

By Representative Tamargo

1                                   A bill to be entitled  
2           An act relating to the tax on sales, use, and  
3           other transactions; amending s. 212.08, F.S.;  
4           providing an exemption for consumer credit  
5           counseling services; providing an effective  
6           date.

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

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10           Section 1. Paragraph (o) of subsection (7) of section  
11 212.08, Florida Statutes, is amended to read:

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

18           (7) MISCELLANEOUS EXEMPTIONS.--

19           (o) Religious, charitable, scientific, educational,  
20 and veterans' institutions and organizations.--

21           1. There are exempt from the tax imposed by this  
22 chapter transactions involving:

23           a. Sales or leases directly to churches or sales or  
24 leases of tangible personal property by churches;

25           b. Sales or leases to nonprofit religious, nonprofit  
26 charitable, nonprofit scientific, or nonprofit educational  
27 institutions when used in carrying on their customary  
28 nonprofit religious, nonprofit charitable, nonprofit  
29 scientific, or nonprofit educational activities, including  
30 church cemeteries; and

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1           c. Sales or leases to the state headquarters of  
2 qualified veterans' organizations and the state headquarters  
3 of their auxiliaries when used in carrying on their customary  
4 veterans' organization activities. If a qualified veterans'  
5 organization or its auxiliary does not maintain a permanent  
6 state headquarters, then transactions involving sales or  
7 leases to such organization and used to maintain the office of  
8 the highest ranking state official are exempt from the tax  
9 imposed by this chapter.

10           2. The provisions of this section authorizing  
11 exemptions from tax shall be strictly defined, limited, and  
12 applied in each category as follows:

13           a. "Religious institutions" means churches,  
14 synagogues, and established physical places for worship at  
15 which nonprofit religious services and activities are  
16 regularly conducted and carried on. The term "religious  
17 institutions" includes nonprofit corporations the sole purpose  
18 of which is to provide free transportation services to church  
19 members, their families, and other church attendees. The term  
20 "religious institutions" also includes state, district, or  
21 other governing or administrative offices the function of  
22 which is to assist or regulate the customary activities of  
23 religious organizations or members. The term "religious  
24 institutions" also includes any nonprofit corporation which is  
25 qualified as nonprofit pursuant to s. 501(c)(3), Internal  
26 Revenue Code of 1986, as amended, which owns and operates a  
27 Florida television station, at least 90 percent of the  
28 programming of which station consists of programs of a  
29 religious nature, and the financial support for which,  
30 exclusive of receipts for broadcasting from other nonprofit  
31 organizations, is predominantly from contributions from the

1 general public. The term "religious institutions" also  
2 includes any nonprofit corporation which is qualified as  
3 nonprofit pursuant to s. 501(c)(3), Internal Revenue Code of  
4 1986, as amended, which provides regular religious services to  
5 Florida state prisoners and which from its own established  
6 physical place of worship, operates a ministry providing  
7 worship and services of a charitable nature to the community  
8 on a weekly basis.

9           b. "Charitable institutions" means only nonprofit  
10 corporations qualified as nonprofit pursuant to s. 501(c)(3),  
11 Internal Revenue Code of 1954, as amended, and other nonprofit  
12 entities, the sole or primary function of which is to provide,  
13 or to raise funds for organizations which provide, one or more  
14 of the following services if a reasonable percentage of such  
15 service is provided free of charge, or at a substantially  
16 reduced cost, to persons, animals, or organizations that are  
17 unable to pay for such service:

18           (I) Medical aid for the relief of disease, injury, or  
19 disability;

20           (II) Regular provision of physical necessities such as  
21 food, clothing, or shelter;

22           (III) Services for the prevention of or rehabilitation  
23 of persons from alcoholism or drug abuse; the prevention of  
24 suicide; or the alleviation of mental, physical, or sensory  
25 health problems;

26           (IV) Social welfare services including adoption  
27 placement, child care, community care for the elderly,  
28 consumer credit counseling, and other social welfare services  
29 which clearly and substantially benefit a client population  
30 which is disadvantaged or suffers a hardship;

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1           (V) Medical research for the relief of disease,  
2 injury, or disability;  
3           (VI) Legal services; or  
4           (VII) Food, shelter, or medical care for animals or  
5 adoption services, cruelty investigations, or education  
6 programs concerning animals;  
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8 and the term includes groups providing volunteer staff to  
9 organizations designated as charitable institutions under this  
10 sub-subparagraph; nonprofit organizations the sole or primary  
11 purpose of which is to coordinate, network, or link other  
12 institutions designated as charitable institutions under this  
13 sub-subparagraph with those persons, animals, or organizations  
14 in need of their services; and nonprofit national, state,  
15 district, or other governing, coordinating, or administrative  
16 organizations the sole or primary purpose of which is to  
17 represent or regulate the customary activities of other  
18 institutions designated as charitable institutions under this  
19 sub-subparagraph. Notwithstanding any other requirement of  
20 this section, any blood bank that relies solely upon volunteer  
21 donations of blood and tissue, that is licensed under chapter  
22 483, and that qualifies as tax exempt under s. 501(c)(3) of  
23 the Internal Revenue Code constitutes a charitable institution  
24 and is exempt from the tax imposed by this chapter. Sales to a  
25 health system, qualified as nonprofit pursuant to s.  
26 501(c)(3), Internal Revenue Code of 1986, as amended, which  
27 filed an application for exemption with the department prior  
28 to April 5, 1997, and which application is subsequently  
29 approved, shall be exempt as to any unpaid taxes on purchases  
30 made from January 1, 1994, to June 1, 1997.  
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1           c. "Scientific organizations" means scientific  
2 organizations which hold current exemptions from federal  
3 income tax under s. 501(c)(3) of the Internal Revenue Code and  
4 also means organizations the purpose of which is to protect  
5 air and water quality or the purpose of which is to protect  
6 wildlife and which hold current exemptions from the federal  
7 income tax under s. 501(c)(3) of the Internal Revenue Code.

8           d. "Educational institutions" means state  
9 tax-supported or parochial, church and nonprofit private  
10 schools, colleges, or universities which conduct regular  
11 classes and courses of study required for accreditation by, or  
12 membership in, the Southern Association of Colleges and  
13 Schools, the Department of Education, the Florida Council of  
14 Independent Schools, or the Florida Association of Christian  
15 Colleges and Schools, Inc., or nonprofit private schools which  
16 conduct regular classes and courses of study accepted for  
17 continuing education credit by a Board of the Division of  
18 Medical Quality Assurance of the Department of Business and  
19 Professional Regulation or which conduct regular classes and  
20 courses of study accepted for continuing education credit by  
21 the American Medical Association. Nonprofit libraries, art  
22 galleries, performing arts centers that provide educational  
23 programs to school children, which programs involve  
24 performances or other educational activities at the performing  
25 arts center and serve a minimum of 50,000 school children a  
26 year, and museums open to the public are defined as  
27 educational institutions and are eligible for exemption. The  
28 term "educational institutions" includes private nonprofit  
29 organizations the purpose of which is to raise funds for  
30 schools teaching grades kindergarten through high school,  
31 colleges, and universities. The term "educational

1 institutions" includes any nonprofit newspaper of free or paid  
2 circulation primarily on university or college campuses which  
3 holds a current exemption from federal income tax under s.  
4 501(c)(3) of the Internal Revenue Code, and any educational  
5 television or radio network or system established pursuant to  
6 s. 229.805 or s. 229.8051 and any nonprofit television or  
7 radio station which is a part of such network or system and  
8 which holds a current exemption from federal income tax under  
9 s. 501(c)(3) of the Internal Revenue Code. The term  
10 "educational institutions" also includes state, district, or  
11 other governing or administrative offices the function of  
12 which is to assist or regulate the customary activities of  
13 educational organizations or members. The term "educational  
14 institutions" also includes a nonprofit educational cable  
15 consortium which holds a current exemption from federal income  
16 tax under s. 501(c)(3) of the Internal Revenue Code of 1986,  
17 as amended, whose primary purpose is the delivery of  
18 educational and instructional cable television programming and  
19 whose members are composed exclusively of educational  
20 organizations which hold a valid consumer certificate of  
21 exemption and which are either an educational institution as  
22 defined in this sub-subparagraph, or qualified as a nonprofit  
23 organization pursuant to s. 501(c)(3) of the Internal Revenue  
24 Code of 1986, as amended.

25 e. "Veterans' organizations" means nationally  
26 chartered or recognized veterans' organizations, including,  
27 but not limited to, Florida chapters of the Paralyzed Veterans  
28 of America, Catholic War Veterans of the U.S.A., Jewish War  
29 Veterans of the U.S.A., and the Disabled American Veterans,  
30 Department of Florida, Inc., which hold current exemptions  
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1 from federal income tax under s. 501(c)(4) or (19) of the  
2 Internal Revenue Code.

3 Section 2. This act shall take effect upon becoming a  
4 law.

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7 SENATE SUMMARY

8 Provides an exemption from the tax on sales, use, and  
9 other transactions for consumer credit counseling  
services.

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