

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,"
6 "power-driven farm equipment," and "forest";
7 amending s. 212.08, F.S.; revising application
8 of the 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; amending s. 212.12, F.S., relating
13 to promulgation of tax brackets by the
14 Department of Revenue, to conform; providing an
15 effective date.

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

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19 Section 1. Subsections (27), (28), (29), and (30) are
20 added to section 212.02, Florida Statutes, 1996 Supplement, to
21 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 (30) "Forest" means the land stocked by trees of any
8 size used in the production of forest products, or formerly
9 having such tree cover, and not currently developed for
10 nonforest use.

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

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

19 (3) EXEMPTIONS, ~~PARTIAL~~; CERTAIN FARM
20 EQUIPMENT.--There shall be taxable at the rate of 3 percent
21 the sale, use, consumption, or storage for use in this state
22 of self-propelled, ~~or~~ power-drawn, or power-driven farm
23 equipment used exclusively on a farm or in a forest ~~by a~~
24 ~~farmer on a farm owned, leased, or sharecropped by the farmer~~
25 in plowing, planting, cultivating, or harvesting crops or
26 products as produced by those agricultural industries included
27 in s. 570.02(1). Harvesting is not to be construed to include
28 processing activities. This exemption is not forfeited by the
29 act of moving farm equipment between farms or forests. The
30 rental of self-propelled, ~~or~~ power-drawn, or power-driven farm
31 equipment shall be taxed at the rate of 6 percent.

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

3 212.12 Dealer's credit for collecting tax; penalties
4 for noncompliance; powers of Department of Revenue in dealing
5 with delinquents; brackets applicable to taxable transactions;
6 records required.--

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

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