect July 1, 2022.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None Identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill provides that specified actions taken by a business during a public health emergency may not be used as evidence against the business to establish the existence of an employer-employee relationship in specified civil causes of action. Thus, the bill potentially protects businesses from being categorized as a plaintiff's employer if the categorization is based exclusively on the specified actions taken by a business during a public health emergency.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

The bill creates the following section of the Florida Statutes: 448.111.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

By Senator Rodriguez

39-00329A-22

2022542__

1 A bill to be entitled
 2 An act relating to evidentiary standards for actions
 3 arising during an emergency; creating s. 448.111,
 4 F.S.; defining the term "engaged individual";
 5 prohibiting certain actions taken by a business during
 6 a public health emergency from being used as evidence
 7 in certain civil causes of action; providing an
 8 effective date.

9
 10 Be It Enacted by the Legislature of the State of Florida:

11 Section 1. Section 448.111, Florida Statutes, is created to
 12 read:

13 448.111 Evidentiary standards for actions of a business
 14 during an emergency.-

15 (1) For purposes of this section, the term "engaged
 16 individual" means an individual who provides a good or service
 17 to a business or on behalf of a business and who is remunerated
 18 for the good or service, regardless of the individual's
 19 classification as an employee or independent contractor.

20 (2) Notwithstanding any other law, the following actions of
 21 a business, if taken during a public health emergency declared
 22 by the State Health Officer under s. 381.00315, may not be used
 23 as evidence in a civil cause of action brought under s. 440.10,
 24 s. 440.192, s. 440.38, s. 440.381, s. 448.103, s. 448.110, s.
 25 448.25, chapter 532, or s. 717.115, or in a civil cause of
 26 action to recover lost wages, salary, employment benefits, or
 27 other compensation, because an individual has not been properly
 28 classified as an employee:
 29

Page 1 of 2

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39-00329A-22

2022542__

30 (a) Providing financial assistance to previously engaged
 31 individuals who are unable to work because of health and safety
 32 concerns.

33 (b) Directly providing benefits related to the health and
 34 safety of engaged individuals, including medical or cleaning
 35 supplies, personal protective equipment, health checks, or
 36 medical testing.

37 (c) Providing training or information related to the health
 38 and safety of engaged individuals or the public.

39 (d) Taking any action, including action required or
 40 suggested by any federal, state, or local law, ordinance, order,
 41 or directive, which is intended to protect public health and
 42 safety.

43 Section 2. This act shall take effect July 1, 2022.

Page 2 of 2

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11/30/21

Meeting Date

Commerce

Committee

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
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SB 800

Bill Number or Topic

Amendment Barcode (if applicable)

Name **Carolyn Johnson**

Phone **850-521-1200**

Address **136 S Bronough St**

Email **cjohnson@flchamber.com**

Street

Tallahassee

FL

32301

City

State

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

FL Chamber of Commerce

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

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11-30-21
Meeting Date

Commerce
Committee

800-Economic Dev.
Bill Number or Topic

Name Connie Vanasse

Amendment Barcode (if applicable)
Phone 561-572-0088

Address PO Box 35
Street
Central Pt FL 33438
City State Zip

Email cvanasse@gmail.com

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist,
representing:
Alachua County
Board of County Commissioners

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](https://www.flsenate.gov/2020-2022-Joint-Rules.pdf)

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11/30/21

Meeting Date

Commerce & Tourism

Committee

The Florida Senate APPEARANCE RECORD

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SB 800

Bill Number or Topic

Name

JEFF SCALA

Amendment Barcode (if applicable)

Phone

727 637 4081

Address

100 S Monroe Street

Email

jscala@fl-counties.com

Street

Tallahassee

FL

32301

City

State

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without
compensation or sponsorship.

I am a registered lobbyist,
representing:

Florida Association of Counties

I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](https://www.flsenate.gov/2020-2022-Joint-Rules.pdf)

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11/30/2021

Meeting Date

The Florida Senate APPEARANCE RECORD

SB 800

Senate Commerce

Committee

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Bill Number or Topic

Name David Kraus, county manager Columbia Cnty

Phone 386-758-1005

Amendment Barcode (if applicable)

Address 135 NE Hernando Avenue, Suite 203

Email bccadmin@columbiacountyfla.com

Lake City

FL

32055

City

State

Zip

Speaking: For Against Information

OR

Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](https://www.flsenate.gov/2020-2022-Joint-Rules.pdf)

This form is part of the public record for this meeting.

11/30/2021

Meeting Date

Senate Commerce

Committee

The Florida Senate

APPEARANCE RECORD

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Senate professional staff conducting the meeting

SB 800

Bill Number or Topic

Amendment Barcode (if applicable)

Name Michael Grissom

Phone 561-310-4079

Address 2910 Kerry Forest Pkwy, D4-382

Email michael.grissom@bipc.com

Street

Tallahassee

FL

32309

City

State

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

FL Rural Economic Development Association

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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(08/10/2021)

November 30, 2021

The Florida Senate APPEARANCE RECORD

800

Meeting Date
Commerce and Tourism

Deliver both copies of this form to
Senate professional staff conducting the meeting

Bill Number or Topic

Committee
Name Darrick D. McGhee, Sr

Amendment Barcode (if applicable)
Phone (850) 321-6489

Address 537 East Park Avenue

Email darrick@teamjb.com

Street
Tallahassee FL 32301
City State Zip

Reset Form

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

Florida's Great Northwest

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

(08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: SB 800

INTRODUCER: Senator Albritton

SUBJECT: Economic Development

DATE: November 29, 2021

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Renner	McKay	CM	Favorable
2.			FT	
3.			AP	

I. Summary:

SB 800 creates and modifies economic development programs operating in rural areas and federally designated opportunity zones. The bill creates the Rural Opportunity Tax Refund Program to encourage the creation and retention of stable, high-quality jobs by providing tax refunds to qualified target industry businesses located in rural areas. The bill provides that qualified target industry businesses are eligible to receive a tax refund of specified taxes equal to \$6,000 per created job. Additionally the bill:

- Authorizes municipalities to exempt the public service tax on purchasers of electrical energy who the Department of Revenue (DOR) determines are eligible as a qualified business in a federally designated opportunity zone;
- Creates a 50 percent sales tax exemption on the purchase of electrical energy to qualified businesses located in an opportunity zone in a municipality that has enacted an ordinance for a municipal utility tax exemption;
- Exempts building materials used in the rehabilitation of real property located in an opportunity zone from the state sales tax if certain conditions are met;
- Revises the Rural Job Tax Credit Program by removing the requirement that newly eligible businesses have a minimum of 10 qualified employees on the date of application in order to receive a tax credit, and revises the tax credit amounts and qualification criteria for employees of new and existing eligible business; and
- Requires the Department of Economic Opportunity (DEO) to allocate an amount equal to 10 percent of the funds in the Florida Job Growth Grant Fund to projects within rural areas of opportunity for the first quarter of each fiscal year.

The bill is effective July 1, 2022.

II. Present Situation:

Florida Sales Tax

Florida levies a six percent sales and use tax on the retail sales or rentals of most tangible personal property,¹ admissions,² transient rentals,³ and commercial real estate rentals.⁴ In addition to the state level tax, counties are authorized to levy discretionary sales surtaxes.⁵ Generally, the sales tax is added to the price of the taxable good or service and collected from the purchaser at the time of sale.

Chapter 212, F.S., contains provisions authorizing the levy and collection of Florida's sales and use tax, as well as the exemptions and credits applicable to certain items or uses under specified circumstances. There are currently more than 270 exemptions, exclusions, deductions, and credits from sales and use tax,⁶ including building materials used in the rehabilitation of real property located in an enterprise zone.⁷

Municipal Public Service Tax

Municipalities may levy a public service tax on the purchase of electricity, metered natural gas, liquefied petroleum gas either metered or bottled, manufactured gas either metered or bottled, and water service.⁸ The tax is levied only upon purchases within the municipality and cannot exceed 10 percent of the payments received by the seller of the taxable item from the purchaser for the purchase of the service.

Rural Job Tax Credit Program

The Rural Job Tax Credit Program offers an incentive for eligible businesses located within one of 36 designated qualified rural areas to create new jobs. The tax credits are provided to encourage meaningful employment opportunities that will improve the quality of life of those employed and to encourage economic expansion of new and existing businesses in rural areas of Florida.⁹ The tax credit ranges from \$1,000 to \$1,500 per qualified employee¹⁰ and can be taken against either the corporate income tax or the sales and use tax.¹¹ The credit can only be taken against one of these two taxes.

¹ Section 212.05(1)(a)1.a, F.S.

² Section 212.04(b), F.S.

³ Section 212.03(1)(a), F.S.

⁴ The Legislature reduced the sales tax rate on commercial rentals to 5.5 percent effective January 1, 2020. *See* s. 5, ch. 2019-42, Laws of Fla.

⁵ Section 212.055, F.S.

⁶ Office of Economic and Demographic Research, *Florida Tax Handbook*, 168-173 (2021), available at <http://edr.state.fl.us/Content/revenues/reports/tax-handbook/taxhandbook2021.pdf> (last visited Nov. 29, 2021). *See* section 212.08, F.S.

⁷ Section 212.08(5)(g), F.S.

⁸ Section 166.231(1)(a), F.S.

⁹ Chapter 97-50, s. 2, Laws of Fla.

¹⁰ Sections 212.098(2) and 212.098(4), F.S.

¹¹ Section 212.098(11), F.S.

An “eligible business” means a sole proprietorship, firm, partnership, or corporation that is located in a qualified county and is predominantly¹² engaged in, or is headquarters for a business predominantly engaged in activities classified within the following standard industrial classifications (SIC):¹³

SIC	Description
01-09	Agriculture, forestry, and fishing
20-39	Manufacturing
70	Hotels and other lodging places
422	Public warehousing and storage
781	Motion picture production and allied services
7992	Public golf courses
7996	Amusement parks
	A targeted industry eligible for the qualified target industry business tax refund ¹⁴

A “qualified area” is defined as:¹⁵

- Any area that is contained within a rural area of critical economic concern;
- A county that has a population of fewer than 75,000 persons; or
- A county that has a population of 125,000 or less and is contiguous to a county that has a population of less than 75,000.

Every third year the Department of Economic Opportunity (DEO) is required to rank and tier the state’s counties according to the following factors:¹⁶

- Highest unemployment rate for the most recent 36-month period;
- Lowest per capita income for the most recent 36-month period;
- Highest percentage of residents whose incomes are below the poverty level, based upon the most recent data available; and
- Average weekly manufacturing wage, based upon the most recent data available.

A new eligible business may apply for a tax credit once at any time during its first year of operation. A new eligible business in a qualified area that has at least 10 qualified employees on the date of application may receive a \$1,000 tax credit for each such employee.¹⁷

¹² “Predominantly” means that more than 50 percent of the business’s gross receipts from all sources is generated by those activities usually provided for consideration by firms in the specified standard industrial classification. Section 212.098(1)(a), F.S.

¹³ Section 212.098(1)(a), F.S. The Standard Industrial Classification (SIC) was replaced by the North American Industry Classification System (NAICS) in 1997. NAICS is the standard used by federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. See U.S. Census Bureau, *North American Industry Classification System*, available at <https://www.census.gov/naics/> (last visited Nov. 29, 2021).

¹⁴ See s. 288.106, F.S.

¹⁵ Section 212.098(1)(c), F.S.

¹⁶ *Id.*

¹⁷ Section 212.098(2), F.S.

An existing eligible business may apply for a tax credit at any time it is entitled to such credit. An existing eligible business with *fewer than 50 employees* in a qualified area that on the date of application has at least 20 percent more qualified employees than it had one year prior to its date of application may receive a \$1,000 tax credit for each such additional employee. An existing eligible business that has *more than 50 employees* in a qualified area that, on the date of application, has at least 10 more qualified employees than it had one year prior to its date of application may receive a \$1,000 tax credit for each additional employee. An existing eligible business that received a tax credit when it was a new eligible business must wait 12 months before it can apply for a tax credit as an existing eligible business.¹⁸

For any new or existing eligible business receiving a tax credit, an additional \$500 credit must be provided for any qualified employee who is a welfare transition program participant. The employee must be employed on the application date and have been employed less than one year. This credit is in addition to other credits under the rural job tax credit.¹⁹

The maximum credit amount that may be approved during any calendar year is \$5 million. The Department of Revenue (DOR), in conjunction with the DEO, must notify the governing bodies in areas designated as qualified counties when the \$5 million maximum amount has been reached. Applications must be considered for approval in the order in which they are received without regard to whether the tax credit is for a new or existing business.²⁰ A business may not receive more than \$500,000 of tax credits during any one calendar year.²¹

Florida Job Growth Grant Fund

The Florida Job Growth Grant Fund (fund) was created in 2017²² to promote economic opportunity by improving public infrastructure and enhancing workforce training.²³ The fund is housed within the DEO and may not be used for the exclusive benefit of any single company, corporation, or business entity.²⁴

The DEO and Enterprise Florida, Inc., a nonprofit corporation acting as the state's economic development organization, may identify projects, solicit proposals, and make funding recommendations to the Governor.²⁵ The Governor is authorized to approve:²⁶

- State or local public infrastructure projects²⁷ to promote economic recovery in specific regions of the state, economic diversification, or economic enhancement in a targeted industry;

¹⁸ Section 212.098(3), F.S.

¹⁹ Section 212.098(4), F.S.

²⁰ Section 212.098(6)(c), F.S.

²¹ Section 212.098(6)(d), F.S.

²² Chapter 2017-233, s. 15, Laws of Fla.

²³ Section 288.101(1), F.S.

²⁴ *Id.*

²⁵ Section 288.101(2), F.S.

²⁶ Section 288.101(2)(a)-(c), F.S.

²⁷ Section 288.101(3)(b), F.S., defines "public infrastructure" as infrastructure that is owned by the public, and is for public use or predominantly benefits the public.

- Infrastructure²⁸ funding to accelerate the rehabilitation of the Herbert Hoover Dike; and
- Workforce training grants to support programs at state colleges and state technical centers that provide participants with transferable, sustainable workforce skills applicable to more than a single employer, and for equipment associated with these programs.

During the 2020-2021 fiscal year the fund was appropriated \$50 million,²⁹ and four infrastructure projects and one workforce training project were approved.³⁰

Qualified Target Industry Tax Refund Program

The Qualified Target Industry (QTI) Tax Refund Program was created to encourage the creation and retention of high-quality, high-wage jobs by providing state tax refunds to eligible businesses creating jobs in certain target industries.³¹ Tax refunds awarded through the program are determined by the number of jobs created, the average wages paid, and the location of the eligible business. The program expired on June 30, 2020; however, existing QTI agreements will continue to be in effect according to their terms.³² For Fiscal Year 2021-2022, \$20.5 million was appropriated, in part, to the QTI program.³³

Florida Enterprise Zone Program

The Florida Enterprise Zone Program offered a variety of sales tax credits, refunds, exemptions, and corporate income tax credits to businesses within certain geographic regions to encourage economic growth and investment in distressed areas.

State incentives included a sales tax refund for building materials used in the rehabilitation of real property in an enterprise zone. The amount of the refund was the lesser of 97 percent of the sales taxes paid or \$5,000, or, if 20 percent or more of the business's employees reside in an enterprise zone, the lesser of 97 percent of the sales taxes paid or \$10,000.³⁴

Local incentives included a municipal public service tax exemption for qualified businesses located in an enterprise zone on the purchase of electrical energy. The exemption was only available if the municipality in which the business was located had passed an ordinance to exempt the municipal utility taxes on such business.³⁵

The program was administered by the DEO and sunset on December 31, 2015.

²⁸ Section 288.101(3)(a), F.S., defines "infrastructure" as any fixed capital expenditure or fixed capital costs associated with the construction, reconstruction, or improvement of facilities that have a life expectancy of five or more years and any land acquisition, land improvement, design, and engineering costs related to it.

²⁹ Chapter 2021-36, s. 152, Laws of Fla.

³⁰ Department of Economic Opportunity, *Florida Job Growth Grant Fund Awarded Proposals, 2020-2021*, <http://www.floridajobs.org/jobgrowth/2017-18-awarded-proposals> (last visited Nov. 29, 2021).

³¹ Section 288.106(1), F.S.

³² Section 288.106(9), F.S.

³³ Chapter 2021-36, Specific Appropriation 2244, s. 6, Laws of Fla.

³⁴ Section 212.08(5)(g), F.S.

³⁵ Sections 212.08(15) and 166.231(8), F.S.

Opportunity Zone Program

The Opportunity Zone Program was created by the Federal Tax Cuts and Jobs Act of 2017³⁶ to encourage economic development and job creation in economically distressed communities by providing tax incentives for investors who invest new capital in businesses operating in one or more qualified opportunity zones (zones).³⁷ Areas qualify as zones if they have been nominated by a state, a U.S. territory, or the District of Columbia, and the nomination has been certified by the United States Department of the Treasury (U.S. Treasury).³⁸ Governors can nominate up to 25 percent of their state's eligible tracts to receive the designation.³⁹

Investments are made in the zones through U.S. Treasury Qualified Opportunity Zone Funds and must invest over 90 percent of their assets in qualified zone properties and businesses. Zone funds attract investors through potential tax benefits. These tax benefits can accrue once unrealized capital gains from other investments are rolled in Qualified Opportunity Zone Funds. Benefits include the following:⁴⁰

- Taxes are deferred on capital gains rolled into Qualified Opportunity Zone Funds and the original tax bill through December 31, 2026, or the sale of the zone investment, whichever is earlier;
- Taxes are reduced on capital gains held in Qualified Opportunity Zone Funds for certain lengths of time, for investments held for 5 years, the cost basis for tax purposes is increased by 10 percent and for investments held for 7 years, the cost basis increases an additional 5 percent; and
- The rolled over capital gain appreciates tax-free if the investment in the Qualified Opportunity Zone is held for 10 years or longer.

Currently, Florida has 427 designated zones that are located in every county.⁴¹

III. Effect of Proposed Changes:

Rural Opportunity Tax Refund Program (section 5)

The bill largely replicates, with minor changes, the QTI Tax Refund Program, and limits the program benefits to rural areas. The bill creates s. 288.066, F.S., creating the Rural Opportunity Tax Refund Program to encourage the creation and retention of stable, high-quality jobs by providing state tax refunds to eligible businesses in certain target industries located in rural areas.

³⁶ Tax Cuts and Jobs Act of 2017, Pub. L. No. 115-97, § 13823, 131 stat. 2054.

³⁷ Internal Revenue Service, *Opportunity Zones Frequently Asked Question*, available at <https://www.irs.gov/credits-deductions/opportunity-zones-frequently-asked-questions#general> (last visited Nov. 29, 2021).

³⁸ *Id.*

³⁹ Florida Department of Economic Opportunity, *The Opportunity Zone Program*, available at <https://floridajobs.org/business-growth-and-partnerships-for-businesses-and-entrepreneurs/business-resource/opportunity-zones> (last visited Nov. 29, 2021).

⁴⁰ *Id.*

⁴¹ *Id.*

Definitions

The bill defines a “rural city” as having a population of 10,000 or less, or a city having less than 20,000 if a significant percentage of the residents are on public assistance or have incomes below the poverty level, or a significant percentage of the city’s employment base is in agriculture-related jobs. “Rural communities” means a county with a population of 75,000 or less, a county with a population of 125,000 or less and is contiguous to a county having a population of 75,000 or less; or the municipality has a significant percentage of residents on public assistance, have incomes below poverty level, or a significant percentage of the employment base is in agriculture-related jobs.

The bill defines a “target industry business” as a corporate headquarters business or any business engaged in certain target industries. The term does not include a business engaged in retail industry activities; an electric utility company; phosphate or other solid minerals severance, mining, or procession operation; or a business subject to regulation by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation. A business in office administrative services (NAICS code 5611) or business support services (NAICS code 5614) may be considered a target industry business if Enterprise Florida, Inc., and the local governing body determines that the community meets certain criteria that affect the fiscal and economic viability of the local community.

The bill defines “local financial support” as funding from public or private local sources which is paid to the Economic Development Trust Fund and which is equal to 20 percent of the annual tax refund for a qualified target industry business. A qualified target industry business may not provide, either directly or indirectly, more than 5 percent of the funding in any fiscal year. Sources of the funding may not include, either directly or indirectly, state funds appropriated from the General Revenue Fund or any state trust fund, excluding tax revenues shared with local governments. Local sources may be exempt from the local financial support requirement available to an applicant whose project is located in a brownfield, a rural city, or a rural community. An applicant exercising this exemption is not eligible for more than 80 percent of the total tax refunds allowed under the program.

The bill also provides definitions for the following terms:⁴²

- “Account;”
- “Authorized local economic development agency;”
- “Average private sector wage in the area;”
- “Business;”
- “Corporate headquarters business;”
- “Expansion of an existing business;”
- “Fiscal year;”
- “Jobs;”
- “New business;”
- “Project;”
- “Qualified target industry business;” and
- “Taxable year.”

⁴² See s. 288.066(1), F.S. of the bill.

Criteria

The DEO and Enterprise, Florida, Inc., must consider the following criteria in identifying target industries:

- Future growth;
- Stability;
- High Wages;
- Market and Resource Independent;
- Industrial base diversification and strengthening; and
- Positive economic impact.

The bill provides that targeted industries will be determined by January 1 of every third year, beginning January 1, 2023, in consultation with the DEO, in consultation with Enterprise, Florida, Inc., economic development organizations, the State University System, local governments, employee and employer organizations, market analysts, and economists. The list must be submitted to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

Tax Refunds

Qualified target industry businesses are eligible to receive a tax refund equal to \$6,000 per created job. Tax refunds may be claimed for one or more of the following taxes paid:

- Sales and use tax;
- Corporate income taxes;
- Insurance premium taxes;
- Intangible personal property taxes;
- Ad valorem taxes;
- Certain state communication services taxes; and
- Excise taxes on documents.

A qualified target industry business may not receive a refund for any amount of credit, refund, or exemption previously granted to that business for any of the aforementioned taxes. If the DEO provides for a refund and the taxes are adjusted by the application of any credit, refund, or exemption granted to the qualified target industry business, the business must reimburse the account for the amount of that credit, refund, or exemption and notify and tender the payment to the DEO within 20 days after receiving the credit, refund, or exemption. Refunds may not be spent on the relocation of a business from one community to another unless the DEO determines that, without the relocation, the business will move out of Florida, or determines the business has a compelling economic rationale for relocation and thus, result in the creation of additional jobs.

A qualified target industry business that fraudulently claims a refund is:

- Liable for repayment of the amount of the refund to the account, plus a mandatory 200 percent of the tax refund, which will be deposited into the General Revenue; and
- Commits a third degree felony.⁴³

⁴³ A third degree felony is generally punishable by up to five years in state prison and a fine not exceeding \$5,000. Sections 775.082, 775.083, and 775.084, F.S.

Application and Approval Process

A business must file an application to become a qualified target industry business with the DEO before the business moves to the state or before the business expands its existing operations in the state. The application must include:

- Certain identifying information;
- A description of the type of business activity covered by the project;
- The proposed number of net new full-time Florida jobs, including average wages;
- The total number of full-time equivalent employees employed by the applicant in the state;
- The anticipated commencement date of the project;
- A description of the role the estimated tax refunds to be requested would play in the decision of the applicant locating to the state or expanding in the state;
- An estimate of the proportion of sales resulting from the project that will be made outside the state;
- An estimate of the proportion of the cost of the equipment to be used by the business in the state operations that will be purchased outside the state;
- A resolution adopted by the governing board of the local government in which the project will be located recommending the applicant be approved; and
- Any additional information requested by the DEO.

Additionally, the DEO must review and evaluate each target industry business application based on, but not limited to, the following criteria:

- Expected contributions to the state's economy, consistent with the state strategic economic development plan prepared by the DEO;
- The economic benefits of the proposed award of tax refunds;
- The amount of capital investment to be made in the state by the applicant;
- The local financial commitment and support for the project;
- The expected effect of the project on the unemployed and underemployed in the county where the project will be located;
- The expected effect of the award on the viability of the project and the probability that the project would be undertaken in this state if the tax refunds are granted to the applicant;
- Whether the business activity or project is in an industry identified by the DEO as a target industry business that contributes to the economic growth of the state and the area where the business is located, produces a higher standard of living for residents, or can be shown to make an equivalent contribution to the area's and state's economic progress; and
- A review of the business's past activities in this state or other states, including whether the business has been subjected to criminal or civil fines and penalties.

When reviewing the application, the DEO must include projections of the tax refunds the business would be eligible to receive in each fiscal year based on the creation and maintenance of net new Florida jobs.

The DEO may not provide a certification if the value of the tax refunds exceeds the available amount of authority to certify new businesses pursuant to the Economic Development Trust Fund. If local financial support is less than 20 percent of the approved tax refund, then the refund

must be reduced. Projects located in a brownfield area, rural city, or rural community may exercise an option of local financial support exemption; however, the applicant will then receive no more than 80 percent of the total tax refund allowed.

The letter of certification from the DEO approving an application must specify the maximum amount of tax refund that will be available to the qualified target industry business in each fiscal year, as well as the total amount of tax refunds available to the business for all fiscal years.

The bill authorizes the DEO to issue nonbinding opinion letters to prospective applicants on the applicant's eligibility and the potential refund amounts the applicant may receive.

Annual Claim for Refund

To claim a scheduled tax refund, a qualified target industry business must apply to the DEO by January 31 of each year. The DEO may grant a 30-day extension to the filing date if the request is made in writing. The business's claim for the refund must include a copy of all receipts pertaining to the payment of taxes for the refund being sought.

The DEO is authorized to waive the requirement for proof of taxes paid in future years for a qualified target industry business that provides the DEO with proof that, in a single year, the business has paid an amount of certain state taxes which is at least equal to the total amount of tax refunds that the business may receive through completion of its project.

A tax refund will be denied unless the required local financial support has been paid into the account for that refund. Additionally, if the local financial support provided is less than 20 percent of the approved tax refund, then the tax refund must be reduced. The tax refund may not exceed an amount equal to five times the amount of the local financial support received. The qualified target industry business must provide a report listing all sources of the local financial support to the DEO when the support is paid to the account.

The DEO, with assistance from the DOR if necessary, must provide written approval or disapproval of the tax refund claim by June 30 following the scheduled date for submission of the tax refund claim. If approved, the DEO must also provide the amount of the tax refund authorized to be paid to the qualified target industry business. An extension may be granted by the DEO upon the request of the business in order to provide additional information in support of the claim. The total amount of tax refund claims approved by the DEO in any fiscal year may not exceed the amount authorized pursuant to the Economic Development Trust Fund.

After approval of the tax refund, the Chief Financial Officer must issue a warrant for the amount specified in the written order. If the order is appealed, Chief Financial Officer may not issue a refund until the conclusion of all appeals of that order.

Administration by the DEO

For any claim submitted for tax credits, the DEO is authorized to verify information with regard to employment and wage levels or the payment of the taxes to the appropriate agency or authority, including the DOR or any local government or authority.

The DEO may provide a list of qualified target industry businesses to the DOR or to any local government authority to help monitor and audit applications. The DEO may also request the assistance of those entities to monitor jobs, wages, and the payment of taxes.

Any funds specifically appropriated for tax refunds for qualified target industry businesses may not be used by the DEO for any purpose other than the payment of tax refunds.

Municipality Public Service Tax (section 1)

The bill amends s. 166.231, F.S., authorizing municipalities to exempt the public service tax on purchasers of electrical energy who the DOR determines are eligible, beginning July 1, 2023, as a qualified business in an opportunity zone. This exemption is only available if the municipality in which the business is located has passed an ordinance to exempt the municipal public service taxes on such business. The municipality must provide a copy of the ordinance to the DOR not less than 14 days before its effective date.

This provision mirrors a provision in the Enterprise Zone Program, an expired program under ch. 290, F.S.

Definitions (section 2)

The bill amends s. 212.02, F.S., defining the term “opportunity zone” as a population census tract designated by the U.S. Treasury as a qualified opportunity zone pursuant to s. 1400Z-1(b)(1)(B) of the Internal Revenue Code.

Sales Tax Exemptions (section 3)

The bill amends s. 212.08, F.S., exempting building materials used in the rehabilitation of real property⁴⁴ located in an opportunity zone from the state sales tax. To receive a refund, the owner, lessee, or lessor of the rehabilitated real property must file an application, including a sworn statement from the general contractor whom the applicant contracted to make the improvements on the property, with the governing body having jurisdiction over the opportunity zone where the property is located.

The applicant must also forward the application to the DOR within six months after the rehabilitation of the real property is deemed to be substantially completed by the local building code inspector, or by November 1 after the property is first subject to assessment.

Only one exemption through a refund of previously paid taxes for the rehabilitation of real property is allowed for any single parcel unless there is a change in ownership, a new lessor, or a new lessee of the real property. A refund may not be granted unless the amount exceeds \$500 and does not exceed the lesser of 97 percent of the state sales or use tax paid on the cost of the building materials used or \$7,500. A refund must be issued within 30 days after formal approval.

⁴⁴ Real property means land, buildings, fixtures, and all other improvements to land. The term does not include a condominium parcel or condominium property.

The DOR must adopt rules governing the manner and form of refund application and is authorized to establish guidelines in determining an affirmative showing of qualification for an exemption.

This provision mirrors a provision in the Enterprise Zone Program, an expired program under ch. 290, F.S.

The bill creates, beginning July 1, 2023, a 50 percent sales tax exemption on the purchase of electrical energy to qualified businesses located in an opportunity zone in a municipality that has enacted an ordinance for a municipal utility tax exemption. The exemption is limited to five years.

An application containing certain requirements must be submitted to the DOR within six months after qualifying for the exemption. For purposes of the exemption, a “qualified business” means a business that is:

- First occupying a new structure where electrical service, other than for construction purposes, has not been previously provided or furnished;
- Newly occupying an existing, remodeled, renovated, or rehabilitated structure where electrical service, other than being used for remodeling, renovation, or rehabilitation of the structure, has not been provided or furnished in the three preceding billing periods; or
- Occupying a new, remodeled, rebuilt, renovated, or rehabilitated structure for which a refund has been granted for building materials used in the rehabilitation of property located in an opportunity zone.

If the DOR determines that the business did not meet the above criteria, the 50 percent tax sales tax exemption must be paid back to the DOR, together with the appropriate interest and penalty computed from the due date of each bill for the electrical energy purchased as exempt.

The DOR must adopt rules governing applications and the required forms for, and issuance of, the authorized exemption, and the DOR is authorized to establish guidelines for qualifications for the exemption.

Rural Job Tax Credit Program (section 4)

The bill amends s. 212.098, F.S., removing the requirement that newly eligible businesses have a minimum of 10 qualified employees on the date of application in order to receive a tax credit under the Rural Job Tax Credit Program. Additionally, the bill increases the tax credit from \$1,000 to \$2,500 for each employee.

For existing eligible businesses with fewer than 50 employees on the date of application, the bill provides the business increase the number of employees from the previous year by a minimum of 10 percent, rather than 20 percent. Additionally, the bill increases the tax credit from \$1,000 to \$2,000 for each additional employee.

For existing eligible businesses with over 50 employees on the date of application, the bill provides the business increase the number of employees by five, rather than 10 employees.

Additionally, the bill increases the tax credit from \$1,000 to \$1,500 for each additional employee.

Economic Development Trust Fund (section 6)

The bill amends s. 288.095, F.S., making conforming changes.

Florida Job Growth Grant Fund (section 7)

The bill amends s. 288.101, F.S., requiring the DEO to allocate an amount equal to 10 percent of the funds in the Florida Job Growth Grant Fund to projects within rural areas of opportunity for the first quarter of each fiscal year.

Effective Date (section 8)

The bill takes effect July 1, 2022.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The bill authorizes municipalities to exempt by ordinance the public service tax that certain users would pay on electrical energy purchases.

The bill decreases taxes by providing a 50 percent sales tax exemption on the purchase of electrical energy to qualified businesses located in an opportunity zone.

The bill also increases the rural job tax credit and provides a tax refund of \$6,000 per job created under the rural opportunity tax refund program.

B. Private Sector Impact:

Electrical energy purchasers; owners, lessees, or lessors of real property who use building materials to rehabilitate property in an opportunity zone; and qualified target industry businesses in opportunity zones will realize savings through various tax refunds or exemptions.

C. Government Sector Impact:

The bill has an indeterminate negative fiscal impact on the DEO's requirements, procedures and limitations for annual refund claims. The DEO would also be required to review applications, issue opinion letters and administer the rural opportunity tax refund program.

The bill requires the DEO to allocate an amount equal to 10 percent of the funds in the Florida Job Growth Grant Fund to projects within rural areas of opportunity for the first quarter of each fiscal year.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends sections 166.231, 212.02, 212.08, 212.098, 288.095, and 288.101 of the Florida Statutes:

This bill creates section 288.066 of the Florida Statutes:

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

By Senator Albritton

26-00637-22

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1 A bill to be entitled
 2 An act relating to economic development; amending s.
 3 166.231, F.S.; authorizing municipalities to exempt by
 4 ordinance the public service tax that specified users
 5 would pay on electrical energy purchases; requiring
 6 municipalities to provide copies of such ordinances to
 7 the Department of Revenue within a certain timeframe;
 8 amending s. 212.02, F.S.; defining the term
 9 "opportunity zone"; amending s. 212.08, F.S.; defining
 10 terms; providing an exemption from the state tax on
 11 sales, use, and other transactions for building
 12 materials used in the rehabilitation of real property
 13 in an opportunity zone; specifying requirements,
 14 limitations, and procedures for the exemption;
 15 requiring the department to adopt rules; authorizing
 16 the department to establish guidelines; providing an
 17 exemption from the state tax on sales, use, and other
 18 transactions for electrical energy used in an
 19 opportunity zone, subject to certain ordinances
 20 adopted by municipalities; specifying requirements,
 21 limitations, and procedures for the exemption;
 22 providing a penalty; requiring the department to adopt
 23 rules; authorizing the department to establish
 24 guidelines; defining the term "qualified business";
 25 amending s. 212.098, F.S.; revising the qualification
 26 criteria and tax credit amounts for new and existing
 27 businesses under the Rural Job Tax Credit Program;
 28 creating s. 288.066, F.S.; establishing a rural
 29 opportunity tax refund program for qualified target

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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30 industry businesses in rural areas; defining terms;
 31 specifying the criteria the Department of Economic
 32 Opportunity and Enterprise Florida, Inc., must
 33 consider in identifying target industries; authorizing
 34 the grant of certain tax refunds under certain
 35 circumstances; specifying limitations on refunds;
 36 providing administrative and criminal penalties;
 37 specifying requirements and procedures for
 38 applications; specifying requirements and limitations
 39 for the review of applications by the Department of
 40 Economic Opportunity; providing construction;
 41 authorizing the Department of Economic Opportunity to
 42 issue certain opinion letters; providing requirements,
 43 procedures, and limitations for annual refund claims;
 44 providing requirements for the Chief Financial Officer
 45 for the issuance of warrants for refunds; providing
 46 for administration by the Department of Economic
 47 Opportunity; amending s. 288.095, F.S.; conforming
 48 provisions to changes made by the act; amending s.
 49 288.101, F.S.; requiring the Department of Economic
 50 Opportunity to allocate a specified amount of funds in
 51 the Florida Job Growth Grant Fund during a certain
 52 timeframe each year for projects within rural areas of
 53 opportunity; defining the term "rural area of
 54 opportunity"; providing an effective date.

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

58 Section 1. Present subsections (9) and (10) of section

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59 166.231, Florida Statutes, are redesignated as subsections (10)
 60 and (11), respectively, and a new subsection (9) is added to
 61 that section, to read:
 62 166.231 Municipalities; public service tax.—
 63 (9) Beginning July 1, 2023, a municipality may by ordinance
 64 exempt not less than 100 percent of the tax imposed under this
 65 section on purchasers of electrical energy who the Department of
 66 Revenue determines are eligible for the exemption provided by s.
 67 212.08(19). The exemption shall be administered as provided in
 68 that section. The municipality shall provide a copy of any
 69 ordinance adopted pursuant to this subsection to the Department
 70 of Revenue not less than 14 days before its effective date.
 71 Section 2. Subsection (35) is added to section 212.02,
 72 Florida Statutes, to read:
 73 212.02 Definitions.—The following terms and phrases when
 74 used in this chapter have the meanings ascribed to them in this
 75 section, except where the context clearly indicates a different
 76 meaning:
 77 (35) "Opportunity zone" means a population census tract
 78 designated by the United States Department of the Treasury as a
 79 qualified opportunity zone pursuant to s. 1400Z-1(b)(1)(B) of
 80 the Internal Revenue Code.
 81 Section 3. Paragraph (v) is added to subsection (5) of
 82 section 212.08, Florida Statutes, and subsection (19) is added
 83 to that section, to read:
 84 212.08 Sales, rental, use, consumption, distribution, and
 85 storage tax; specified exemptions.—The sale at retail, the
 86 rental, the use, the consumption, the distribution, and the
 87 storage to be used or consumed in this state of the following

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88 are hereby specifically exempt from the tax imposed by this
 89 chapter.
 90 (5) EXEMPTIONS; ACCOUNT OF USE.—
 91 (v) Building materials used in the rehabilitation of real
 92 property located in an opportunity zone.—
 93 1. For the purposes of the exemption provided in this
 94 paragraph, the term:
 95 a. "Building materials" means tangible personal property
 96 that becomes a component part of improvements to real property.
 97 b. "Real property" has the same meaning as provided in s.
 98 192.001(12), except that the term does not include a condominium
 99 parcel or condominium property as defined in s. 718.103.
 100 c. "Rehabilitation of real property" means the
 101 reconstruction, renovation, restoration, rehabilitation,
 102 construction, or expansion of improvements to real property.
 103 d. "Substantially completed" has the same meaning as
 104 provided in s. 192.042(1).
 105 2. Building materials used in the rehabilitation of real
 106 property are exempt from the tax imposed by this chapter upon an
 107 affirmative showing to the satisfaction of the department that
 108 the items have been used for the rehabilitation of real property
 109 located in an opportunity zone. This exemption inures to the
 110 owner, lessee, or lessor at the time the real property is
 111 rehabilitated, but only through a refund of previously paid
 112 taxes. To receive a refund pursuant to this paragraph, the
 113 owner, lessee, or lessor of the rehabilitated real property must
 114 file an application under oath with the governing body having
 115 jurisdiction over the opportunity zone where the property is
 116 located, as applicable. A single application for a refund may be

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117 submitted for multiple, contiguous parcels that were part of a
 118 single parcel divided as part of the rehabilitation of the real
 119 property. All other requirements of this paragraph apply to each
 120 parcel on an individual basis. The application must include all
 121 of the following:

122 a. The name and address of the person claiming the refund.
 123 b. An address and assessment roll parcel number of the
 124 rehabilitated real property for which a refund of previously
 125 paid taxes is being sought.

126 c. A description of the improvements made to accomplish the
 127 rehabilitation of the real property.

128 d. A copy of a valid building permit issued by the county
 129 or municipal building department for the rehabilitation of the
 130 real property.

131 e. A sworn statement, under penalty of perjury, from the
 132 general contractor licensed in this state with whom the
 133 applicant contracted to make the improvements necessary to
 134 rehabilitate the real property. The sworn statement must list
 135 the building materials used to rehabilitate the real property,
 136 the actual cost of the building materials, and the amount of
 137 sales tax paid in this state on the building materials. If a
 138 general contractor was not used, the applicant, not a general
 139 contractor, shall make the sworn statement required by this sub-
 140 paragraph. Copies of the invoices that show the purchase of
 141 the building materials used in the rehabilitation and the
 142 payment of sales tax on the building materials must be attached
 143 to the sworn statement provided by the general contractor or by
 144 the applicant. Unless the actual cost of building materials used
 145 in the rehabilitation of real property and the payment of sales

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146 taxes are documented by a general contractor or by the applicant
 147 in this manner, the cost of the building materials is deemed to
 148 be an amount equal to 40 percent of the increase in assessed
 149 value for ad valorem tax purposes.

150 f. The census tract number of the opportunity zone in which
 151 the rehabilitated real property is located.

152 g. A certification by the local building code inspector
 153 that the improvements necessary to rehabilitate the real
 154 property are substantially completed.

155 3. Within 10 working days after receipt of an application,
 156 the governing body shall review the application to determine if
 157 it contains all the information required by subparagraph 1. and
 158 meets the criteria set forth in this paragraph. The governing
 159 body shall certify all applications that contain the required
 160 information and are eligible to receive a refund. The
 161 certification must be in writing, and a copy of the
 162 certification shall be transmitted to the executive director of
 163 the department. The applicant is responsible for forwarding a
 164 certified application to the department within the time
 165 specified in subparagraph 4.

166 4. An application for a refund must be submitted to the
 167 department within 6 months after the rehabilitation of the real
 168 property is deemed to be substantially completed by the local
 169 building code inspector or by November 1 after the rehabilitated
 170 real property is first subject to assessment.

171 5. Only one exemption through a refund of previously paid
 172 taxes for the rehabilitation of real property is allowed for any
 173 single parcel of real property unless there is a change in
 174 ownership, a new lessor, or a new lessee of the real property. A

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175 refund may not be granted unless the amount to be refunded
 176 exceeds \$500. A refund may not exceed the lesser of 97 percent
 177 of the Florida sales or use tax paid on the cost of the building
 178 materials used in the rehabilitation of the real property, as
 179 determined pursuant to sub-subparagraph 1.e., or \$7,500. The
 180 department shall make the refund within 30 days after formally
 181 approving the application.

182 6. The department shall adopt rules governing the manner
 183 and form of refund applications and may establish guidelines as
 184 to the requisites for an affirmative showing of qualification
 185 for exemption under this paragraph.

186 (19) ELECTRICAL ENERGY USED IN AN OPPORTUNITY ZONE.-

187 (a) Beginning July 1, 2023, a qualified business that uses
 188 electrical energy at a fixed location in an opportunity zone in
 189 a municipality that has enacted an ordinance pursuant to s.
 190 166.231(9) which provides for exemption of municipal utility
 191 taxes on such businesses shall receive an exemption equal to 50
 192 percent of the tax imposed by this chapter. A qualified business
 193 may receive such exemption for a period of 5 years from the
 194 billing period beginning not more than 30 days following the
 195 department notifying the applicable utility company that an
 196 exemption has been authorized pursuant to this subsection and s.
 197 166.231(9).

198 (b) To receive this exemption, a business must file an
 199 application with the department on a form provided for the
 200 purposes of this subsection and s. 166.231(9). The application
 201 must be made under oath and include all of the following:

- 202 1. The name and location of the business.
 203 2. The census tract number of the opportunity zone in which

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204 the business is located.

205 3. The date on which electrical service is to be first
 206 initiated at the business.

207 4. The name and mailing address of the entity from which
 208 electrical energy is to be purchased.

209 5. The date of the application.

210 6. The name of the city in which the business is located.

211 (c) An application for an exemption under this subsection
 212 must be submitted to the department within 6 months after the
 213 occurrence of the appropriate qualifying provision set out in
 214 paragraph (f).

215 (d) If, in a subsequent audit conducted by the department,
 216 it is determined that the business did not meet the criteria
 217 mandated in this subsection, the amount of taxes exempted shall
 218 immediately be due and payable to the department by the
 219 business, together with the appropriate interest and penalty,
 220 computed from the due date of each bill for the electrical
 221 energy purchased as exempt under this subsection, in the manner
 222 prescribed by this chapter.

223 (e) The department shall adopt rules governing applications
 224 and the required forms for, and issuance of, the exemption
 225 authorized in this subsection and provisions for recapture of
 226 taxes exempted under this subsection, and the department may
 227 establish guidelines as to qualifications for the exemption.

228 (f) For the purpose of the exemption provided in this
 229 subsection, the term "qualified business" means a business that
 230 is:

- 231 1. First occupying a new structure to which electrical
 232 service, other than that used for construction purposes, has not

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233 been previously provided or furnished;

234 2. Newly occupying an existing, remodeled, renovated, or
 235 rehabilitated structure to which electrical service, other than
 236 that used for remodeling, renovation, or rehabilitation of the
 237 structure, has not been provided or furnished in the three
 238 preceding billing periods; or

239 3. Occupying a new, remodeled, rebuilt, renovated, or
 240 rehabilitated structure for which a refund has been granted
 241 pursuant to paragraph (5) (v).

242 Section 4. Subsections (2) and (3) of section 212.098,
 243 Florida Statutes, are amended to read:

244 212.098 Rural Job Tax Credit Program.—

245 (2) A new eligible business may apply for a tax credit
 246 under this subsection once at any time during its first year of
 247 operation. A new eligible business in a qualified area ~~that has~~
 248 ~~at least 10 qualified employees on the date of application~~ shall
 249 receive a \$2,500 ~~\$1,000~~ tax credit for each such employee.

250 (3) An existing eligible business may apply for a tax
 251 credit under this subsection at any time it is entitled to such
 252 credit, except as restricted by this subsection. An existing
 253 eligible business with fewer than 50 employees in a qualified
 254 area that on the date of application has at least 10 ~~20~~ percent
 255 more qualified employees than it had 1 year ~~before~~ prior to its
 256 date of application shall receive a \$2,000 ~~\$1,000~~ tax credit for
 257 each such additional employee. An existing eligible business
 258 that has 50 employees or more in a qualified area that, on the
 259 date of application, has at least 5 ~~10~~ more qualified employees
 260 than it had 1 year ~~before~~ prior to its date of application shall
 261 receive a \$1,500 ~~\$1,000~~ tax credit for each additional employee.

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262 Any existing eligible business that received a credit under
 263 subsection (2) may not apply for the credit under this
 264 subsection sooner than 12 months after the application date for
 265 the credit under subsection (2).

266 Section 5. Section 288.066, Florida Statutes, is created to
 267 read:

268 288.066 Rural opportunity tax refund program.—

269 (1) DEFINITIONS.—As used in this section:

270 (a) "Account" means the Economic Development Incentives
 271 Account within the Economic Development Trust Fund established
 272 under s. 288.095.

273 (b) "Authorized local economic development agency" means a
 274 public or private entity, including an entity defined in s.
 275 288.075, authorized by a county or municipality to promote the
 276 general business or industrial interests of that county or
 277 municipality.

278 (c) "Average private sector wage in the area" means the
 279 statewide private sector average wage or the average of all
 280 private sector wages and salaries in the county or in the
 281 standard metropolitan area in which the business is located.

282 (d) "Business" means an employing unit, as defined in s.
 283 443.036, registered for reemployment assistance purposes with
 284 the state agency providing reemployment assistance tax
 285 collection services under an interagency agreement pursuant to
 286 s. 443.1316, or a subcategory or division of an employing unit
 287 accepted by the state agency providing reemployment assistance
 288 tax collection services as a reporting unit.

289 (e) "Corporate headquarters business" means an
 290 international, national, or regional headquarters office of a

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291 multinational or multistate business enterprise or national
 292 trade association, whether separate from or connected with other
 293 facilities used by such business.
 294 (f) "Expansion of an existing business" means the expansion
 295 of an existing Florida business by or through additions to real
 296 and personal property, resulting in a net increase in
 297 employment.
 298 (g) "Fiscal year" means the fiscal year of the state.
 299 (h) "Jobs" means full-time equivalent positions, including,
 300 but not limited to, positions obtained from a temporary
 301 employment agency or employee leasing company or through a union
 302 agreement or coemployment under a professional employer
 303 organization agreement, that result directly from a project in
 304 this state. The term does not include temporary construction
 305 jobs involved with the construction of facilities for the
 306 project or any jobs previously included in any application for
 307 tax refunds under s. 288.1045 or this section.
 308 (i) "Local financial support" means funding from local
 309 sources, public or private, which is paid to the Economic
 310 Development Trust Fund and which is equal to 20 percent of the
 311 annual tax refund for a qualified target industry business. A
 312 qualified target industry business may not provide, directly or
 313 indirectly, more than 5 percent of such funding in any fiscal
 314 year. The sources of such funding may not include, directly or
 315 indirectly, state funds appropriated from the General Revenue
 316 Fund or any state trust fund, excluding tax revenues shared with
 317 local governments pursuant to law.
 318 (j) "Local financial support exemption option" means the
 319 option to exercise an exemption from the local financial support

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320 requirement available to any applicant whose project is located
 321 in a brownfield area, a rural city, or a rural community. Any
 322 applicant that exercises this option is not eligible for more
 323 than 80 percent of the total tax refunds allowed such applicant
 324 under this section.
 325 (k) "New business" means a business that applies for a tax
 326 refund under this section before beginning operations in this
 327 state and that is a legal entity separate from any other
 328 commercial or industrial operations owned by the same business.
 329 (l) "Project" means the creation of a new business or
 330 expansion of an existing business.
 331 (m) "Qualified target industry business" means a target
 332 industry business approved by the department to be eligible for
 333 tax refunds under this section.
 334 (n) "Rural city" means a city having a population of 10,000
 335 or less, or a city having a population of greater than 10,000
 336 but less than 20,000, which has been determined by the
 337 department to have such economic characteristics as, but not
 338 limited to, a significant percentage of residents on public
 339 assistance, a significant percentage of residents with incomes
 340 below the poverty level, or a significant percentage of the
 341 city's employment base in agriculture-related jobs.
 342 (o) "Rural community" means:
 343 1. A county having a population of 75,000 or less.
 344 2. A county having a population of 125,000 or less which is
 345 contiguous to a county having a population of 75,000 or less.
 346 3. A municipality within a county described in subparagraph
 347 1. or subparagraph 2.
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349 For purposes of this paragraph, population shall be determined
 350 in accordance with the most recent official estimate pursuant to
 351 s. 186.901.

352 (p) "Target industry business" means a corporate
 353 headquarters business or any business engaged in one of the
 354 target industries identified pursuant to subsection (2). The
 355 term does not include any business engaged in retail industry
 356 activities; any electric utility company as defined in s.
 357 366.02(2); any phosphate or other solid minerals severance,
 358 mining, or processing operation; any oil or gas exploration or
 359 production operation; or any business subject to regulation by
 360 the Division of Hotels and Restaurants of the Department of
 361 Business and Professional Regulation. Any business in NAICS code
 362 5611 or 5614, office administrative services and business
 363 support services, respectively, may be considered a target
 364 industry business only after the local governing body and
 365 Enterprise Florida, Inc., determine that the community where the
 366 business may locate has conditions affecting the fiscal and
 367 economic viability of the local community or area, including but
 368 not limited to, such factors as low per capita income, high
 369 unemployment, high underemployment, and a lack of year-round
 370 stable employment opportunities, and such conditions may be
 371 improved by the location of such a business to the community. By
 372 January 1 of every 3rd year, beginning January 1, 2023, the
 373 department, in consultation with Enterprise Florida, Inc.,
 374 economic development organizations, the State University System,
 375 local governments, employee and employer organizations, market
 376 analysts, and economists, shall review and, as appropriate,
 377 revise the list of such target industries and submit the list to

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378 the Governor, the President of the Senate, and the Speaker of
 379 the House of Representatives.

380 (q) "Taxable year" means taxable year as defined in s.
 381 220.03(1)(y).

382 (2) DESIGNATION OF TARGET INDUSTRIES.—In identifying target
 383 industries, the department in consultation with Enterprise
 384 Florida, Inc., shall consider the following criteria:

385 (a) Future growth.—Whether industry forecasts indicate
 386 strong expectation for future growth in both employment and
 387 output, according to the most recent available data. Special
 388 consideration must be given to businesses that export goods to,
 389 or provide services in, international markets and to businesses
 390 that replace international imports of goods or services.

391 (b) Stability.—Special consideration must be given to an
 392 industry not subject to periodic layoffs, whether due to
 393 seasonality or sensitivity to volatile economic variables, such
 394 as weather. The industry must also be relatively resistant to
 395 recession, so that the demand for products of this industry is
 396 not typically subject to decline during an economic downturn.

397 (c) High wage.—Whether the industry pays relatively high
 398 wages compared to statewide or area averages.

399 (d) Market and resource independent.—Whether industry
 400 business locations are not dependent upon Florida markets or
 401 resources, as indicated by industry analysis, except for
 402 businesses in the renewable energy industry.

403 (e) Industrial base diversification and strengthening.—
 404 Whether the industry is contributing toward expanding or
 405 diversifying the state's or area's economic base, as indicated
 406 by analysis of the industry's share of employment and output,

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 407 compared to national and regional trends. Special consideration
 408 must be given to industries that strengthen regional economies
 409 by adding value to basic products or building regional
 410 industrial clusters, as indicated by industry analysis. Special
 411 consideration must also be given to the development of strong
 412 industrial clusters that include defense and homeland security
 413 businesses.

414 (f) Positive economic impact.—Whether the industry is
 415 expected to have strong positive economic impacts on or benefits
 416 to the state or regional economies. Special consideration must
 417 be given to industries that facilitate the development of the
 418 state as a hub for domestic and global trade and logistics.

419 (3) TAX REFUND; ELIGIBLE AMOUNTS.—

420 (a) A qualified target industry business may be allowed a
 421 refund from the account for the amount of eligible taxes the
 422 business paid which is certified by the department. The total
 423 amount of refunds for all fiscal years for each qualified target
 424 industry business must be determined pursuant to subsection (4).
 425 The annual amount of a refund to a qualified target industry
 426 business must be determined pursuant to subsection (5).

427 (b) Upon approval by the department, a qualified target
 428 industry business located in a rural community is allowed tax
 429 refund payments equal to \$6,000 multiplied by the number of jobs
 430 the business creates.

431 (c) A qualified target industry business may:

432 1. Receive refunds from the account for the following taxes
 433 due and paid by that business beginning with the first taxable
 434 year of the business which begins after the business has been
 435 certified as a qualified target industry business:

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 436 a. Corporate income taxes under chapter 220.
 437 b. Insurance premium tax under s. 624.509.
 438 2. Receive refunds from the account for the following taxes
 439 due and paid by that business after being certified as a
 440 qualified target industry business:
 441 a. Taxes on sales, use, and other transactions under
 442 chapter 212.
 443 b. Intangible personal property taxes under chapter 199.
 444 c. Excise taxes on documents under chapter 201.
 445 d. Ad valorem taxes paid, as defined in s. 220.03(1).
 446 e. State communications services taxes administered under
 447 chapter 202. This provision does not apply to the gross receipts
 448 tax imposed under chapter 203 and administered under chapter 202
 449 or the local communications services tax authorized under s.
 450 202.19.

451 (d) A qualified target industry business may not receive a
 452 refund under this section for any amount of credit, refund, or
 453 exemption previously granted to that business for any of the
 454 taxes listed in paragraph (c). If the department provides a
 455 refund for such taxes and the taxes are subsequently adjusted by
 456 the application of any credit, refund, or exemption granted to
 457 the qualified target industry business other than as provided in
 458 this section, the business must reimburse the account for the
 459 amount of that credit, refund, or exemption. A qualified target
 460 industry business shall notify and tender payment to the
 461 department within 20 days after receiving any credit, refund, or
 462 exemption other than one provided under this section.

463 (e) Refunds made available under this section may not be
 464 expended in connection with the relocation of a business from

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465 one community to another community in this state unless the
 466 department determines that, without such relocation, the
 467 business will move outside this state, or it determines that the
 468 business has a compelling economic rationale for relocation and
 469 that the relocation will create additional jobs.

470 (f) A qualified target industry business that fraudulently
 471 claims a refund under this section:

472 1. Is liable for repayment of the amount of the refund to
 473 the account, plus a mandatory penalty in the amount of 200
 474 percent of the tax refund. The repayment shall be deposited into
 475 the General Revenue Fund.

476 2. Commits a felony of the third degree, punishable as
 477 provided in s. 775.082, s. 775.083, or s. 775.084.

478 (4) APPLICATION AND APPROVAL PROCESS.—

479 (a) To apply for certification as a qualified target
 480 industry business under this section, the business must file an
 481 application with the department before the business decides to
 482 locate in this state or before the business decides to expand
 483 its existing operations in this state. The application must
 484 include, but need not be limited to, the following information:

485 1. The applicant's federal employer identification number
 486 and, if applicable, state sales tax registration number.

487 2. The proposed permanent location of the applicant's
 488 facility in this state where the project is to be located.

489 3. A description of the type of business activity or
 490 product covered by the project, including a minimum of a five-
 491 digit NAICS code for all activities included in the project. As
 492 used in this paragraph, the term "NAICS" means those
 493 classifications contained in the North American Industry

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494 Classification System, as published in 2007 by the Office of
 495 Management and Budget, Executive Office of the President, and
 496 updated periodically.

497 4. The proposed number of net new full-time equivalent
 498 Florida jobs at the qualified target industry business as of
 499 December 31 of each year included in the project and the average
 500 wage of those jobs. If more than one type of business activity
 501 or product is included in the project, the number of jobs and
 502 average wage for those jobs must be separately stated for each
 503 type of business activity or product.

504 5. The total number of full-time equivalent employees
 505 employed by the applicant in this state, if applicable.

506 6. The anticipated commencement date of the project.

507 7. A brief statement explaining the role that the estimated
 508 tax refunds to be requested will play in the decision of the
 509 applicant to locate or expand in this state.

510 8. An estimate of the proportion of the sales resulting
 511 from the project which will be made outside this state.

512 9. An estimate of the proportion of the cost of the
 513 machinery and equipment, and any other resources necessary in
 514 the development of its product or service, to be used by the
 515 business in its Florida operations which will be purchased
 516 outside this state.

517 10. A resolution adopted by the governing board of the
 518 county or municipality in which the project will be located,
 519 which resolution recommends that the applicant be approved as a
 520 qualified target industry business and specifies that the
 521 commitments of local financial support necessary for the target
 522 industry business exist. Before the passage of such resolution,

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523 the department may also accept an official letter from an
 524 authorized local economic development agency that endorses the
 525 proposed target industry project and pledges that sources of
 526 local financial support for such project exist. For the purposes
 527 of making pledges of local financial support under this
 528 subparagraph, the local governing board shall pass a one-time
 529 resolution officially designating the authorized local economic
 530 development agency.

531 11. Any additional information requested by the department.

532 (b) Each application must be submitted to the department
 533 for determination of eligibility. The department shall review
 534 and evaluate each application based on, but not limited to, the
 535 following criteria:

536 1. Expected contributions to the state's economy,
 537 consistent with the state strategic economic development plan
 538 prepared by the department.

539 2. The economic benefits of the proposed award of tax
 540 refunds under this section.

541 3. The amount of capital investment to be made by the
 542 applicant in this state.

543 4. The local financial commitment and support for the
 544 project.

545 5. The expected effect of the project on the unemployed and
 546 underemployed in the county where the project will be located.

547 6. The expected effect of the award on the viability of the
 548 project and the probability that the project would be undertaken
 549 in this state if such tax refunds are granted to the applicant.

550 7. Whether the business activity or project is in an
 551 industry identified by the department as a target industry

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552 business that contributes to the economic growth of the state
 553 and the area in which the business is located, produces a higher
 554 standard of living for residents of this state in the new global
 555 economy, or can be shown to make an equivalent contribution to
 556 the area's and state's economic progress.

557 8. A review of the business's past activities in this state
 558 or other states, including whether the business has been
 559 subjected to criminal or civil fines and penalties. This
 560 subparagraph does not require the disclosure of confidential
 561 information.

562 (c) Applications shall be reviewed and certified pursuant
 563 to s. 288.061. The department shall include in its review
 564 projections of the tax refunds the business would be eligible to
 565 receive in each fiscal year based on the creation and
 566 maintenance of the net new Florida jobs specified in
 567 subparagraph (a)4. as of December 31 of the preceding state
 568 fiscal year.

569 (d) The department may not certify any target industry
 570 business as a qualified target industry business if the value of
 571 tax refunds to be included in that letter of certification
 572 exceeds the available amount of authority to certify new
 573 businesses as determined in s. 288.095(3). However, if the
 574 commitments of local financial support represent less than 20
 575 percent of the eligible tax refund payments, or to otherwise
 576 preserve the viability and fiscal integrity of the program, the
 577 department may certify a qualified target industry business to
 578 receive tax refund payments of less than the allowable amount
 579 specified in paragraph (3)(b). A letter of certification that
 580 approves an application must specify the maximum amount of tax

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581 refund that will be available to the qualified target industry
 582 business in each fiscal year and the total amount of tax refunds
 583 that will be available to the business for all fiscal years.

584 (e) This section does not create a presumption that an
 585 applicant will receive any tax refunds under this section.
 586 However, the department may issue nonbinding opinion letters,
 587 upon the request of prospective applicants, as to the
 588 applicants' eligibility and the potential amount of refunds.

589 (5) ANNUAL CLAIM FOR REFUND.—

590 (a) To be eligible to claim any scheduled tax refund, a
 591 qualified target industry business must apply by January 31 of
 592 each fiscal year to the department for the tax refund scheduled
 593 to be paid from the appropriation for the fiscal year that
 594 begins on July 1 following the January 31 claims-submission
 595 date. The department may, upon written request, grant a 30-day
 596 extension of the filing date.

597 (b) The claim for refund by the qualified target industry
 598 business must include a copy of all receipts pertaining to the
 599 payment of taxes for which the refund is sought.

600 (c) The department may waive the requirement for proof of
 601 taxes paid in future years for a qualified target industry
 602 business that provides the department with proof that, in a
 603 single year, the business has paid an amount of state taxes from
 604 the categories in paragraph (3)(c) which is at least equal to
 605 the total amount of tax refunds that the business may receive
 606 through successful completion of its project.

607 (d) A tax refund may not be approved for a qualified target
 608 industry business unless the required local financial support
 609 has been paid into the account for that refund. If the local

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610 financial support provided is less than 20 percent of the
 611 approved tax refund, the tax refund must be reduced. The tax
 612 refund may not exceed an amount equal to 5 times the amount of
 613 the local financial support received. The qualified target
 614 industry business must provide a report listing all sources of
 615 the local financial support to the department when such support
 616 is paid to the account.

617 (e) The department, with such assistance as may be required
 618 from the Department of Revenue, shall, by June 30 following the
 619 scheduled date for submission of the tax refund claim, specify
 620 by written order the approval or disapproval of the tax refund
 621 claim and, if approved, the amount of the tax refund authorized
 622 to be paid to the qualified target industry business. The
 623 department may grant an extension of this date upon the request
 624 of the qualified target industry business for the purpose of
 625 filing additional information in support of the claim.

626 (f) The total amount of tax refund claims approved by the
 627 department under this section in any fiscal year must not exceed
 628 the amount authorized under s. 288.095(3).

629 (g) This section does not create a presumption that a tax
 630 refund claim will be approved and paid.

631 (h) Upon approval of the tax refund under paragraphs (d)
 632 and (e), the Chief Financial Officer shall issue a warrant for
 633 the amount specified in the written order. If the written order
 634 is appealed, the Chief Financial Officer may not issue a warrant
 635 for a refund to the qualified target industry business until the
 636 conclusion of all appeals of that order.

637 (6) ADMINISTRATION.—

638 (a) The department may verify information provided in any

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639 claim submitted for tax credits under this section with regard
 640 to employment and wage levels or the payment of the taxes to the
 641 appropriate agency or authority, including the Department of
 642 Revenue or any local government or authority.

643 (b) To facilitate the process of monitoring and auditing
 644 applications made under this section, the department may provide
 645 a list of qualified target industry businesses to the Department
 646 of Revenue or to any local government or authority. The
 647 department may request the assistance of those entities with
 648 respect to monitoring jobs, wages, and the payment of the taxes
 649 listed in subsection (3).

650 (c) Funds specifically appropriated for tax refunds for
 651 qualified target industry businesses under this section may not
 652 be used by the department for any purpose other than the payment
 653 of tax refunds authorized by this section.

654 Section 6. Section 288.095, Florida Statutes, is amended to
 655 read:

656 288.095 Economic Development Trust Fund.—

657 (1) The Economic Development Trust Fund is created within
 658 the Department of Economic Opportunity. Moneys deposited into
 659 the fund must be used only to support the authorized activities
 660 and operations of the department.

661 (2) There is created, within the Economic Development Trust
 662 Fund, the Economic Development Incentives Account. The Economic
 663 Development Incentives Account consists of moneys appropriated
 664 to the account for purposes of the tax incentives programs
 665 authorized under ss. 288.066, 288.1045, and 288.106, and local
 666 financial support provided under ss. 288.066, 288.1045, and
 667 288.106. Moneys in the Economic Development Incentives Account

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668 shall be subject to the provisions of s. 216.301(1) (a).

669 (3) (a) The department may approve applications for
 670 certification pursuant to ss. 288.066, 288.1045(3), and 288.106.
 671 However, the total state share of tax refund payments may not
 672 exceed \$35 million.

673 (b) The total amount of tax refund claims approved for
 674 payment by the department based on actual project performance
 675 may not exceed the amount appropriated to the Economic
 676 Development Incentives Account for such purposes for the fiscal
 677 year. Claims for tax refunds under ss. 288.066, 288.1045, and
 678 288.106 shall be paid in the order the claims are approved by
 679 the department. In the event the Legislature does not
 680 appropriate an amount sufficient to satisfy the tax refunds
 681 under ss. 288.066, 288.1045, and 288.106 in a fiscal year, the
 682 department shall pay the tax refunds from the appropriation for
 683 the following fiscal year. By March 1 of each year, the
 684 department shall notify the legislative appropriations
 685 committees of the Senate and House of Representatives of any
 686 anticipated shortfall in the amount of funds needed to satisfy
 687 claims for tax refunds from the appropriation for the current
 688 fiscal year.

689 (c) Moneys in the Economic Development Incentives Account
 690 may be used only to pay tax refunds and make other payments
 691 authorized under s. 288.066, s. 288.1045, s. 288.106, or s.
 692 288.107.

693 (d) The department may adopt rules necessary to carry out
 694 the provisions of this subsection, including rules providing for
 695 the use of moneys in the Economic Development Incentives Account
 696 and for the administration of the Economic Development

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2022800__

697 Incentives Account.

698 Section 7. Present subsections (3) and (4) of section
699 288.101, Florida Statutes, are redesignated as subsections (4)
700 and (5), respectively, a new subsection (3) is added to that
701 section, and present subsection (3) of that section is amended,
702 to read:

703 288.101 Florida Job Growth Grant Fund.—

704 (3) For the first quarter of each fiscal year, the
705 department shall allocate an amount equal to 10 percent of the
706 funds in the Florida Job Growth Grant Fund to projects within
707 rural areas of opportunity.

708 (4)~~(3)~~ For purposes of this section:

709 (a) "Infrastructure" means any fixed capital expenditure or
710 fixed capital costs associated with the construction,
711 reconstruction, or improvement of facilities that have a life
712 expectancy of 5 or more years and any land acquisition, land
713 improvement, design, and engineering costs related thereto.
714 Facilities in this category include technical structures such as
715 roads, bridges, tunnels, water supply, sewers, electrical grids,
716 and telecommunications facilities.

717 (b) "Public infrastructure" means infrastructure that is
718 owned by the public, and is for public use or predominately
719 benefits the public. If public infrastructure is leased or sold,
720 it must be leased or sold at fair market rates or value.

721 (c) "Rural area of opportunity" has the same meaning as in
722 s. 288.0656(2)(d).

723 (d) "Targeted industry" means any industry identified in
724 the most recent list provided to the Governor, the President of
725 the Senate, and the Speaker of the House of Representatives in

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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726 accordance with s. 288.106(2)(q).

727 Section 8. This act shall take effect July 1, 2022.

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.



303042

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
01/13/2022	.	
	.	
	.	
	.	

The Committee on Finance and Tax (Hutson) recommended the following:

Senate Amendment (with title amendment)

Delete lines 41 - 42
and insert:
exempt from the tax imposed by this chapter. As used in this
paragraph, the term "aircraft" means a manned vehicle capable of
flight which is designed to transport persons or property.
~~"common carrier" means an airline operating under~~

===== T I T L E A M E N D M E N T =====



303042

11 And the title is amended as follows:
12 Delete line 5
13 and insert:
14 certain aircraft, from the sales and use tax; defining
15 the term "aircraft"; deleting

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
Senate professional staff conducting the meeting

786

Bill Number or Topic

Amendment Barcode (if applicable)

11/30/21

Meeting Date

Commerce

Committee

Name

Eric Prutsman

Phone

950-894-6601

Address

537 E. Park Ave.

Email

eric@teamjb.com

Street

Tallahassee, FL 32301

City

State

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

Florida Airports Council

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

This form is part of the public record for this meeting.



2022 AGENCY LEGISLATIVE BILL ANALYSIS DEPARTMENT OF REVENUE

AY
QW

<u>BILL INFORMATION</u>	
BILL NUMBER:	SB 786
BILL TITLE:	Aircraft Sales and Lease Tax
BILL SPONSOR:	Senator Hutson
EFFECTIVE DATE:	07/01/2022

<u>COMMITTEES OF REFERENCE</u>
1) N/A
2)
3)
4)
5)

<u>CURRENT COMMITTEE</u>
N/A

<u>SIMILAR BILLS</u>	
BILL NUMBER:	
SPONSOR:	

<u>IDENTICAL BILLS</u>	
BILL NUMBER:	HB 6051
SPONSOR:	Representative Overdorf

<u>PREVIOUS LEGISLATION</u>
YEAR/BILL NUMBER/SPONSOR/LAST ACTION: 2021/ HB 6047/ Representative Altman/ Died in Ways & Means Committee 2021/ SB 842/ Senator Baxley/ Died in Commerce and Tourism

<u>BILL ANALYSIS INFORMATION</u>	
DATE OF ANALYSIS:	11/04/2021
AGENCY CONTACT:	Office of Legislative and Cabinet Services (850) 617-8324

POLICY ANALYSIS

1. ANALYSIS OF EACH SECTION THAT AFFECTS THE DEPARTMENT OF REVENUE.

Section 1. Sales, rental, use, consumption, distribution, and storage tax; specified exemptions. (pp. 1-2):

PRESENT SITUATION

Currently, Florida law (section 212.05(1), F.S.) imposes state sales tax at the rate of 6 percent on each retail sale of tangible personal property in this state, including aircraft and aircraft equipment unless otherwise exempt.

Section 212.08(7)(ss), F.S., exempts the tax on the sale or lease of a qualified aircraft or an aircraft with more than 15,000 pounds certified takeoff weight for use by a common carrier.

Section 212.08(7)(fff)1., F.S., exempts the use tax imposed under this chapter if an aircraft enters and remains in this state for less than a total of 21 days during the 6-month period after the date of purchase by a nonresident purchaser.

Section 212.08(7)(fff)2., F.S., exempts the use tax imposed under this chapter on an aircraft owned by a nonresident if the aircraft enters or remains in this state exclusively for purposes of flight training, repairs, alterations, refitting, or modification.

Section 212.08(7)(ggg), F.S., exempts the sale or use of aircraft primarily used in a fractional aircraft ownership program or of any parts or labor used in the completion, maintenance, repair, or overhaul of such aircraft.

EFFECT OF THE BILL

Amends section 212.08(7)(ss), F.S., striking the terms “qualified aircraft” and “aircraft with a more that 15,000 pounds certified takeoff weight for use by a common carrier” thus exempting the sale or lease of all aircraft from the tax. Deletes the definition of “common carrier.”

Section 2. (p. 2): This act shall take effect July 1, 2022.

2. DOES THE DEPARTMENT EXPECT TO DEVELOP, ADOPT, MODIFY OR ELIMINATE ANY RULES, REGULATIONS, POLICIES, OR PROCEDURES? YES NO

If yes, explain:	The Department will incorporate changes related to aircraft in Rule. Certain forms and brochures will need to be revised or eliminated.
Rule(s) impacted (provide references to F.A.C., etc.):	Rules 12A-1.007 and 12A-1.097, F.A.C. Forms DR-15AIR, DR-300400, GT-800008, GT-800009

3. WHAT IS THE POSITION OF AFFECTED CITIZENS OR STAKEHOLDER GROUPS? N/A

4. DOES THE BILL REQUIRE THE DEPARTMENT TO SUBMIT, MODIFY OR DELETE ANY REPORTS, STUDIES OR PLANS? YES NO

If yes, provide a description:	
Date Due:	
Bill Section Number(s):	

5. ARE THERE ANY GUBERNATORIAL APPOINTMENTS OR CHANGES TO EXISTING BOARDS, TASK FORCES, COUNCILS, COMMISSIONS, ETC. REQUIRED BY THIS BILL? YES NO

Board:	
Board Purpose:	
Who Appoints:	
Changes:	
Bill Section Number(s):	

FISCAL ANALYSIS

6. DOES THE BILL HAVE A FISCAL IMPACT TO LOCAL GOVERNMENT? The Department of Revenue does not conduct this analysis. The Revenue Estimating Conference will determine the revenue impact, if any, to local governments.

7. DOES THE BILL HAVE A FISCAL IMPACT TO STATE GOVERNMENT?

Revenues:	The Department of Revenue does not conduct this analysis. The Revenue Estimating Conference will determine the revenue impact, if any, to state government.
Expenditures: <i>(Department of Revenue expenditures and operational impacts)</i>	<input type="checkbox"/> NO IMPACT <input checked="" type="checkbox"/> LESS THAN \$25,000 <input type="checkbox"/> MORE THAN \$25,000 <input type="checkbox"/> UNABLE TO DETERMINE <input type="checkbox"/> OPERATIONAL IMPACT ONLY
Does the legislation contain an appropriation to the Department?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

8. DOES THE BILL HAVE A FISCAL IMPACT TO THE PRIVATE SECTOR? The Department of Revenue does not conduct this analysis.

9. DOES THE BILL INCREASE OR DECREASE TAXES, FEES OR FINES? The Department of Revenue does not conduct this analysis. The Revenue Estimating Conference will determine the revenue impact on state and local government, if any.

TECHNOLOGY IMPACT

If any, see attached Fiscal Impact Analysis.

FEDERAL IMPACT

If any, see Additional Comments section below.

ADDITIONAL COMMENTS

10. STATUTE(S) AFFECTED: Section 212.08, F.S.

11. HAS BILL LANGUAGE BEEN ANALYZED EARLIER THIS SESSION? YES NO

If no, go to #12. If yes:

A. Identify bill number or source.

B. Were issues/problems identified? YES NO

a. If yes, have they been resolved? YES NO If no, briefly explain.

C. Are new issues/problems created? YES NO If yes, briefly identify.

12. DOES THE BILL PRESENT DIFFICULTY IN IMPLEMENTATION, ADMINISTRATION OR ENFORCEMENT? YES NO

If yes, describe administrative problems, technical errors, or other difficulties:

13. OTHER:

The following forms and brochures will either be revised or eliminated:

- Form DR-15AIR (*Sales and Use Tax Return for Aircraft*)
- Form DR-300400 (*Boat, Motor Vehicle, or Aircraft Dealer Application for Special Estimation of Taxes*)
- Brochure GT-800008 (*Sales and Use Tax on Aircraft – Information for Owners and Purchasers*)
- Brochure GT-800009 (*Sales and Use Tax on Aircraft – Information for Dealers and Brokers*)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: SB 786

INTRODUCER: Senator Hutson

SUBJECT: Aircraft Sales and Lease Tax

DATE: November 29, 2021 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Harmsen	McKay	CM	Favorable
2.			FT	
3.			AP	

I. Summary:

SB 786 exempts all sales and leases of aircraft from sales and use tax. Currently, Florida exempts the sale or lease of specific aircraft used by an airline from state tax; all other aircraft are subject to state sales and use tax of 6 percent and any discretionary local sales and use tax.

The Revenue Estimating Conference estimates that the bill will reduce General Revenue Fund receipts by \$23.3 million dollars in Fiscal Year 2022-2023, with a recurring reduction of \$25.4 million.¹ The bill will reduce local government revenues by \$6.9 million in Fiscal Year 2022-2023, with a recurring reduction of \$7.5 million.

The bill takes effect July 1, 2022.

II. Present Situation:

Florida Sales and Use Tax

Florida levies a 6 percent sales and use tax on the sale or rental of most tangible personal property,² admissions,³ transient rentals,⁴ and a limited number of services. Chapter 212, F.S., contains provisions authorizing the levy and collection of Florida's sales and use tax, as well as the exemptions and credits applicable to certain items or uses under specified circumstances.

¹ The Revenue Estimating Conference, *2022 Regular Session Revenue Estimating Conference: Impact Conference Results*, p. 45-46 (Nov. 19, 2021), available at

http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2022/_pdf/Impact1119.pdf (last visited Nov. 29, 2021).

² Section 212.05(1)(a)1.a., F.S.

³ Section 212.04(1)(b), F.S.

⁴ Section 212.03(1)(a), F.S.

Sales and use tax is added to the price of the taxable good or service and collected from the purchaser at the time of sale.⁵

Counties are authorized to impose local discretionary sales surtaxes in addition to the state sales tax.⁶ A surtax applies to “all transactions occurring in the county which transactions are subject to the state tax imposed on sales, use, services, rentals, admissions, and other transactions by [ch. 212, F.S.], and communications services as defined in ch. 202.”⁷ The discretionary sales surtax is based on the tax rate imposed by the county where the taxable goods or services are sold or delivered. Discretionary sales surtax rates currently levied vary by county in a range of 0.5 to 2.5 percent.⁸

Generally, tangible personal property that is sold in an isolated or occasional sale is exempt from the state sales and use tax.⁹ A seller makes an isolated or occasional sale if the sale or series of sales occurs no more than twice during any 12-month period.¹⁰ A seller is required to register as a dealer if he or she completes more than three sales of the same type of item during a 12-month period. The sale of mobile homes, aircraft, boats, and motor vehicles are expressly excluded from the isolated or occasional state sales and use tax exemption.¹¹

Florida Taxation of Aircraft

Aircraft purchased through a local dealer or broker are taxed as tangible personal property that are subject to a 6 percent sales tax at the time of the sale.¹² A discretionary local sales tax on up to the first \$5,000 of the purchase price may also be added to the tax.¹³

An aircraft that is sold by a nonregistered dealer or an aircraft that is purchased in another state and brought into Florida for storage or use is subject to Florida’s 6 percent use tax.¹⁴

Aircraft Sales and Use Tax Exemptions

Common Carrier Exemptions—Sales and Lease Tax

A common carrier is an airline that operates under Federal Aviation Administration regulations.¹⁵ Aircraft operated by a common carrier that either have a maximum certified

⁵ Section 212.07(2), F.S.

⁶ Section 212.055, F.S.

⁷ Section 212.054(2)(a), F.S.

⁸ Office of Economic and Demographic Research, *Florida Tax Handbook*, 227-228 (2021), available at <http://edr.state.fl.us/Content/revenues/reports/tax-handbook/taxhandbook2021.pdf> (last visited Nov. 29, 2021).

⁹ Fla. Admin. Code R. 12A01.037(1). See also, s. 212.02(2), defining “business” as activity engaged in by a person with the object of private or public gain, benefit, or advantage.

¹⁰ Fla. Admin. Code R. 12A-1.037(3)(b).

¹¹ See, s. 212.05(1)(a)1.b., and Fla. Admin. Code R. 12A-1.037(2)(a)1.

¹² Section 212.05(1), F.S.

¹³ Fla. Dep’t. of Revenue, *Form GT-800008, Sales and Use Tax Aircraft Information for Owners and Purchasers* (rev. Sept., 2020), available at https://floridarevenue.com/Forms_library/current/gt800008.pdf (last visited Nov. 29, 2021). See also, Fla. Dep’t. of Revenue, *Sales and Use Tax Return for Aircraft- Form DR-15AIR* (rev. Jan. 2016), available at https://floridarevenue.com/Forms_library/current/dr15air.pdf (last visited Nov. 29, 2021).

¹⁴ Section 212.05(1)(a), F.S. See also, Fla. Dep’t. of Revenue, *Form GT-800008*, *supra* note 13.

¹⁵ The common carrier, as defined in Section 121 or 129 of the Federal Aviation Administration Regulations, is an airline, regional air carrier, or cargo operator that is regulated by the Federal Aviation Administration. 14 CFR §§121, 129.

takeoff weight of more than 15,000 pounds, and those deemed “qualified aircraft” are exempt from Florida’s sales and use tax.¹⁶ A “qualified aircraft” is any aircraft that has a maximum certified takeoff weight of less than 10,000 pounds and that is equipped with twin turbofan engines that meet Stage IV noise requirements that is used by a business that operates as an on-demand air carrier, which owns or leases a fleet of 25 or more aircraft in Florida.¹⁷ In order to qualify for this sales and lease tax exemption, the qualified aircraft must be offered for use in a Florida university’s flight training and research program.¹⁸ Aircraft that qualify for the sales and lease tax exemption in virtue of their weight of more than 15,000 pounds are not required to offer their aircraft for use in research to qualify for the exemption.

Common Carrier Exemption- Tax on Repair and Maintenance

Labor charges for the repair and maintenance of qualified aircraft and aircraft that weigh more than 2,000 pounds maximum certified takeoff weight are exempt from tax under ch. 212, F.S.¹⁹ Similarly, replacement engines, parts, and equipment used to repair or maintain these aircraft are exempt from the tax imposed under ch. 212, F.S. if the repair occurs in Florida.²⁰

To receive the repair and maintenance exemptions for a qualified aircraft, a purchaser or lessee must offer, in writing, to participate in a Florida university’s flight training and research program.²¹

Fly-Away Exemption²²

If a nonresident purchases an aircraft in Florida and plans to remove the aircraft from the state, the purchase is exempt from sales tax pursuant to an exemption commonly referred to as the “fly-away exemption.”²³ However, the nonresident purchaser must remove the aircraft from Florida within 10 days of its purchase.²⁴ Additionally, the aircraft cannot return to Florida for a total of more than 21 days during the 6-month period after its date of purchase or otherwise appropriate departure from the state.

The nonresident purchaser must provide the Department of Revenue with proof of transport of the aircraft out of state and its registration (or application for registration) in a state other than Florida.²⁵

¹⁶ Section 212.08(7)(ss), F.S.

¹⁷ Section 212.02 (33), F.S.

¹⁸ Section 212.0801, F.S.

¹⁹ Section 212.08(7)(ee), F.S.

²⁰ Section 212.08(7)(rr), F.S.

²¹ Section 212.0801, F.S.

²² Sections 212.08(7)(fff)1. And 212.05(1)(a)2., F.S. See also, Michael Cosby, *A Practitioner’s Guide to State Tax Issues Related to Private Aircraft Ownership and Operation*, p. 33 (Summer 2018),

https://hbfiles.blob.core.windows.net/files/65772_6-12-18_-_jsta_-_cosby_planes.pdf (last visited Nov. 29, 2021).

²³ Cosby, *supra* note 15. See also, Fla. Dep’t. of Revenue, *Form GT-800008*, *supra* note 13 at p. 2.

²⁴ Section 212.08(7)(fff)1., F.S.

²⁵ See, e.g., Fla. Admin. Code R. 12A-1.007(10).

Aircraft Repair and Maintenance

As described above, labor charges and specific equipment used for the repair and maintenance of qualified aircraft and aircraft of more than 2,000 pounds maximum certified takeoff weight, including rotary wing aircraft, are exempt from the tax imposed under ch. 212, F.S.²⁶

Additionally, nonresident purchasers of aircraft in Florida are exempt from Florida use tax for the duration of the aircraft's placement in a Florida registered repair facility for the purpose of repairs, alterations, refitting, or modification.²⁷ However, the nonresident aircraft must be removed from Florida within 20 days of completion of the repairs to maintain this exemption.

Foreign Jurisdiction's Taxation of Aircraft

The sales and use tax laws applicable to the sale and storage or use of aircraft in the United States vary widely. Alaska,²⁸ Delaware,²⁹ Montana,³⁰ New Hampshire,³¹ and Oregon³² do not levy a statewide tax on the sale of goods in general, and therefore do not levy a sales tax on aircraft. These states may apply local sales tax or rental tax to the sale or use of the aircraft, however.³³ Connecticut offers a sales tax exemption on aircraft that weight 6,000 pounds or more.³⁴ North Carolina caps their tax at \$2,500 for specific aircraft and aircraft engines.³⁵ Rhode Island exempts the sale, storage, use, or consumption of an aircraft or aircraft parts from their state sales and use taxes if the aircraft or aircraft parts are used in Rhode Island.³⁶

III. Effect of Proposed Changes:

The bill exempts all sales and leases of aircraft from the sales and use tax. Currently, Florida exempts the sale or lease of specific aircraft used by an airline from state tax; all other aircraft are subject to state sales tax of 6 percent and any discretionary local sales tax.

²⁶ Section 212.08(7)(ee)2, F.S.

²⁷ Section 212.08(7)(fff)2., F.S.

²⁸ Alaska Dep't. of Revenue- Tax Division, *Sales and Use Tax News: Does Alaska have a Sales and Use Tax?*, <http://tax.alaska.gov/programs/programs/index.aspx?10002> (last visited Nov. 29, 2021).

²⁹ Effective February 1, 2003, aircraft are exempt from retail and wholesale gross receipt taxes in Delaware. Delaware Div. of Revenue, *Aircraft Sales*, <https://revenue.delaware.gov/business-tax-forms/aircraft-sales/> (last visited Nov. 29, 2021).

³⁰ Montana levies an annual "fee in lieu of tax" for aircraft based on the age and type of aircraft, ranging from \$37.50-\$4,500. Mont. Code Ann. §§67-3-201 and 67-3-206.

³¹ New Hampshire levies an aircraft operating fee ranging from \$100-\$3,500 per aircraft, based on its weight, but does not levy any sales tax. N.H. Code Ann. § 2371:1- 237:7 (2018). *See also*, New Hampshire Dept. of Transp., *Aircraft Registrations: How Much Are the Registration Fees?*, <https://www.nh.gov/dot/org/aerorailtransit/aeronautics/faq.htm#Q1> (last visited Nov. 29, 2021).

³² Owners of civil aircraft are exempt from ad valorem property taxation. ORS § 308.558, https://oregon.public.law/statutes/ors_308.558 (last visited Nov. 29, 2021).

³³ These five states do not levy any state sales tax, and therefore aircraft sales that occur in those states are not subject to a state sales tax in that jurisdiction. Janelle Cammenga, Tax Foundation, *State & Local Sales Tax Rates*, p. 5-6, (Jan. 2020), <https://taxfoundation.org/2020-sales-taxes/> (last visited Nov. 29, 2021). *See also*, Michael Cosby, *supra* note 22.

³⁴ Conn. Gen. Stat. §12-412(99), <https://portal.ct.gov/DRS/Sales-Tax/Exemptions-from-Sales-and-Use-Taxes> (last visited Nov. 29, 2021).

³⁵ North Carolina Dep't. of Revenue- Sales and Use Tax Div., *Sales and Use Tax Bulletins*, p. 62 (Jan. 2021), *available at* <https://www.ncdor.gov/media/11564/open> (last visited Nov. 29, 2021).

³⁶ R.I. Gen. Laws § 44-18-30(56), <http://webserver.rilin.state.ri.us/Statutes/TITLE44/44-18/44-18-30.HTM> (last visited Nov. 29, 2021).

The bill takes effect July 1, 2022.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Article VII, s. 18 of the Florida Constitution governs laws that require counties and municipalities to spend funds, limit the ability of counties and municipalities to raise revenue, or reduce the percentage of state tax shared with counties and municipalities.

Subsection (b) of s. 18, Art. VII of the Florida Constitution provides that except upon approval of each house of the Legislature by two-thirds vote of the membership, the legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would be to reduce the authority that municipalities or counties have to raise revenue in the aggregate, as such authority existed on February 1, 1989. However, the mandates requirements do not apply to laws that have an insignificant impact,^{37, 38} which is \$2.3 million or less for Fiscal Year 2022-2023.³⁹

The Revenue Estimating Conference determined that the bill reduce the authority that counties have to raise revenue from the local option sales tax by 3.9 million in Fiscal Year 2022-2023.⁴⁰ Therefore, the mandates provision may apply.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

³⁷ FLA. CONST. art. VII, s. 18(d).

³⁸ An insignificant fiscal impact is the amount not greater than the average statewide population for the applicable fiscal year multiplied by \$0.10. See Florida Senate Committee on Community Affairs, *Interim Report 2012-115: Insignificant Impact*, (September 2011), available at <http://www.flsenate.gov/PublishedContent/Session/2012/InterimReports/2012-115ca.pdf> (last visited Nov. 29, 2021).

³⁹ Based on the Demographic Estimating Conference's population adopted on March 3, 2021. The conference packet is available at <http://edr.state.fl.us/Content/conferences/population/ConferenceResults.pdf> (last visited Nov. 29, 2021).

⁴⁰ The Revenue Estimating Conference, *2022 Regular Session Revenue Estimating Conference: Impact Conference Results*, p. 45-46 (Nov. 19, 2021), available at http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2022/_pdf/Impact1119.pdf (last visited Nov. 29, 2021).

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

The Revenue Estimating Conference estimates that the bill will reduce General Revenue receipts by \$23.3 million and local government revenues by \$6.9 million in Fiscal Year 2022-23.

B. Private Sector Impact:

The private sector will experience reduced costs associated with aircraft purchases due to the sales and use tax exemption provided in this legislation. Some individuals may delay their purchase of a qualifying aircraft until implementation of this bill in order to realize cost savings of the tax exemption.

C. Government Sector Impact:

The Department of Revenue will be required to update Rules 12A-1.007 and 12A-1.097, Florida Administrative Code, and Forms DR-15AIR, DR-300400, GT-800008, and GT-800009. Additionally, the Department will need to eliminate or revise certain brochures relating to the taxation of aircraft. The Department estimates that it will expend less than \$25,000 to perform these updates.⁴¹

VI. Technical Deficiencies:

None.

VII. Related Issues:

The bill amends the sales and use tax exemption to apply simply to “an aircraft.” There is no definition of the term “aircraft” in ch. 212, F.S. However, s. 330.27, F.S., defines “aircraft” as “a powered or unpowered machine or device capable of atmospheric flight, except a parachute or other such device used primarily as safety equipment.” This definition may capture machines or devices other than airplanes, including drones and certain model airplanes.

VIII. Statutes Affected:

This bill substantially amends s. 212.08 of the Florida Statutes.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

⁴¹ Fla. Dep’t. of Revenue, *SB 786 Agency Analysis*, p. 2-3 (Nov. 4, 2022) (on file with the Senate Committee on Commerce and Tourism).

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

By Senator Hutson

7-00872-22

2022786__

1 A bill to be entitled
 2 An act relating to aircraft sales and lease tax;
 3 amending s. 212.08, F.S.; exempting all aircraft sales
 4 and leases, rather than the sales and leases of
 5 certain aircraft, from the sales and use tax; deleting
 6 the definition of the term "common carrier" to conform
 7 to changes made by the act; providing an effective
 8 date.

9
 10 Be It Enacted by the Legislature of the State of Florida:

11
 12 Section 1. Paragraph (ss) of subsection (7) of section
 13 212.08, Florida Statutes, is amended to read:

14 212.08 Sales, rental, use, consumption, distribution, and
 15 storage tax; specified exemptions.—The sale at retail, the
 16 rental, the use, the consumption, the distribution, and the
 17 storage to be used or consumed in this state of the following
 18 are hereby specifically exempt from the tax imposed by this
 19 chapter.

20 (7) MISCELLANEOUS EXEMPTIONS.—Exemptions provided to any
 21 entity by this chapter do not inure to any transaction that is
 22 otherwise taxable under this chapter when payment is made by a
 23 representative or employee of the entity by any means,
 24 including, but not limited to, cash, check, or credit card, even
 25 when that representative or employee is subsequently reimbursed
 26 by the entity. In addition, exemptions provided to any entity by
 27 this subsection do not inure to any transaction that is
 28 otherwise taxable under this chapter unless the entity has
 29 obtained a sales tax exemption certificate from the department

Page 1 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

7-00872-22

2022786__

30 or the entity obtains or provides other documentation as
 31 required by the department. Eligible purchases or leases made
 32 with such a certificate must be in strict compliance with this
 33 subsection and departmental rules, and any person who makes an
 34 exempt purchase with a certificate that is not in strict
 35 compliance with this subsection and the rules is liable for and
 36 shall pay the tax. The department may adopt rules to administer
 37 this subsection.

38 (ss) Aircraft sales or leases.—The sale or lease of a
 39 ~~qualified aircraft or an aircraft of more than 15,000 pounds~~
 40 ~~maximum certified takeoff weight for use by a common carrier is~~
 41 ~~exempt from the tax imposed by this chapter. As used in this~~
 42 ~~paragraph, "common carrier" means an airline operating under~~
 43 ~~Federal Aviation Administration regulations contained in Title~~
 44 ~~14, chapter I, part 121 or part 129 of the Code of Federal~~
 45 ~~Regulations.~~

46 Section 2. This act shall take effect July 1, 2022.

Page 2 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

The Florida Senate

APPEARANCE RECORD

11-30-2021

Meeting Date

SB 830

Bill Number or Topic

Compliance & Taxist Comm

Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

Amendment Barcode (if applicable)

Name Jill Ayotte

Phone 850-907-9111

Address 1284 Timberlane Rd

Email JAYOTTE@FMHA.org

Tallahassee

City

FL

State

32312

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

Florida Manufactured Housing Association

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](https://www.flsenate.gov/2020-2022-Joint-Rules.pdf)

This form is part of the public record for this meeting.



2022 AGENCY LEGISLATIVE BILL ANALYSIS DEPARTMENT OF REVENUE

AY
DW

BILL INFORMATION

BILL NUMBER:	SB 830
BILL TITLE:	Sales Tax
BILL SPONSOR:	Senator Hooper
EFFECTIVE DATE:	Upon becoming a law

COMMITTEES OF REFERENCE

- 1) Commerce and Tourism
- 2) Finance and Tax
- 3) Appropriations
- 4)
- 5)

CURRENT COMMITTEE

Commerce and Tourism

SIMILAR BILLS

BILL NUMBER:	HB 509
SPONSOR:	Representative Yarborough

IDENTICAL BILLS

BILL NUMBER:	
SPONSOR:	

PREVIOUS LEGISLATION

YEAR/BILL NUMBER/SPONSOR/LAST ACTION:
2020/ SB 818/ Innovation, Industry, and Technology; Senator Hooper/ Died in Finance and Tax
2020/ SB 998/ Appropriations; Infrastructure and Security; Community Affairs; Senator Hutson/ Laid on Table
2020/ HB 1339/ Commerce Committee; Ways and Means Committee; Local, Federal and Veterans Affairs Subcommittee; Representative Yarborough/ Became Chapter 2020-27 (sections affecting the Department were stricken).

BILL ANALYSIS INFORMATION	
DATE OF ANALYSIS:	11/16/2021
AGENCY CONTACT:	Office of Legislative and Cabinet Services (850) 617-8324

POLICY ANALYSIS

1. ANALYSIS OF EACH SECTION THAT AFFECTS THE DEPARTMENT OF REVENUE.

Section 1. Sales, storage, use tax. (pp. 1-7):

PRESENT SITUATION

Mobile homes that are required to be registered, licensed, titled, or documented in Florida or by the U.S. Government are considered tangible personal property and are subject to sales tax at a rate of 6 percent of the sales price.

Currently, if a taxpayer purchases a mobile home and then has it affixed permanently to land owned by the taxpayer, they may apply to the Department for a declaration of real property (Form DR-402). As part of the application for declaration of real property, the taxpayer must have the local property appraiser certify that the mobile home is permanently affixed to land owned by the taxpayer. The Department of Highway Safety and Motor Vehicles issues "RP" (real property) decals after a mobile home has been declared real property.

If a taxpayer purchases land on which a mobile home is permanently affixed (i.e., already declared real property), then no sales tax is due on the mobile home as it was categorized as real property at the time of sale.

EFFECT OF THE BILL

The bill amends s. 212.05(1)(a)1.a., F.S., so that mobile homes considered tangible personal property will be assessed sales tax at a rate of 6 percent on 50 percent of the sales price of the mobile home.

The bill adds language stating that a mobile home is not subject to sales tax if the mobile home will be permanently affixed to the land and the purchaser signs an affidavit stating they intend to seek a "RP" (real property) sticker pursuant to s. 320.0815(2), F.S.

Section 2. (p. 7): Provides that the bill becomes effective upon becoming law.

2. DOES THE DEPARTMENT EXPECT TO DEVELOP, ADOPT, MODIFY OR ELIMINATE ANY RULES, REGULATIONS, POLICIES, OR PROCEDURES? YES NO

If yes, explain:	Incorporate changes related to mobile homes in Rule.
Rule(s) impacted (provide references to F.A.C., etc.):	Rule 12A-1.007, F.A.C.

3. WHAT IS THE POSITION OF AFFECTED CITIZENS OR STAKEHOLDER GROUPS? N/A

4. DOES THE BILL REQUIRE THE DEPARTMENT TO SUBMIT, MODIFY OR DELETE ANY REPORTS, STUDIES OR PLANS? YES NO

If yes, provide a description:	
Date Due:	
Bill Section Number(s):	

5. ARE THERE ANY GUBERNATORIAL APPOINTMENTS OR CHANGES TO EXISTING BOARDS, TASK FORCES, COUNCILS, COMMISSIONS, ETC. REQUIRED BY THIS BILL? YES NO

Board:	
Board Purpose:	
Who Appoints:	
Changes:	
Bill Section Number(s):	

FISCAL ANALYSIS

6. DOES THE BILL HAVE A FISCAL IMPACT TO LOCAL GOVERNMENT? The Department of Revenue does not conduct this analysis. The Revenue Estimating Conference will determine the revenue impact, if any, to local governments.

7. DOES THE BILL HAVE A FISCAL IMPACT TO STATE GOVERNMENT?

Revenues:	The Department of Revenue does not conduct this analysis. The Revenue Estimating Conference will determine the revenue impact, if any, to state government.
Expenditures: <i>(Department of Revenue expenditures and operational impacts)</i>	<input type="checkbox"/> NO IMPACT <input type="checkbox"/> LESS THAN \$25,000 <input type="checkbox"/> MORE THAN \$25,000 <input type="checkbox"/> UNABLE TO DETERMINE <input checked="" type="checkbox"/> OPERATIONAL IMPACT ONLY
Does the legislation contain an appropriation to the Department?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

8. DOES THE BILL HAVE A FISCAL IMPACT TO THE PRIVATE SECTOR? The Department of Revenue does not conduct this analysis.

9. DOES THE BILL INCREASE OR DECREASE TAXES, FEES OR FINES? The Department of Revenue does not conduct this analysis. The Revenue Estimating Conference will determine the revenue impact on state and local government, if any.

TECHNOLOGY IMPACT

If any, see attached Fiscal Impact Analysis.

FEDERAL IMPACT

If any, see Additional Comments section below.

ADDITIONAL COMMENTS

10. STATUTE(S) AFFECTED: Section 212.05, F.S.

11. HAS BILL LANGUAGE BEEN ANALYZED EARLIER THIS SESSION? YES NO
If no, go to #12. If yes:

A. Identify bill number or source.

B. Were issues/problems identified? YES NO

a. If yes, have they been resolved? YES NO If no, briefly explain.

C. Are new issues/problems created? YES NO If yes, briefly identify.

12. DOES THE BILL PRESENT DIFFICULTY IN IMPLEMENTATION, ADMINISTRATION OR ENFORCEMENT? YES NO

If yes, describe administrative problems, technical errors, or other difficulties:

- It is unclear if the intent of the sponsor is to have the language apply only to occasional or isolated sales of mobile homes or whether the language is intended to apply to all sales of mobile homes.
- Under current law, in order for a taxpayer to have their mobile home declared as real property, the local property appraiser must certify that the mobile home is permanently affixed to land owned by the taxpayer. This bill would allow a purchaser of a mobile home to avoid paying sales tax by signing an affidavit indicating they intend to have the mobile home declared as real property after the initial purchase.
 - The bill provides no process for verification that the purchaser completes the required process necessary for the mobile home to be declared as real property.
 - If the mobile home is not declared as real property, and remains tangible personal property, then the purchaser has failed to remit sales/use tax on the mobile home. Additionally, the mobile home may not be properly assessed for local property taxes.

13. OTHER: None

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: CS/SB 830

INTRODUCER: Commerce and Tourism Committee and Senator Hooper

SUBJECT: Sales Tax

DATE: November 30, 2021

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Harmsen	McKay	CM	Fav/CS
2.	_____	_____	FT	_____
3.	_____	_____	AP	_____

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

SB 830 decreases the applicable state sales tax on the sale of a new mobile home from 6 percent to 3 percent. A “new mobile home” is one that has never been transferred by a manufacturer or similar entity to a purchaser.

The Revenue Estimating Conference has not yet reviewed the economic impact of this bill.

The bill takes effect on October 1, 2022.

II. Present Situation:

Florida Sales and Use Tax

Florida levies a 6 percent sales and use tax on the sale or rental of most tangible personal property,¹ admissions,² transient rentals,³ and a limited number of services. Chapter 212, F.S., contains provisions authorizing the levy and collection of Florida’s sales and use tax, as well as the exemptions and credits applicable to certain items or uses under specified circumstances.

¹ Section 212.05(1)(a)1.a., F.S.

² Section 212.04(1)(b), F.S.

³ Section 212.03(1)(a), F.S.

Sales tax is added to the price of the taxable good or service and collected from the purchaser at the time of sale.⁴

Counties are authorized to impose local discretionary sales surtaxes in addition to the state sales tax.⁵ A surtax applies to “all transactions occurring in the county which transactions are subject to the state tax imposed on sales, use, services, rentals, admissions, and other transactions by [ch. 212, F.S.], and communications services as defined in ch. 202.”⁶ The discretionary sales surtax is based on the tax rate imposed by the county where the taxable goods or services are sold or delivered. Discretionary sales surtax rates currently levied vary by county in a range of 0.5 to 2.5 percent.⁷

Generally, tangible personal property that is sold in an isolated or occasional sale is exempt from the state sales tax.⁸ A seller makes an isolated or occasional sale if the sale or series of sales occurs no more than twice during any 12-month period.⁹ A seller is required to register as a dealer if he or she completes more than three sales of the same type of item during a 12-month period. The sale of mobile homes, aircrafts, boats, and motor vehicles are expressly excluded from the isolated or occasional state sales and use tax exemption.¹⁰

Florida Taxation of Mobile Homes

Mobile homes, aircrafts, boats, and certain motor vehicles are classified as tangible personal property¹¹ and are subject to a 6 percent sales tax at each sale, including an occasional or isolated sale.¹² In addition, a Florida mobile home is taxed annually in one of the following three ways:¹³

- Assessed and taxed as real property by the county property appraiser;
- Subjected to an annual license tax by the county tax collector’s office; or
- Assessed and taxed as tangible personal property by the county property appraiser.

If the mobile home’s owner permanently affixes the mobile home to land that he or she owns, then the mobile home may be considered real property.¹⁴ The local property appraiser assesses and then lists the mobile home as real property based on his or her findings. If the mobile home is real property, the owner must make a one-time purchase of a \$3 RP decal from his or her local county tax collector’s office.¹⁵ The RP decal subjects the mobile home to annual assessment and

⁴ Section 212.07(2), F.S.

⁵ Section 212.055, F.S.

⁶ Section 212.054(2)(a), F.S.

⁷ Office of Economic and Demographic Research, *Florida Tax Handbook*, 227-228 (2021), available at <http://edr.state.fl.us/Content/revenues/reports/tax-handbook/taxhandbook2021.pdf> (last visited Nov. 30, 2021).

⁸ Fla. Admin. Code R. 12A01.037(1). See also, s. 212.02(2), defining “business” as activity engaged in by a person with the object of private or public gain, benefit, or advantage.

⁹ Fla. Admin. Code R. 12A-1.037(3)(b).

¹⁰ See, s. 212.05(1)(a)1.b., and Fla. Admin. Code R. 12A-1.037(2)(a)1.

¹¹ Section 212.02(19), F.S.

¹² Section 212.05(1)(a)1.b., F.S.

¹³ See generally, Florida Department of Revenue, Form 800047, *Taxation of Mobile Homes in Florida* (rev. Dec. 2017), available at https://floridarevenue.com/Forms_library/current/gt800047.pdf (last visited Nov. 30, 2021).

¹⁴ Section 320.015, F.S.

¹⁵ While the RP decal is issued by local county property appraisers, it is provided by the Department of Highway Safety and Motor Vehicles to the county tax collectors. The \$3 fee is distributed as follows: \$2.50 to the tax collector, 25 cents to the property appraiser, and 25 cents to the DHSMV. Section 320.0815(2), F.S. See, e.g., Florida Department of Revenue,

taxation by the county property appraiser. If the mobile home continues to be affixed to the land, it is considered real property, and therefore taxed as such (exempt from subsequent sales and use tax) at subsequent sales.¹⁶

A mobile home that is affixed to land that is owned by someone other than the mobile home's owner is subject to an annual license tax, which is levied by the Department of Highway Safety and Motor Vehicles, and can be purchased at the local county tax collector's office.¹⁷ This license tax varies from \$20 to \$80, based on the mobile home's length.¹⁸

Any mobile home that qualifies for, but fails to pay, the license tax, is assessed and taxed as tangible personal property by the county property appraiser.¹⁹ The mobile home is then placed on the tangible personal property assessment roll and is taxed as such for the year. If the owner purchases an annual license tax for the mobile home before January 1 of the next year, then the mobile home will be removed from the tangible personal property assessment roll, and would not be subject to further tangible personal property taxation.

III. Effect of Proposed Changes:

The bill reduces state sales tax from 6 percent to 3 percent on the sale of a new mobile home. The bill relies on the definition of "new mobile home" provided in s. 319.001(8), F.S., which defines it as a mobile home for which equitable or legal title has not yet been transferred by a manufacturer, distributor, importer, or dealer to an ultimate purchaser.

The bill takes effect on October 1, 2022.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Article VII, s. 18 of the Florida Constitution governs laws that require counties and municipalities to spend funds, limit the ability of counties and municipalities to raise revenue, or reduce the percentage of state tax shared with counties and municipalities.

Subsection (b) of s. 18, Art. VII of the Florida Constitution provides that except upon approval of each house of the Legislature by two-thirds vote of the membership, the legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would be to reduce the authority that municipalities or counties have to raise revenue in the aggregate, as such authority existed on February 1, 1989. However, the mandates requirements do not apply to laws that have an insignificant impact, which is \$2.2 million or less for Fiscal Year 2022-2023.

Declaration of Mobile Home as Real Property: Form DR-402 (Aug. 1995), <https://floridarevenue.com/property/Documents/dr402.pdf> (last visited Nov. 30, 2021).

¹⁶ Florida Department of Revenue, *SB 830 Agency Analysis* (Nov. 16, 2021) (on file with the Senate Committee on Commerce and Tourism).

¹⁷ Sections 320.015 and 320.0815(2), F.S. *See also*, Florida Department of Revenue, *supra* note 13.

¹⁸ Section 320.08(11), F.S.

¹⁹ Florida Department of Revenue, *supra* note 13.

The mandates provision of Art. VII, Section 18, of the Florida Constitution may apply, however, the Revenue Estimating Conference has not yet determined a fiscal impact of the bill.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The purchaser of a new mobile home from a dealer would pay 3 percent state sales and use tax instead of a 6 percent state tax.

C. Government Sector Impact:

The Revenue Estimating Conference has not yet determined a fiscal impact of the bill, however the state will likely realize a loss in sales and use tax dollars on the sale of mobile homes.

The Department of Revenue may be required to undergo rulemaking to update Rule 12A-1.007 of the Florida Administrative Code.

The Department of Revenue may incur expenses related to creating and issuing a Taxpayer Information Publication (TIP) to alert eligible taxpayers about the tax reduction and exemption.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 212.05 of the Florida Statutes.

IX. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Commerce and Tourism on November 30, 2021:

- Removes the sale of used mobile homes from the sales tax reduction provided in the bill;
- Reduces the applicable state sales tax on the sale of new mobile homes from 6 percent to 3 percent, rather than limiting the tax to 50 percent of the sales price; and
- Delays the effective date to October 1, 2022, better allow the DOR to notify affected parties and update their processes before the tax reduction goes into effect.

B. Amendments:

None.



643954

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
11/30/2021	.	
	.	
	.	
	.	

The Committee on Commerce and Tourism (Hooper) recommended the following:

Senate Amendment (with directory and title amendments)

Delete lines 23 - 196

and insert:

(n) At the rate of 3 percent of the sales price on the sale of a new mobile home. As used in this paragraph, the term "new mobile home" has the same meaning as in s. 319.001.

=====
D I R E C T O R Y C L A U S E A M E N D M E N T
=====

And the directory clause is amended as follows:



643954

11 Delete lines 9 - 10

12 and insert:

13 Section 1. Paragraph (n) is added to subsection (1) of
14 section 212.05, Florida Statutes, to read:

15

16 ===== T I T L E A M E N D M E N T =====

17 And the title is amended as follows:

18 Delete lines 3 - 5

19 and insert:

20 F.S.; specifying the sales tax rate on new mobile
21 homes; defining the term "new mobile home"; providing
22 an effective date.



607718

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
11/30/2021	.	
	.	
	.	
	.	

The Committee on Commerce and Tourism (Hooper) recommended the following:

Senate Amendment

Delete line 197
and insert:
Section 2. This act shall take effect October 1, 2022.

By Senator Hooper

16-00927A-22

2022830__

A bill to be entitled

An act relating to sales tax; amending s. 212.05, F.S.; specifying the sales tax rate on mobile homes subject to sales tax as tangible personal property; providing an exception; providing an effective date.

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

Section 1. Paragraph (a) of subsection (1) of section 212.05, Florida Statutes, is amended to read:

212.05 Sales, storage, use tax.—It is hereby declared to be the legislative intent that every person is exercising a taxable privilege who engages in the business of selling tangible personal property at retail in this state, including the business of making or facilitating remote sales; who rents or furnishes any of the things or services taxable under this chapter; or who stores for use or consumption in this state any item or article of tangible personal property as defined herein and who leases or rents such property within the state.

(1) For the exercise of such privilege, a tax is levied on each taxable transaction or incident, which tax is due and payable as follows:

(a)1.a. At the rate of 6 percent of the sales price of each item or article of tangible personal property when sold at retail in this state, computed on each taxable sale for the purpose of remitting the amount of tax due the state, and including each and every retail sale.

b. Each occasional or isolated sale of an aircraft, boat, mobile home, or motor vehicle of a class or type which is

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16-00927A-22

2022830__

required to be registered, licensed, titled, or documented in this state or by the United States Government shall be subject to tax at the rate provided in this paragraph. A mobile home must be assessed sales tax at a rate of 6 percent on 50 percent of the sales price of the mobile home, if subject to sales tax as tangible personal property. However, a mobile home is not subject to sales tax if the mobile home will be permanently affixed to the land and the purchaser signs an affidavit stating that he or she intends to seek an "RP" series sticker pursuant to s. 320.0815(2). The department shall by rule adopt any nationally recognized publication for valuation of used motor vehicles as the reference price list for any used motor vehicle which is required to be licensed pursuant to s. 320.08(1), (2), (3) (a), (b), (c), or (e), or (9). If any party to an occasional or isolated sale of such a vehicle reports to the tax collector a sales price which is less than 80 percent of the average loan price for the specified model and year of such vehicle as listed in the most recent reference price list, the tax levied under this paragraph shall be computed by the department on such average loan price unless the parties to the sale have provided to the tax collector an affidavit signed by each party, or other substantial proof, stating the actual sales price. Any party to such sale who reports a sales price less than the actual sales price is guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083. The department shall collect or attempt to collect from such party any delinquent sales taxes. In addition, such party shall pay any tax due and any penalty and interest assessed plus a penalty equal to twice the amount of the additional tax owed. Notwithstanding any other

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16-00927A-22

2022830__

59 provision of law, the Department of Revenue may waive or
 60 compromise any penalty imposed pursuant to this subparagraph.
 61 2. This paragraph does not apply to the sale of a boat or
 62 aircraft by or through a registered dealer under this chapter to
 63 a purchaser who, at the time of taking delivery, is a
 64 nonresident of this state, does not make his or her permanent
 65 place of abode in this state, and is not engaged in carrying on
 66 in this state any employment, trade, business, or profession in
 67 which the boat or aircraft will be used in this state, or is a
 68 corporation none of the officers or directors of which is a
 69 resident of, or makes his or her permanent place of abode in,
 70 this state, or is a noncorporate entity that has no individual
 71 vested with authority to participate in the management,
 72 direction, or control of the entity's affairs who is a resident
 73 of, or makes his or her permanent abode in, this state. For
 74 purposes of this exemption, either a registered dealer acting on
 75 his or her own behalf as seller, a registered dealer acting as
 76 broker on behalf of a seller, or a registered dealer acting as
 77 broker on behalf of the purchaser may be deemed to be the
 78 selling dealer. This exemption shall not be allowed unless:
 79 a. The purchaser removes a qualifying boat, as described in
 80 sub-subparagraph f., from the state within 90 days after the
 81 date of purchase or extension, or the purchaser removes a
 82 nonqualifying boat or an aircraft from this state within 10 days
 83 after the date of purchase or, when the boat or aircraft is
 84 repaired or altered, within 20 days after completion of the
 85 repairs or alterations; or if the aircraft will be registered in
 86 a foreign jurisdiction and:
 87 (I) Application for the aircraft's registration is properly

Page 3 of 7

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16-00927A-22

2022830__

88 filed with a civil airworthiness authority of a foreign
 89 jurisdiction within 10 days after the date of purchase;
 90 (II) The purchaser removes the aircraft from the state to a
 91 foreign jurisdiction within 10 days after the date the aircraft
 92 is registered by the applicable foreign airworthiness authority;
 93 and
 94 (III) The aircraft is operated in the state solely to
 95 remove it from the state to a foreign jurisdiction.
 96
 97 For purposes of this sub-subparagraph, the term "foreign
 98 jurisdiction" means any jurisdiction outside of the United
 99 States or any of its territories;
 100 b. The purchaser, within 90 days from the date of
 101 departure, provides the department with written proof that the
 102 purchaser licensed, registered, titled, or documented the boat
 103 or aircraft outside the state. If such written proof is
 104 unavailable, within 90 days the purchaser shall provide proof
 105 that the purchaser applied for such license, title,
 106 registration, or documentation. The purchaser shall forward to
 107 the department proof of title, license, registration, or
 108 documentation upon receipt;
 109 c. The purchaser, within 30 days after removing the boat or
 110 aircraft from Florida, furnishes the department with proof of
 111 removal in the form of receipts for fuel, dockage, slippage,
 112 tie-down, or hangaring from outside of Florida. The information
 113 so provided must clearly and specifically identify the boat or
 114 aircraft;
 115 d. The selling dealer, within 30 days after the date of
 116 sale, provides to the department a copy of the sales invoice,

Page 4 of 7

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16-00927A-22 2022830__

117 closing statement, bills of sale, and the original affidavit
 118 signed by the purchaser attesting that he or she has read the
 119 provisions of this section;

120 e. The seller makes a copy of the affidavit a part of his
 121 or her record for as long as required by s. 213.35; and

122 f. Unless the nonresident purchaser of a boat of 5 net tons
 123 of admeasurement or larger intends to remove the boat from this
 124 state within 10 days after the date of purchase or when the boat
 125 is repaired or altered, within 20 days after completion of the
 126 repairs or alterations, the nonresident purchaser applies to the
 127 selling dealer for a decal which authorizes 90 days after the
 128 date of purchase for removal of the boat. The nonresident
 129 purchaser of a qualifying boat may apply to the selling dealer
 130 within 60 days after the date of purchase for an extension decal
 131 that authorizes the boat to remain in this state for an
 132 additional 90 days, but not more than a total of 180 days,
 133 before the nonresident purchaser is required to pay the tax
 134 imposed by this chapter. The department is authorized to issue
 135 decals in advance to dealers. The number of decals issued in
 136 advance to a dealer shall be consistent with the volume of the
 137 dealer's past sales of boats which qualify under this sub-
 138 subparagraph. The selling dealer or his or her agent shall mark
 139 and affix the decals to qualifying boats in the manner
 140 prescribed by the department, before delivery of the boat.

141 (I) The department is hereby authorized to charge dealers a
 142 fee sufficient to recover the costs of decals issued, except the
 143 extension decal shall cost \$425.

144 (II) The proceeds from the sale of decals will be deposited
 145 into the administrative trust fund.

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146 (III) Decals shall display information to identify the boat
 147 as a qualifying boat under this sub-subparagraph, including, but
 148 not limited to, the decal's date of expiration.

149 (IV) The department is authorized to require dealers who
 150 purchase decals to file reports with the department and may
 151 prescribe all necessary records by rule. All such records are
 152 subject to inspection by the department.

153 (V) Any dealer or his or her agent who issues a decal
 154 falsely, fails to affix a decal, mismarks the expiration date of
 155 a decal, or fails to properly account for decals will be
 156 considered prima facie to have committed a fraudulent act to
 157 evade the tax and will be liable for payment of the tax plus a
 158 mandatory penalty of 200 percent of the tax, and shall be liable
 159 for fine and punishment as provided by law for a conviction of a
 160 misdemeanor of the first degree, as provided in s. 775.082 or s.
 161 775.083.

162 (VI) Any nonresident purchaser of a boat who removes a
 163 decal before permanently removing the boat from the state, or
 164 defaces, changes, modifies, or alters a decal in a manner
 165 affecting its expiration date before its expiration, or who
 166 causes or allows the same to be done by another, will be
 167 considered prima facie to have committed a fraudulent act to
 168 evade the tax and will be liable for payment of the tax plus a
 169 mandatory penalty of 200 percent of the tax, and shall be liable
 170 for fine and punishment as provided by law for a conviction of a
 171 misdemeanor of the first degree, as provided in s. 775.082 or s.
 172 775.083.

173 (VII) The department is authorized to adopt rules necessary
 174 to administer and enforce this subparagraph and to publish the

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175 necessary forms and instructions.

176 (VIII) The department is hereby authorized to adopt
177 emergency rules pursuant to s. 120.54(4) to administer and
178 enforce the provisions of this subparagraph.

179
180 If the purchaser fails to remove the qualifying boat from this
181 state within the maximum 180 days after purchase or a
182 nonqualifying boat or an aircraft from this state within 10 days
183 after purchase or, when the boat or aircraft is repaired or
184 altered, within 20 days after completion of such repairs or
185 alterations, or permits the boat or aircraft to return to this
186 state within 6 months from the date of departure, except as
187 provided in s. 212.08(7)(fff), or if the purchaser fails to
188 furnish the department with any of the documentation required by
189 this subparagraph within the prescribed time period, the
190 purchaser shall be liable for use tax on the cost price of the
191 boat or aircraft and, in addition thereto, payment of a penalty
192 to the Department of Revenue equal to the tax payable. This
193 penalty shall be in lieu of the penalty imposed by s. 212.12(2).
194 The maximum 180-day period following the sale of a qualifying
195 boat tax-exempt to a nonresident may not be tolled for any
196 reason.

197 Section 2. This act shall take effect upon becoming a law.

CourtSmart Tag Report

Room: SB 110

Case No.:

Type:

Caption: Commerce and Tourism

Judge:

Started: 11/30/2021 9:02:07 AM

Ends: 11/30/2021 9:43:19 AM

Length: 00:41:13

9:02:08 AM Chair Hooper calls meeting to order
9:02:19 AM Roll call, quorum present
9:02:33 AM Chair gives opening comments
9:02:49 AM Tab 4 SB 800 by Senator Albritton
9:03:02 AM Senator Albritton presents bill
9:03:35 AM No questions
9:03:39 AM Connie Vanassche, Okeechobee Co Board of County Commisioners waives in support
9:04:01 AM Jeff Scala, FI Association of Counties waives in support
9:04:18 AM David Kraus, Columbia county, waives in support
9:04:40 AM Michael Grissom, FI Rural Economic Development waives in support
9:04:58 AM Carolyn Johnson, FL Chamber of Commerce waives in support
9:04:59 AM Darrick McGhee, Sr of Florida's Great Northwest, waives in support
9:05:01 AM Senator Albritton waives close
9:05:13 AM SB 800 passes favorably
9:05:39 AM Tab 5 SB 786 by Senator Hutson
9:06:08 AM Senator Powell in questions
9:06:24 AM Senator Hutson responds
9:06:40 AM Back and forth in questions
9:08:24 AM Senator Torres in questions
9:08:35 AM Senator Hutson responds
9:09:10 AM Back and forth in questions
9:10:47 AM Eric Prutsman FL Airports Council, waives in support
9:11:05 AM Senator Powell in debate
9:11:59 AM Senator Torres in debate
9:12:21 AM Senator Hutson closes on SB 786
9:12:50 AM SB 786 passes favorably
9:13:24 AM Tab 1 SB 356 by Senator Jones
9:13:39 AM Senator Jones presents bill
9:14:54 AM Jonathon Webber FL of Conservation Voters, waives in support
9:15:08 AM Jeff Scala of FL Assosiation of Counties, waives in support
9:15:22 AM David Cullen of Sierra Club FL, waives in support
9:15:29 AM No debate
9:15:32 AM Senator Jones closes on bill
9:15:41 AM Senator Powell in debate
9:16:06 AM SB 356 passes favorably
9:16:33 AM Tab 3 SB 542 by Senator Rodriquez
9:17:03 AM Senator Torres in questions
9:18:07 AM Senator Rodriguez in response
9:18:21 AM Senator Pizzo in questions
9:18:31 AM Senator Rodriguez in response
9:19:33 AM Senator Pizzo in questions
9:19:45 AM Senator Rodriguez responds
9:20:17 AM Back and forth in questions
9:22:26 AM Phillip Suderman with Americans For Prosperity speaks in clarification of question
9:23:55 AM Senator Pizzo in questions
9:24:02 AM Phillip Suderman responds
9:24:11 AM Senator Pizzo in questions
9:24:22 AM Phillip Suderman responds
9:25:05 AM Phillip Suderman with Americans for Prosperity speaks in support
9:26:02 AM Senator Taddeo in questions
9:26:13 AM Phillip Suderman responds
9:26:26 AM Senator Taddeo in questions

9:26:49 AM Phillip Suderman responds
9:28:03 AM Back and forth in questions
9:29:01 AM Senator Taddeo in debate
9:30:55 AM Vice Chair Wright in debate
9:31:52 AM Senator Powell in debate
9:33:48 AM Senator Rodriguez closes on SB 542
9:34:22 AM SB 542 passes favorably
9:34:48 AM Tab 2 SB 500 by Senator Perry presented by Senator Gruters
9:35:34 AM No questions
9:35:38 AM Lorena Holley of FL Retail Federation, waives in support
9:35:50 AM Senator Pizzo in debate
9:36:21 AM Senator Gruters in response
9:36:54 AM Senator Gruters closes on SB 500
9:37:07 AM SB 500 passes favorably
9:37:31 AM Gavel turned over to Vice Chair Wright
9:37:42 AM Tab 6 SB 830 by Senator Hooper
9:37:51 AM Senator Hooper explains SB 830
9:38:25 AM Amendment 643954
9:38:47 AM Amendment 643954 passes
9:39:41 AM Late filed amendment 607718
9:40:03 AM Senator Pizzo in questions
9:40:25 AM No debate
9:40:43 AM Amendment 607718 is adopted
9:40:57 AM Back on bill as amended
9:41:04 AM Jim Ayotte of FL Manufactured Housing Association, waives in support
9:41:26 AM Senator Hooper waives close
9:41:36 AM CS/SB 830 passes favorably
9:41:53 AM Gavel back to Chair Hooper
9:42:07 AM Senator Pizzo for votes after
9:42:29 AM Senator Garcia for votes after
9:42:34 AM Senator Taddeo for votes after
9:42:39 AM Senator Wright for votes after
9:43:02 AM Senator Pizzo moves to adjourn