

By the Committee on Utilities & Communications and
Representatives Maygarden, Greene, Villalobos, Cosgrove,
Andrews, Sanderson, Culp, Flanagan, Rodriguez-Chomat, Stabins
and Merchant

1 A bill to be entitled
2 An act relating to telecommunications; amending
3 ss. 125.421 and 166.047, F.S.; providing for
4 accounting and payment of taxes for providing
5 telecommunications services and operations to
6 the public by counties and municipalities;
7 providing exceptions; amending s. 196.012,
8 F.S.; exempting telecommunications services
9 provided to the public for hire from a
10 governmental, municipal, or public purpose;
11 amending s. 199.183, F.S.; providing that
12 telecommunication services provided to the
13 public by a county, municipality, or other
14 political subdivision are not exempt from
15 intangible personal property taxes; amending s.
16 212.08, F.S.; providing that telecommunication
17 services provided to the public by a county,
18 municipality, or other political subdivision
19 are not exempt from sales or use taxes;
20 providing exceptions; providing an effective
21 date.

22
23 Be It Enacted by the Legislature of the State of Florida:

24
25 Section 1. Section 125.421, Florida Statutes, is
26 created to read:
27 125.421 Telecommunications services and operations.--A
28 county or other entity of local government may provide or
29 resell to the public for hire any telecommunications services
30 which are subject to chapter 364, provided such services and
31 operations:

1 (1) Are accounted for in a manner which separately
2 identifies the revenues, expenses, and source of investment
3 dollars associated with the provision of such services.

4 (2) Are subject, without exemption, to all local
5 requirements applicable to telecommunications companies.

6
7 This section shall not apply to a county or other entity of
8 local government which owns, controls, or operates a
9 telecommunications service for the purpose of providing
10 telecommunications services for internal operational needs.

11 This section shall not apply to a county or other entity of
12 local government which provides internal information services,
13 including, but not limited to, tax records, engineering
14 records, and property records, to the general public for a
15 fee.

16 Section 2. Section 166.047, Florida Statutes, is
17 created to read:

18 166.047 Telecommunications services and operations.--A
19 municipality or other entity of local government may provide
20 or resell to the public for hire any telecommunications
21 services which are subject to chapter 364, provided such
22 services and operations:

23 (1) Are accounted for in a manner which separately
24 identifies the revenues, expenses, and source of investment
25 dollars associated with the provision of such services.

26 (2) Are subject, without exemption, to all local
27 requirements applicable to telecommunications companies.

28
29 This section shall not apply to a municipality or other entity
30 of local government which owns, controls, or operates a
31 telecommunications service for the purpose of providing

1 telecommunications services for internal operational needs.
2 This section shall not apply to a municipality or other entity
3 of local government which provides internal information
4 services, including, but not limited to, tax records,
5 engineering records, and property records, to the general
6 public for a fee.

7 Section 3. Subsection (6) of section 196.012, Florida
8 Statutes, is amended to read:

9 196.012 Definitions.--For the purpose of this chapter,
10 the following terms are defined as follows, except where the
11 context clearly indicates otherwise:

12 (6) Governmental, municipal, or public purpose or
13 function shall be deemed to be served or performed when the
14 lessee under any leasehold interest created in property of the
15 United States, the state or any of its political subdivisions,
16 or any municipality, agency, authority, or other public body
17 corporate of the state is demonstrated to perform a function
18 or serve a governmental purpose which could properly be
19 performed or served by an appropriate governmental unit or
20 which is demonstrated to perform a function or serve a purpose
21 which would otherwise be a valid subject for the allocation of
22 public funds. For purposes of the preceding sentence, an
23 activity undertaken by a lessee which is permitted under the
24 terms of its lease of real property designated as an aviation
25 area on an airport layout plan which has been approved by the
26 Federal Aviation Administration and which real property is
27 used for the administration, operation, business offices and
28 activities related specifically thereto in connection with the
29 conduct of an aircraft full service fixed base operation which
30 provides goods and services to the general aviation public in
31 the promotion of air commerce shall be deemed an activity

1 which serves a governmental, municipal, or public purpose or
2 function. The use by a lessee, licensee, or management company
3 of real property or a portion thereof as a convention center,
4 visitor center, sports facility with permanent seating,
5 concert hall, arena, stadium, park, or beach is deemed a use
6 that serves a governmental, municipal, or public purpose or
7 function when access to the property is open to the general
8 public with or without a charge for admission. If property
9 deeded to a municipality by the United States is subject to a
10 requirement that the Federal Government, through a schedule
11 established by the Secretary of the Interior, determine that
12 the property is being maintained for public historic
13 preservation, park, or recreational purposes and if those
14 conditions are not met the property will revert back to the
15 Federal Government, then such property shall be deemed to
16 serve a municipal or public purpose. The term "governmental
17 purpose" also includes a direct use of property on federal
18 lands in connection with the Federal Government's Space
19 Exploration Program. Real property and tangible personal
20 property owned by the Federal Government and used for defense
21 and space exploration purposes or which is put to a use in
22 support thereof shall be deemed to perform an essential
23 national governmental purpose and shall be exempt. "Owned by
24 the lessee" as used in this chapter does not include personal
25 property, buildings, or other real property improvements used
26 for the administration, operation, business offices and
27 activities related specifically thereto in connection with the
28 conduct of an aircraft full service fixed based operation
29 which provides goods and services to the general aviation
30 public in the promotion of air commerce provided that the real
31 property is designated as an aviation area on an airport

1 layout plan approved by the Federal Aviation Administration.
2 For purposes of determination of "ownership," buildings and
3 other real property improvements which will revert to the
4 airport authority or other governmental unit upon expiration
5 of the term of the lease shall be deemed "owned" by the
6 governmental unit and not the lessee. Providing
7 telecommunications services to the public for hire does not
8 constitute an exempt use for purposes of s. 196.199.

9 Section 4. Subsection (1) of section 199.183, Florida
10 Statutes, 1996 Supplement, is amended to read:

11 199.183 Taxpayers exempt from annual and nonrecurring
12 taxes.--

13 (1) Intangible personal property owned by this state
14 or any of its political subdivisions or municipalities shall
15 be exempt from taxation under this chapter. This exemption
16 shall not apply to any leasehold or other interest which is
17 described in s. 199.023(1)(d), nor shall the exemption apply
18 to any telecommunications-service-related property when such
19 service is provided to the public for hire by the state, a
20 county, a municipality, or other political subdivision of the
21 state.

22 Section 5. Subsection (6) of section 212.08, Florida
23 Statutes, 1996 Supplement, is amended to read:

24 212.08 Sales, rental, use, consumption, distribution,
25 and storage tax; specified exemptions.--The sale at retail,
26 the rental, the use, the consumption, the distribution, and
27 the storage to be used or consumed in this state of the
28 following are hereby specifically exempt from the tax imposed
29 by this part.

30 (6) EXEMPTIONS; POLITICAL SUBDIVISIONS.--There are
31 also exempt from the tax imposed by this chapter sales made to

1 the United States Government, a state, or any county,
2 municipality, or political subdivision of a state when payment
3 is made directly to the dealer by the governmental entity.
4 This exemption shall not inure to any transaction otherwise
5 taxable under this chapter when payment is made by a
6 government employee by any means, including, but not limited
7 to, cash, check, or credit card when that employee is
8 subsequently reimbursed by the governmental entity. This
9 exemption does not include sales of tangible personal property
10 made to contractors employed either directly or as agents of
11 any such government or political subdivision thereof when such
12 tangible personal property goes into or becomes a part of
13 public works owned by such government or political subdivision
14 thereof. This exemption does not include sales, rental, use,
15 consumption, or storage for use in any political subdivision
16 or municipality in this state of machines and equipment and
17 parts and accessories therefor used in the generation,
18 transmission, or distribution of electrical energy by systems
19 owned and operated by a political subdivision in this state
20 for transmission or distribution expansion. Likewise exempt
21 are charges for services rendered by radio and television
22 stations, including line charges, talent fees, or license fees
23 and charges for films, videotapes, and transcriptions used in
24 producing radio or television broadcasts. This exemption does
25 not include telecommunications services otherwise subject to
26 the imposition of any tax under this chapter when provided to
27 the public for hire by any county, municipality, or other
28 political subdivision of the state.

29 Section 6. Sections 3, 4, and 5 of this act shall not
30 apply to the operator of a public-use airport as defined by s.
31 332.004(14), Florida Statutes, for the operator's provision of

1 telecommunications services for the airport or tenants,
2 concessionaires, or licensees of the airport nor shall such
3 sections apply to public hospital authorities.
4 Section 7. This act shall take effect October 1, 1997.
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31