

By Representative Ziebarth

1 A bill to be entitled
2 An act relating to tax on sales, use, and other
3 transactions; amending s. 212.02, F.S.;
4 providing a definition of "self-propelled farm
5 equipment," "power-drawn farm equipment," and
6 "power-driven farm equipment"; amending s.
7 212.08, F.S.; revising application of the
8 partial exemption for self-propelled or
9 power-drawn farm equipment; including
10 power-driven farm equipment within such
11 exemption; reducing the rate of tax on such
12 equipment over a specified period and exempting
13 such equipment beginning July 1, 2000; amending
14 s. 212.12, F.S., relating to promulgation of
15 tax brackets by the Department of Revenue, to
16 conform; providing an effective date.

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

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20 Section 1. Subsections (27), (28), and (29) are added
21 to section 212.02, Florida Statutes, 1996 Supplement, to read:22 212.02 Definitions.--The following terms and phrases
23 when used in this chapter have the meanings ascribed to them
24 in this section, except where the context clearly indicates a
25 different meaning:26 (27) "Self-propelled farm equipment" means equipment
27 which contains within itself the means for its own propulsion,
28 including, but not limited to, tractors.29 (28) "Power-drawn farm equipment" means equipment
30 which is pulled, dragged, or otherwise attached to

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1 self-propelled equipment, including, but not limited to,
2 discs, harrows, hay balers, and mowers.

3 (29) "Power-driven farm equipment" means moving or
4 stationary equipment dependent upon an external power source
5 in order to perform its function, including, but not limited
6 to, conveyors, augers, feeding systems, and vacuum pumps.

7 Section 2. Subsection (3) of section 212.08, Florida
8 Statutes, 1996 Supplement, is amended to read:

9 212.08 Sales, rental, use, consumption, distribution,
10 and storage tax; specified exemptions.--The sale at retail,
11 the rental, the use, the consumption, the distribution, and
12 the storage to be used or consumed in this state of the
13 following are hereby specifically exempt from the tax imposed
14 by this part.

15 (3) EXEMPTIONS, ~~PARTIAL~~; CERTAIN FARM
16 EQUIPMENT.--Until June 30, 1998, there shall be taxable at the
17 rate of 3 percent the sale, use, consumption, or storage for
18 use in this state of self-propelled, ~~or~~ power-drawn, or
19 power-driven farm equipment used exclusively on a farm or in a
20 forest by a farmer on a farm owned, leased, or sharecropped by
21 the farmer in plowing, planting, cultivating, or harvesting
22 crops or products as produced by those agricultural industries
23 included in s. 570.02(1). Beginning July 1, 1998, the tax
24 rate applicable to such equipment shall be 2 percent.
25 Beginning July 1, 1999, the tax rate applicable to such
26 equipment shall be 1 percent. Beginning July 1, 2000, and
27 thereafter, such equipment shall be exempt from the tax
28 imposed by this chapter. Harvesting is not to be construed to
29 include processing activities. This exemption is not
30 forfeited by the act of moving farm equipment between farms or
31 forests. The rental of self-propelled, ~~or~~ power-drawn, or

1 power-driven farm equipment shall be taxed at the rate of 6
2 percent.

3 Section 3. Subsection (11) of section 212.12, Florida
4 Statutes, 1996 Supplement, is amended to read:

5 212.12 Dealer's credit for collecting tax; penalties
6 for noncompliance; powers of Department of Revenue in dealing
7 with delinquents; brackets applicable to taxable transactions;
8 records required.--

9 (11) The department is authorized to provide by rule
10 the tax amounts and brackets applicable to all taxable
11 transactions that occur in counties that have a surtax at a
12 rate other than 1 percent which transactions would otherwise
13 have been transactions taxable at the rate of 6 percent.
14 Likewise, the department is authorized to promulgate by rule
15 the tax amounts and brackets applicable to transactions
16 taxable at 3, 2, or 1 percent pursuant to s. 212.08(3),
17 transactions taxable at 7 percent pursuant to s. 212.05(1)(e),
18 and on transactions which would otherwise have been so taxable
19 in counties which have adopted a discretionary sales surtax.

20 Section 4. This act shall take effect October 1, 1997.

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HOUSE SUMMARY

Defines "self-propelled farm equipment," "power-drawn
farm equipment," and "power-driven farm equipment."
Revises application of the partial sales tax exemption
for self-propelled or power-drawn farm equipment and
includes power-driven farm equipment within such
exemption. Reduces the rate of tax on such equipment
over a 2-year period and completely exempts such
equipment beginning July 1, 2000.