

## Committee on Appropriations

### **CS/HB 7097 — Taxation**

by Appropriations Committee; Ways and Means Committee; and Rep Avila and others

The bill contains provisions for tax relief, changes to tax policy, and changes to tax administration.

#### *Sales Tax Holidays*

- The bill provides a 3-day “back-to-school” tax holiday from August 7, 2020, through August 9, 2020, for certain clothing, school supplies, and personal computers.
- The bill provides a 7-day “disaster preparedness” tax holiday from May 29, 2020, through June 04, 2020, for specified disaster preparedness items.

#### *Insurance Premium Tax*

- The bill reduces the tax rate applied to surplus lines policies from 5 percent to 4.94 percent and applies that rate to all policies, regardless of the location of the risk.

#### *Ad Valorem Tax*

- The bill limits a charitable hospital’s property tax exemption to the amount of community benefits provided by the hospital.
- The bill updates the qualifying operations for the deployed servicemember property tax exemption.
- The bill prohibits the use of a special magistrate’s appraisal as evidence at value adjustment board hearings in a year that the special magistrate serves the board.
- The bill restricts information that may be mailed with the annual Notice of Proposed Property Taxes.
- The bill includes as portions of exempt affordable housing property vacant units and units occupied by persons or families that met the qualifying income thresholds at the time they began their tenancy, but whose income grew through the income thresholds.
- The bill exempts from property tax an affordable housing project owned by a limited liability company, which is also owned by a limited liability company, if the owner of the second limited liability company is a qualifying 501(c)(3) entity.

***Sales Surtaxes***

- The bill limits future levies of the Charter County Transportation System Surtax to 30 years.
- The bill requires that School Capital Outlay sales surtaxes approved in the future be proportionately shared with charter schools.
- The bill includes contributions to scholarship funding organizations as tax liabilities for purposes of refunds of corporate income tax required by s. 220.1105, F.S.

***Local Impact Fees***

- The bill exempts new school construction projects funded solely through local impact fees from the total cost per student station limitation.

***Tourist Development Tax***

- The bill increases the population limit under which a county is authorized to use its tourist development tax revenues for zoological parks, fishing piers, and nature centers from 750,000 to 950,000.

***Section 179D, Internal Revenue Code***

- The bill prohibits an owner of a public building from soliciting any payment for providing the allocation letter needed to receive a federal income tax deduction for energy efficient construction.

***Tax Administration***

- The bill makes changes to property tax roll classifications and required statistical measurements; provides flexibility in property tax noticing requirements during declared states of emergency; extends the time to provide documentation relating to certain boat and aircraft sales; extends the time property owners affected by Hurricane Michael may begin rebuilding and retain their prior assessment limitation; increases bond limits for certain bonds required of motor fuel dealers; amends the penalty for mislabeling dyed diesel fuel; requires certain payment settlement entities to provide a federal tax form to the Department of Revenue; and provides procedures for local governments to update business addresses and provides procedures for correcting local government distributions.

If approved by the Governor, these provisions take effect July 1, 2020.

*Vote: Senate 36-2; House 104-8*