

By the Committees on Finance & Taxation, 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; creating  
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          providing an exception; providing for future  
12          expiration of the exception; amending s.  
13          199.183, F.S.; providing that telecommunication  
14          services provided to the public by a county,  
15          municipality, or other political subdivision  
16          are not exempt from intangible personal  
17          property taxes; amending s. 212.08, F.S.;  
18          providing that telecommunication services  
19          provided to the public by a county,  
20          municipality, or other political subdivision  
21          are not exempt from sales or use taxes;  
22          providing exceptions; providing an effective  
23          date.

24  
25 Be It Enacted by the Legislature of the State of Florida:

26  
27           Section 1. Section 125.421, Florida Statutes, is  
28           created to read:

29           125.421 Telecommunications services and operations.--A  
30           county or other entity of local government may obtain or hold  
31           a certificate to provide or resell to the public for hire any

1 telecommunications services which are subject to chapter 364,  
2 only if the county or other entity of local government:  
3 (1) Separately accounts for the revenues, expenses,  
4 property, and source of investment dollars associated with the  
5 provisions of such services.  
6 (2) Is subject, without exemption, to all local  
7 requirements applicable to telecommunications companies.  
8 (3) Notwithstanding any other provision of law, pays  
9 ad valorem taxes or fees in amounts equal thereto to any  
10 taxing jurisdiction in which the county or other entity of  
11 local government operates.  
12  
13 This section shall not apply to the provision of  
14 telecommunications services for internal operational needs of  
15 a county or other entity of local government. This section  
16 shall not apply to the provisions of internal information  
17 services, including, but not limited to, tax records,  
18 engineering records, and property records, by a county or  
19 other entity of local government to the general public for a  
20 fee.  
21 Section 2. Section 166.047, Florida Statutes, is  
22 created to read:  
23 166.047 Telecommunications services and operations.--A  
24 municipality or other entity of local government may obtain or  
25 hold a certificate to provide or resell to the public for hire  
26 any telecommunications services which are subject to chapter  
27 364, only if the municipality or other entity of local  
28 government:  
29 (1) Separately accounts for the revenues, expenses,  
30 property, and source of investment dollars associated with the  
31 provisions of such services.

1           (2) Is subject, without exemption, to all local  
2 requirements applicable to telecommunications companies.

3           (3) Notwithstanding any other provision of law, pays  
4 ad valorem taxes or fees in amounts equal thereto to any  
5 taxing jurisdiction in which the municipality or other entity  
6 of local government operates.

7  
8 This section shall not apply to the provision of  
9 telecommunications services for internal operational needs of  
10 a municipality or other entity or local government. This  
11 section shall not apply to the provisions of internal  
12 information services, including, but not limited to, tax  
13 records, engineering records, and property records, by a  
14 municipality or other entity of local government to the  
15 general public for a fee.

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

18           196.012 Definitions.--For the purpose of this chapter,  
19 the following terms are defined as follows, except where the  
20 context clearly indicates otherwise:

21           (6) Governmental, municipal, or public purpose or  
22 function shall be deemed to be served or performed when the  
23 lessee under any leasehold interest created in property of the  
24 United States, the state or any of its political subdivisions,  
25 or any municipality, agency, authority, or other public body  
26 corporate of the state is demonstrated to perform a function  
27 or serve a governmental purpose which could properly be  
28 performed or served by an appropriate governmental unit or  
29 which is demonstrated to perform a function or serve a purpose  
30 which would otherwise be a valid subject for the allocation of  
31 public funds. For purposes of the preceding sentence, an

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

1 national governmental purpose and shall be exempt. "Owned by  
2 the lessee" as used in this chapter does not include personal  
3 property, buildings, or other real property improvements used  
4 for the administration, operation, business offices and  
5 activities related specifically thereto in connection with the  
6 conduct of an aircraft full service fixed based operation  
7 which provides goods and services to the general aviation  
8 public in the promotion of air commerce provided that the real  
9 property is designated as an aviation area on an airport  
10 layout plan approved by the Federal Aviation Administration.  
11 For purposes of determination of "ownership," buildings and  
12 other real property improvements which will revert to the  
13 airport authority or other governmental unit upon expiration  
14 of the term of the lease shall be deemed "owned" by the  
15 governmental unit and not the lessee. Providing  
16 telecommunications services to the public for hire does not  
17 constitute an exempt use for purposes of s. 196.199, however,  
18 property which is being used to provide such services on or  
19 before October 1, 1997, shall remain exempt but such exemption  
20 shall expire October 1, 2004.

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

23 199.183 Taxpayers exempt from annual and nonrecurring  
24 taxes.--

25 (1) Intangible personal property owned by this state  
26 or any of its political subdivisions or municipalities shall  
27 be exempt from taxation under this chapter. This exemption  
28 shall not apply to any leasehold or other interest which is  
29 described in s. 199.023(1)(d), nor shall the exemption apply  
30 to any telecommunications-service-related property when such  
31 service is provided to the public for hire by the state, a

1 county, a municipality, or other political subdivision of the  
2 state.

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

5 212.08 Sales, rental, use, consumption, distribution,  
6 and storage tax; specified exemptions.--The sale at retail,  
7 the rental, the use, the consumption, the distribution, and  
8 the storage to be used or consumed in this state of the  
9 following are hereby specifically exempt from the tax imposed  
10 by this part.

11 (6) EXEMPTIONS; POLITICAL SUBDIVISIONS.--There are  
12 also exempt from the tax imposed by this chapter sales made to  
13 the United States Government, a state, or any county,  
14 municipality, or political subdivision of a state when payment  
15 is made directly to the dealer by the governmental entity.  
16 This exemption shall not inure to any transaction otherwise  
17 taxable under this chapter when payment is made by a  
18 government employee by any means, including, but not limited  
19 to, cash, check, or credit card when that employee is  
20 subsequently reimbursed by the governmental entity. This  
21 exemption does not include sales of tangible personal property  
22 made to contractors employed either directly or as agents of  
23 any such government or political subdivision thereof when such  
24 tangible personal property goes into or becomes a part of  
25 public works owned by such government or political subdivision  
26 thereof. This exemption does not include sales, rental, use,  
27 consumption, or storage for use in any political subdivision  
28 or municipality in this state of machines and equipment and  
29 parts and accessories therefor used in the generation,  
30 transmission, or distribution of electrical energy by systems  
31 owned and operated by a political subdivision in this state

1 for transmission or distribution expansion. Likewise exempt  
2 are charges for services rendered by radio and television  
3 stations, including line charges, talent fees, or license fees  
4 and charges for films, videotapes, and transcriptions used in  
5 producing radio or television broadcasts. This exemption does  
6 not include sales, rental, use, consumption, or storage for  
7 use in any political subdivision or municipality in this state  
8 or machines and equipment and parts and accessories therefor  
9 used in providing telecommunication services to the public for  
10 hire by systems owned and operated by any county,  
11 municipality, or other political subdivision of the state.

12 Section 6. Sections 3, 4, and 5 of this act shall not  
13 apply to the operator of a public-use airport as defined by s.  
14 332.004(14), Florida Statutes, for the operator's provision of  
15 telecommunications services for the airport or tenants,  
16 concessionaires, or licensees of the airport nor shall such  
17 sections apply to public hospital authorities.

18 Section 7. This act shall take effect October 1, 1997.  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31