

By Senator Childers

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A bill to be entitled
An act relating to taxation; amending s.
196.199, F.S.; providing for certain leasehold
interests in property owned by a governmental
unit to be taxed as real property; reenacting
s. 199.023(1)(d), F.S., relating to the
definition of "intangible personal property";
providing an effective date.

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

Section 1. Subsection (2) of section 196.199, Florida
Statutes, is amended to read:

196.199 Government property exemption.--

(2) Property owned by the following governmental units
but used by nongovernmental lessees shall only be exempt from
taxation under the following conditions:

(a) Leasehold interests in property of the United
States, of the state or any of its several political
subdivisions, or of municipalities, agencies, authorities, and
other public bodies corporate of the state shall be exempt
from ad valorem taxation only when the lessee serves or
performs a governmental, municipal, or public purpose or
function, as defined in s. 196.012(6). In all such cases, all
other interests in the leased property shall also be exempt
from ad valorem taxation. However, a leasehold interest in
property of the state may not be exempted from ad valorem
taxation when a nongovernmental lessee uses such property for
the operation of a multipurpose hazardous waste treatment
facility.

1 (b) Except as provided in ~~paragraphs~~ ~~paragraph~~ (c) and
2 (d), the exemption provided by this subsection shall not apply
3 to those portions of a leasehold or other interest defined by
4 s. 199.023(1)(d), subject to the provisions of subsection (7).
5 Such leasehold or other interest shall be taxed only as
6 intangible personal property pursuant to chapter 199 if rental
7 payments are due in consideration of such leasehold or other
8 interest. If no rental payments are due pursuant to the
9 agreement creating such leasehold or other interest, the
10 leasehold or other interest shall be taxed as real property.
11 Nothing in this paragraph shall be deemed to exempt personal
12 property, buildings, or other real property improvements owned
13 by the lessee from ad valorem taxation.

14 (c) Any governmental property leased to an
15 organization which uses the property exclusively for literary,
16 scientific, religious, or charitable purposes shall be exempt
17 from taxation.

18 (d) Notwithstanding any other provision, a leasehold
19 interest in property that is owned by a governmental unit,
20 that is not used for governmental purposes, and that is
21 located on a barrier island shall be taxed as real property,
22 if such leasehold interest would otherwise be subject to
23 taxation as intangible personal property, and not as
24 intangible personal property under chapter 199.

25 Section 2. Paragraph (d) of subsection (1) of section
26 199.023, Florida Statutes, is reenacted to read:

27 199.023 Definitions.--As used in this chapter:

28 (1) "Intangible personal property" means all personal
29 property which is not in itself intrinsically valuable, but
30 which derives its chief value from that which it represents,
31 including, but not limited to, the following:

1 (d) Except for any leasehold or other possessory
2 interest described in s. 4(a), Art. VII of the State
3 Constitution or s. 196.199(7), all leasehold or other
4 possessory interests in real property owned by the United
5 States, the state, any political subdivision of the state, any
6 municipality of the state, or any agency, authority, and other
7 public body corporate of the state, which are undeveloped or
8 predominantly used for residential or commercial purposes and
9 upon which rental payments are due.

10 Section 3. This act shall take effect July 1, 1998.

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12 SENATE SUMMARY

13 Provides for the ad valorem taxation of certain leasehold
14 interests in real property that is owned by a
15 governmental entity and located on a barrier island.