

By the Committees on General Government Appropriations,
Finance & Taxation and Representatives Starks and Crist

1 A bill to be entitled
2 An act relating to administration of revenue
3 laws; amending s. 192.001, F.S.; restricting
4 applicability of the definition of "computer
5 software" for purposes of imposing ad valorem
6 taxes; amending s. 199.052, F.S.; requiring
7 banks and financial organizations filing annual
8 intangible personal property tax returns for
9 their customers to file information using
10 machine-sensible media; amending s. 212.0515,
11 F.S.; eliminating the requirement that persons
12 selling food or beverages to operators for
13 resale through vending machines report to the
14 Department of Revenue quarterly; amending s.
15 212.054, F.S.; removing provisions which
16 specify when a dealer outside a county which
17 adopts or revises a discretionary sales surtax
18 who makes sales within that county must begin
19 to collect the surtax; prescribing the
20 effective date of an increase or decrease in
21 the rate of any discretionary sales surtax and
22 revising the termination date; providing
23 requirements with respect to notice to the
24 department by a county or school board
25 imposing, terminating, revising, or proposing
26 to impose, terminate, or revise, a surtax, and
27 specifying effect of failure to provide notice;
28 amending s. 212.055, F.S.; removing provisions
29 which allow a nonuniform effective date for the
30 local government infrastructure surtax, small
31 county surtax, indigent care surtax, small

1 county indigent care surtax, and school capital
2 outlay surtax; amending s. 125.2801, F.S.;
3 correcting a reference; amending ss. 212.097
4 and 212.098, F.S.; redefining "new business"
5 for purposes of the urban high-crime area job
6 tax credit and the rural job tax credit;
7 amending s. 212.11, F.S.; providing
8 requirements relating to sales tax returns
9 filed through electronic data interchange;
10 amending s. 212.12, F.S.; revising provisions
11 relating to the dealer's credit for collecting
12 sales tax; specifying that the credit is also
13 for the filing of timely returns; authorizing
14 the department to deny, rather than reduce, the
15 credit if an incomplete return is filed;
16 revising the definition of "incomplete return";
17 amending s. 212.17, F.S.; providing that the
18 department shall prescribe the format for
19 filing returns through electronic data
20 interchange and specifying that failure to use
21 the format does not relieve a dealer from the
22 payment of tax; amending s. 213.755, F.S.;
23 defining "payment" and "return" for purposes of
24 revenue laws administered by the department;
25 amending s. 213.053, F.S., relating to
26 confidentiality of information obtained by the
27 department and sharing of such information;
28 revising provisions relating to applicability
29 of said section; amending s. 213.0535, F.S.;
30 revising provisions relating to frequency of
31 exchange of information by certain participants

1 in the Registration Information Sharing and
2 Exchange Program; amending s. 213.21, F.S.;
3 revising provisions that authorize the
4 department to delegate to the executive
5 director authority to approve a settlement or
6 compromise of tax liability, to increase the
7 limit on the amount of tax reduction with
8 respect to which such delegation may be made;
9 specifying a time period for which the
10 department may settle and compromise tax and
11 interest due when a taxpayer voluntarily
12 self-discloses a tax liability and authorizing
13 further settlement and compromise under certain
14 circumstances; amending s. 213.28, F.S.;
15 revising qualifications of certified public
16 accountants contracting with the department to
17 perform audits; amending s. 213.67, F.S.;
18 providing that a person who receives a notice
19 to withhold with respect to property of a
20 delinquent taxpayer and who disposes of such
21 property during the effective period of the
22 notice is liable for the taxpayer's
23 indebtedness under certain circumstances;
24 providing that such notice remains in effect
25 while a taxpayer's contest of an intended levy
26 is pending; providing that a financial
27 institution receiving such notice has a right
28 of setoff for certain debit card transactions;
29 requiring persons who receive such notice to
30 notify the department of assets of the
31 delinquent taxpayer subsequently coming into

1 their possession and prohibiting disposal of
2 such assets; specifying that a notice of levy
3 to such persons be by registered mail;
4 authorizing the department to bring an action
5 to compel compliance with notices issued under
6 said section; amending s. 220.03, F.S.;
7 updating references to the Internal Revenue
8 Code for corporate income tax purposes;
9 amending s. 220.02, F.S.; providing legislative
10 intent regarding taxation of a "qualified
11 subchapter S subsidiary"; amending s. 220.22,
12 F.S.; requiring certain returns by such
13 subsidiaries; providing retroactive
14 application; providing effective dates.

15
16 Be It Enacted by the Legislature of the State of Florida:

17
18 Section 1. Effective upon this act becoming a law,
19 subsection (19) of section 192.001, Florida Statutes, is
20 amended to read:

21 192.001 Definitions.--All definitions set out in
22 chapters 1 and 200 that are applicable to this part are
23 included herein. In addition, the following definitions shall
24 apply in the imposition of ad valorem taxes:

25 (19) "Computer software" means any information,
26 program, or routine, or any set of one or more programs,
27 routines, or collections of information used or intended for
28 use to convey information or to cause one or more computers or
29 pieces of computer-related peripheral equipment, or any
30 combination thereof, to perform a task or set of tasks.

31 Without limiting the generality of the definition provided in

1 this subsection, the term includes operating and applications
2 programs and all related documentation. Computer software does
3 not include embedded software that resides permanently in the
4 internal memory of a computer or computer-related peripheral
5 equipment and that is not removable without terminating the
6 operation of the computer or equipment. Computer software
7 constitutes personal property only to the extent of the value
8 of the unmounted or uninstalled medium on or in which the
9 information, program, or routine is stored or transmitted,
10 and, after installation or mounting by any person, computer
11 software does not increase the value of the computer or
12 computer-related peripheral equipment, or any combination
13 thereof. Notwithstanding any other provision of law, this
14 subsection applies to the 1997 and subsequent tax rolls and to
15 any assessment in an administrative or judicial action pending
16 on July 1, 1997.

17 Section 2. Subsection (15) is added to section
18 199.052, Florida Statutes, to read:

19 199.052 Annual tax returns; payment of annual tax.--

20 (15) All banks and financial organizations filing
21 annual intangible tax returns for their customers shall file
22 return information for taxes due January 1, 1999, and
23 thereafter using machine-sensible media. The information
24 required by this subsection must be reported by banks or
25 financial organizations on machine-sensible media, using
26 specifications and instructions of the department. A bank or
27 financial organization that demonstrates to the satisfaction
28 of the department that a hardship exists is not required to
29 file intangible tax returns for its customers using
30 machine-sensible media. The department shall adopt rules
31 necessary to administer this subsection.

1 Section 3. Subsection (5) of section 212.0515, Florida
2 Statutes, is amended to read:

3 212.0515 Sales from vending machines; ~~sales to vending~~
4 ~~machine operators~~; special provisions; registration; ~~quarterly~~
5 ~~reports~~; penalties.--

6 ~~(5)(a) Any person who sells food or beverages to an~~
7 ~~operator for resale through vending machines shall submit to~~
8 ~~the department on or before the 20th day of the month~~
9 ~~following the close of each calendar quarter a report which~~
10 ~~identifies by dealer registration number each operator~~
11 ~~described in paragraph (b) who has purchased such items from~~
12 ~~said person and states the net dollar amount of purchases made~~
13 ~~by each operator from said person. In addition, the report~~
14 ~~shall also include the purchaser's name, dealer registration~~
15 ~~number, and sales price for any tax-free sale for resale of~~
16 ~~canned soft drinks of 25 cases or more.~~

17 (a)(b) Each operator who purchases food or beverages
18 for resale in vending machines shall annually provide to the
19 dealer from whom the items are purchased a certificate on a
20 form prescribed and issued by the department. The certificate
21 must affirmatively state that the purchaser is a vending
22 machine operator. The certificate shall initially be provided
23 upon the first transaction between the parties and by November
24 1 of each year thereafter.

25 ~~(b)(c) A penalty of \$250 is imposed on any person who~~
26 ~~is required to file the quarterly report required by this~~
27 ~~subsection who fails to do so or who files false information.~~
28 A penalty of \$250 is imposed on any operator who fails to
29 comply with the requirements of this subsection or who
30 provides the dealer with false information. Penalties accrue
31 interest as provided for delinquent taxes under this chapter

1 and apply in addition to all other applicable taxes, interest,
2 and penalties.

3 ~~(d) The department is authorized to adopt rules~~
4 ~~regarding the form in which the quarterly report required by~~
5 ~~this subsection is to be submitted, which form may include~~
6 ~~magnetic tape or other means of electronic transmission.~~

7 Section 4. Section 212.054, Florida Statutes, is
8 amended to read:

9 212.054 Discretionary sales surtax; limitations,
10 administration, and collection.--

11 (1) No general excise tax on sales shall be levied by
12 the governing body of any county unless specifically
13 authorized in s. 212.055. Any general excise tax on sales
14 authorized pursuant to said section shall be administered and
15 collected exclusively as provided in this section.

16 (2)(a) The tax imposed by the governing body of any
17 county authorized to so levy pursuant to s. 212.055 shall be a
18 discretionary surtax on all transactions occurring in the
19 county which transactions are subject to the state tax imposed
20 on sales, use, services, rentals, admissions, and other
21 transactions by this chapter. The surtax, if levied, shall be
22 computed as the applicable rate or rates authorized pursuant
23 to s. 212.055 times the amount of taxable sales and taxable
24 purchases representing such transactions. If the surtax is
25 levied on the sale of an item of tangible personal property or
26 on the sale of a service, the surtax shall be computed by
27 multiplying the rate imposed by the county within which the
28 sale occurs by the amount of the taxable sale. The sale of an
29 item of tangible personal property or the sale of a service is
30 not subject to the surtax if the property, the service, or the
31 tangible personal property representing the service is

1 delivered within a county that does not impose a discretionary
2 sales surtax.

3 (b) However:

4 1. The tax on any sales amount above \$5,000 on any
5 item of tangible personal property and on long-distance
6 telephone service shall not be subject to the surtax. For
7 purposes of administering the \$5,000 limitation on an item of
8 tangible personal property, if two or more taxable items of
9 tangible personal property are sold to the same purchaser at
10 the same time and, under generally accepted business practice
11 or industry standards or usage, are normally sold in bulk or
12 are items that, when assembled, comprise a working unit or
13 part of a working unit, such items must be considered a single
14 item for purposes of the \$5,000 limitation when supported by a
15 charge ticket, sales slip, invoice, or other tangible evidence
16 of a single sale or rental. The limitation provided in this
17 subparagraph does not apply to the sale of any other service.

18 2. In the case of utility, telecommunication, or
19 television system program services billed on or after the
20 effective date of any such surtax, the entire amount of the
21 tax for utility, telecommunication, or television system
22 program services shall be subject to the surtax. In the case
23 of utility, telecommunication, or television system program
24 services billed after the last day the surtax is in effect,
25 the entire amount of the tax on said items shall not be
26 subject to the surtax.

27 3. In the case of written contracts which are signed
28 prior to the effective date of any such surtax for the
29 construction of improvements to real property or for
30 remodeling of existing structures, the surtax shall be paid by
31 the contractor responsible for the performance of the

1 contract. However, the contractor may apply for one refund of
2 any such surtax paid on materials necessary for the completion
3 of the contract. Any application for refund shall be made no
4 later than 15 months following initial imposition of the
5 surtax in that county. The application for refund shall be in
6 the manner prescribed by the department by rule. A complete
7 application shall include proof of the written contract and of
8 payment of the surtax. The application shall contain a sworn
9 statement, signed by the applicant or its representative,
10 attesting to the validity of the application. The department
11 shall, within 30 days after approval of a complete
12 application, certify to the county information necessary for
13 issuance of a refund to the applicant. Counties are hereby
14 authorized to issue refunds for this purpose and shall set
15 aside from the proceeds of the surtax a sum sufficient to pay
16 any refund lawfully due. Any person who fraudulently obtains
17 or attempts to obtain a refund pursuant to this subparagraph,
18 in addition to being liable for repayment of any refund
19 fraudulently obtained plus a mandatory penalty of 100 percent
20 of the refund, is guilty of a felony of the third degree,
21 punishable as provided in s. 775.082, s. 775.083, or s.
22 775.084.

23 (3) For the purpose of this section, a transaction
24 shall be deemed to have occurred in a county imposing the
25 surtax when:

26 (a)1. The sale includes an item of tangible personal
27 property, a service, or tangible personal property
28 representing a service, and the item of tangible personal
29 property, the service, or the tangible personal property
30 representing the service is delivered within the county. If
31 there is no reasonable evidence of delivery of a service, the

1 sale of a service is deemed to occur in the county in which
2 the purchaser accepts the bill of sale.

3 ~~2. However, a dealer selling tangible personal~~
4 ~~property, or delivering a service or tangible personal~~
5 ~~property representing a service, into a county which, before~~
6 ~~November 9 of any year, adopts or revises any surtax~~
7 ~~authorized in s. 212.055, from outside such a county, is not~~
8 ~~required to collect the surtax at the new or revised rate on~~
9 ~~such transaction until February 1 of the year following the~~
10 ~~year of the adoption or revision of the surtax. However, if~~
11 ~~the surtax is adopted or revised between November 9 and~~
12 ~~December 31 of any year, such dealer is not required to~~
13 ~~collect such surtax at the new or revised rate until February~~
14 ~~1 of the year after the subsequent year. The department shall~~
15 ~~notify all dealers of all surtax rates in effect on November 9~~
16 ~~no later than February 1 of the subsequent year.~~

17 2.3. The sale of any motor vehicle or mobile home of a
18 class or type which is required to be registered in this state
19 or in any other state shall be deemed to have occurred only in
20 the county identified as the residence address of the
21 purchaser on the registration or title document for such
22 property.

23 (b) The event for which an admission is charged is
24 located in the county.

25 (c) The consumer of utility or television system
26 program services is located in the county, or the
27 telecommunication services are provided to a location within
28 the county.

29 (d)1. The user of any aircraft or boat of a class or
30 type which is required to be registered, licensed, titled, or
31 documented in this state or by the United States Government

1 imported into the county for use, consumption, distribution,
2 or storage to be used or consumed in the county is located in
3 the county.

4 2. However, it shall be presumed that such items used
5 outside the county for 6 months or longer before being
6 imported into the county were not purchased for use in the
7 county, except as provided in s. 212.06(8)(b).

8 3. This paragraph does not apply to the use or
9 consumption of items upon which a like tax of equal or greater
10 amount has been lawfully imposed and paid outside the county.

11 (e) The purchaser of any motor vehicle or mobile home
12 of a class or type which is required to be registered in this
13 state is a resident of the taxing county as determined by the
14 address appearing on or to be reflected on the registration
15 document for such property.

16 (f)1. Any motor vehicle or mobile home of a class or
17 type which is required to be registered in this state is
18 imported from another state into the taxing county by a user
19 residing therein for the purpose of use, consumption,
20 distribution, or storage in the taxing county.

21 2. However, it shall be presumed that such items used
22 outside the taxing county for 6 months or longer before being
23 imported into the county were not purchased for use in the
24 county.

25 (g) The real property which is leased or rented is
26 located in the county.

27 (h) The transient rental transaction occurs in the
28 county.

29 (i) The delivery of any aircraft or boat of a class or
30 type which is required to be registered, licensed, titled, or
31 documented in this state or by the United States Government is

1 to a location in the county. However, this paragraph does not
2 apply to the use or consumption of items upon which a like tax
3 of equal or greater amount has been lawfully imposed and paid
4 outside the county.

5 (j) The dealer owing a use tax on purchases or leases
6 is located in the county.

7 (k) The delivery of tangible personal property other
8 than that described in paragraph (d), paragraph (e), or
9 paragraph (f) is made to a location outside the county, but
10 the property is brought into the county within 6 months after
11 delivery, in which event, the owner must pay the surtax as a
12 use tax.

13 (l) The coin-operated amusement or vending machine is
14 located in the county.

15 (m) The florist taking the original order to sell
16 tangible personal property is located in the county,
17 notwithstanding any other provision of this section.

18 (4)(a) The department shall administer, collect, and
19 enforce the tax authorized under s. 212.055 pursuant to the
20 same procedures used in the administration, collection, and
21 enforcement of the general state sales tax imposed under the
22 provisions of this chapter, except as provided in this
23 section. The provisions of this chapter regarding interest
24 and penalties on delinquent taxes shall apply to the surtax.
25 Discretionary sales surtaxes shall not be included in the
26 computation of estimated taxes pursuant to s. 212.11.
27 Notwithstanding any other provision of law, a dealer need not
28 separately state the amount of the surtax on the charge
29 ticket, sales slip, invoice, or other tangible evidence of
30 sale. For the purposes of this section and s. 212.055, the
31 "proceeds" of any surtax means all funds collected and

1 received by the department pursuant to a specific
2 authorization and levy under s. 212.055, including any
3 interest and penalties on delinquent surtaxes.

4 (b) The proceeds of a discretionary sales surtax
5 collected by the selling dealer located in a county which
6 imposes the surtax shall be returned, less the cost of
7 administration, to the county where the selling dealer is
8 located. The proceeds shall be transferred to the
9 Discretionary Sales Surtax Clearing Trust Fund. A separate
10 account shall be established in such trust fund for each
11 county imposing a discretionary surtax. The amount deducted
12 for the costs of administration shall not exceed 3 percent of
13 the total revenue generated for all counties levying a surtax
14 authorized in s. 212.055. The amount deducted for the costs
15 of administration shall be used only for those costs which are
16 solely and directly attributable to the surtax. The total
17 cost of administration shall be prorated among those counties
18 levying the surtax on the basis of the amount collected for a
19 particular county to the total amount collected for all
20 counties. No later than March 1 of each year, the department
21 shall submit a written report which details the expenses and
22 amounts deducted for the costs of administration to the
23 President of the Senate, the Speaker of the House of
24 Representatives, and the governing authority of each county
25 levying a surtax. The department shall distribute the moneys
26 in the trust fund each month to the appropriate counties,
27 unless otherwise provided in s. 212.055.

28 (c)1. Any dealer located in a county that does not
29 impose a discretionary sales surtax but who collects the
30 surtax due to sales of tangible personal property or services
31 delivered outside the county shall remit monthly the proceeds

1 of the surtax to the department to be deposited into an
2 account in the Discretionary Sales Surtax Clearing Trust Fund
3 which is separate from the county surtax collection accounts.
4 The department shall distribute funds in this account using a
5 distribution factor determined for each county that levies a
6 surtax and multiplied by the amount of funds in the account
7 and available for distribution. The distribution factor for
8 each county equals the product of:
9 a. The county's latest official population determined
10 pursuant to s. 186.901;
11 b. The county's rate of surtax; and
12 c. The number of months the county has levied a surtax
13 during the most recent distribution period;
14
15 divided by the sum of all such products of the counties
16 levying the surtax during the most recent distribution period.
17 2. The department shall compute distribution factors
18 for eligible counties once each quarter and make appropriate
19 quarterly distributions.
20 3. A county that fails to timely provide the
21 information required by this section to the department
22 authorizes the department, by such action, to use the best
23 information available to it in distributing surtax revenues to
24 the county. If this information is unavailable to the
25 department, the department may partially or entirely
26 disqualify the county from receiving surtax revenues under
27 this paragraph. A county that fails to provide timely
28 information waives its right to challenge the department's
29 determination of the county's share, if any, of revenues
30 provided under this paragraph.
31

1 (5) No discretionary sales surtax or increase or
2 decrease in the rate of any discretionary sales surtax shall
3 take effect on a date other than January 1. No discretionary
4 sales surtax shall terminate on a day other than December 31
5 ~~the last day of a calendar quarter.~~

6 (6) The governing body of any county levying a
7 discretionary sales surtax shall enact an ordinance levying
8 the surtax in accordance with the procedures described in s.
9 125.66(2) ~~and shall notify the department within 10 days after~~
10 ~~adoption of the ordinance. The notice shall include the time~~
11 ~~period during which the surtax will be in effect, the rate, a~~
12 ~~copy of the ordinance, and such other information as the~~
13 ~~department may prescribe by rule. Notification and final~~
14 ~~adoption of the surtax shall occur no later than 45 days prior~~
15 ~~to initial imposition of the surtax.~~

16 (7)(a) The governing body of any county levying a
17 discretionary sales surtax or the school board of any county
18 levying the school capital outlay surtax authorized by s.
19 212.055(7) shall notify the department within 10 days after
20 final adoption by ordinance or referendum of an imposition,
21 termination, or rate change of the surtax, but no later than
22 November 16 prior to the effective date of the surtax. The
23 notice must specify the time period during which the surtax
24 will be in effect and the rate and must include a copy of the
25 ordinance and such other information as the department
26 requires by rule. Failure to timely provide such notification
27 to the department shall result in the delay of the effective
28 date of the surtax for a period of 1 year.

29 (b) In addition to the notification required by
30 paragraph (a), the governing body of any county proposing to
31 levy a discretionary sales surtax or the school board of any

1 county proposing to levy the school capital outlay surtax
2 authorized by s. 212.055(7) shall notify the department by
3 October 1 if the referendum or consideration of the ordinance
4 that would result in imposition, termination, or rate change
5 of the surtax is scheduled to occur on or after October 1 of
6 that year. Failure to timely provide such notification to the
7 department shall result in the delay of the effective date of
8 the surtax for a period of 1 year.

9 ~~(8)(7)~~ With respect to any motor vehicle or mobile
10 home of a class or type which is required to be registered in
11 this state, the tax due on a transaction occurring in the
12 taxing county as herein provided shall be collected from the
13 purchaser or user incident to the titling and registration of
14 such property, irrespective of whether such titling or
15 registration occurs in the taxing county.

16 Section 5. Section 212.055, Florida Statutes, as
17 amended by chapter 97-384, Laws of Florida, is amended to
18 read:

19 212.055 Discretionary sales surtaxes; legislative
20 intent; authorization and use of proceeds.--It is the
21 legislative intent that any authorization for imposition of a
22 discretionary sales surtax shall be published in the Florida
23 Statutes as a subsection of this section, irrespective of the
24 duration of the levy. Each enactment shall specify the types
25 of counties authorized to levy; the rate or rates which may be
26 imposed; the maximum length of time the surtax may be imposed,
27 if any; the procedure which must be followed to secure voter
28 approval, if required; the purpose for which the proceeds may
29 be expended; and such other requirements as the Legislature
30 may provide. Taxable transactions and administrative
31 procedures shall be as provided in s. 212.054.

- 1 (1) CHARTER COUNTY TRANSIT SYSTEM SURTAX.--
- 2 (a) Each charter county which adopted a charter prior
- 3 to June 1, 1976, and each county the government of which is
- 4 consolidated with that of one or more municipalities, may levy
- 5 a discretionary sales surtax, subject to approval by a
- 6 majority vote of the electorate of the county or by a charter
- 7 amendment approved by a majority vote of the electorate of the
- 8 county.
- 9 (b) The rate shall be up to 1 percent.
- 10 (c) The proposal to adopt a discretionary sales surtax
- 11 as provided in this subsection and to create a trust fund
- 12 within the county accounts shall be placed on the ballot in
- 13 accordance with law at a time to be set at the discretion of
- 14 the governing body.
- 15 (d) Proceeds from the surtax shall be:
- 16 1. Deposited by the county in the trust fund and shall
- 17 be used only for the purposes of development, construction,
- 18 equipment, maintenance, operation, supportive services,
- 19 including a countywide bus system, and related costs of a
- 20 fixed guideway rapid transit system;
- 21 2. Remitted by the governing body of the county to an
- 22 expressway or transportation authority created by law to be
- 23 used, at the discretion of such authority, for the
- 24 development, construction, operation, or maintenance of roads
- 25 or bridges in the county, for the operation and maintenance of
- 26 a bus system, or for the payment of principal and interest on
- 27 existing bonds issued for the construction of such roads or
- 28 bridges, and, upon approval by the county commission, such
- 29 proceeds may be pledged for bonds issued to refinance existing
- 30 bonds or new bonds issued for the construction of such roads
- 31 or bridges; or

1 3. For each county, as defined in s. 125.011(1), used
2 for the development, construction, operation, or maintenance
3 of roads and bridges in the county; for the expansion,
4 operation, and maintenance of an existing bus system; or for
5 the payment of principal and interest on existing bonds issued
6 for the construction of fixed guideway rapid transit systems,
7 roads, or bridges; and such proceeds may be pledged by the
8 governing body of the county for bonds issued to refinance
9 existing bonds or new bonds issued for the construction of
10 such fixed guideway rapid transit systems, roads, or bridges.

11 (2) LOCAL GOVERNMENT INFRASTRUCTURE SURTAX.--

12 (a)1. The governing authority in each county may levy
13 a discretionary sales surtax of 0.5 percent or 1 percent. The
14 levy of the surtax shall be pursuant to ordinance enacted by a
15 majority of the members of the county governing authority and
16 approved by a majority of the electors of the county voting in
17 a referendum on the surtax. If the governing bodies of the
18 municipalities representing a majority of the county's
19 population adopt uniform resolutions establishing the rate of
20 the surtax and calling for a referendum on the surtax, the
21 levy of the surtax shall be placed on the ballot and shall
22 take effect if approved by a majority of the electors of the
23 county voting in the referendum on the surtax.

24 2. If the surtax was levied pursuant to a referendum
25 held before July 1, 1993, the surtax may not be levied beyond
26 the time established in the ordinance, or, if the ordinance
27 did not limit the period of the levy, the surtax may not be
28 levied for more than 15 years. The levy of such surtax may be
29 extended only by approval of a majority of the electors of the
30 county voting in a referendum on the surtax.

31

1 (b) A statement which includes a brief general
2 description of the projects to be funded by the surtax and
3 which conforms to the requirements of s. 101.161 shall be
4 placed on the ballot by the governing authority of any county
5 which enacts an ordinance calling for a referendum on the levy
6 of the surtax or in which the governing bodies of the
7 municipalities representing a majority of the county's
8 population adopt uniform resolutions calling for a referendum
9 on the surtax. The following question shall be placed on the
10 ballot:

11
12 FOR the -cent sales tax
13 AGAINST the -cent sales tax
14

15 (c) Pursuant to s. 212.054(4), the proceeds of the
16 surtax levied under this subsection shall be distributed to
17 the county and the municipalities within such county in which
18 the surtax was collected, according to:

19 1. An interlocal agreement between the county
20 governing authority and the governing bodies of the
21 municipalities representing a majority of the county's
22 municipal population, which agreement may include a school
23 district with the consent of the county governing authority
24 and the governing bodies of the municipalities representing a
25 majority of the county's municipal population; or

26 2. If there is no interlocal agreement, according to
27 the formula provided in s. 218.62.
28

29 Any change in the distribution formula must take effect on the
30 first day of any month that begins at least 60 days after
31

1 written notification of that change has been made to the
2 department.

3 (d)1. The proceeds of the surtax authorized by this
4 subsection and any interest accrued thereto shall be expended
5 by the school district or within the county and municipalities
6 within the county, or, in the case of a negotiated joint
7 county agreement, within another county, to finance, plan, and
8 construct infrastructure and to acquire land for public
9 recreation or conservation or protection of natural resources
10 and to finance the closure of county-owned or municipally
11 owned solid waste landfills that are already closed or are
12 required to close by order of the Department of Environmental
13 Protection. Any use of such proceeds or interest for purposes
14 of landfill closure prior to July 1, 1993, is ratified.
15 Neither the proceeds nor any interest accrued thereto shall be
16 used for operational expenses of any infrastructure, except
17 that any county with a population of less than 50,000 that is
18 required to close a landfill by order of the Department of
19 Environmental Protection may use the proceeds or any interest
20 accrued thereto for long-term maintenance costs associated
21 with landfill closure. Counties, as defined in s. 125.011(1),
22 may, in addition, use the proceeds to retire or service
23 indebtedness incurred for bonds issued prior to July 1, 1987,
24 for infrastructure purposes.

25 2. For the purposes of this paragraph,
26 "infrastructure" means:

27 a. Any fixed capital expenditure or fixed capital
28 outlay associated with the construction, reconstruction, or
29 improvement of public facilities which have a life expectancy
30 of 5 or more years and any land acquisition, land improvement,
31 design, and engineering costs related thereto.

1 b. A fire department vehicle, an emergency medical
2 service vehicle, a sheriff's office vehicle, a police
3 department vehicle, or any other vehicle, and such equipment
4 necessary to outfit the vehicle for its official use or
5 equipment that has a life expectancy of at least 5 years.

6 (e) School districts, counties, and municipalities
7 receiving proceeds under the provisions of this subsection may
8 pledge such proceeds for the purpose of servicing new bond
9 indebtedness incurred pursuant to law. Local governments may
10 use the services of the Division of Bond Finance of the State
11 Board of Administration pursuant to the State Bond Act to
12 issue any bonds through the provisions of this subsection. In
13 no case may a jurisdiction issue bonds pursuant to this
14 subsection more frequently than once per year. Counties and
15 municipalities may join together for the issuance of bonds
16 authorized by this subsection.

17 (f) Counties and municipalities shall not use the
18 surtax proceeds to supplant or replace user fees or to reduce
19 ad valorem taxes existing prior to the levy of the surtax
20 authorized by this subsection.

21 ~~(g) Notwithstanding s. 212.054(5), the surtax must~~
22 ~~take effect on the first day of a month, as fixed by the~~
23 ~~ordinance adopted pursuant to paragraph (a), and may not take~~
24 ~~effect until at least 60 days after the date that the~~
25 ~~referendum approving the levy is held.~~

26 (g)(h)1. Notwithstanding paragraph (d), a county that
27 has a population of 50,000 or less on April 1, 1992, or any
28 county designated as an area of critical state concern on the
29 effective date of this act, and that imposed the surtax before
30 July 1, 1992, may use the proceeds and interest of the surtax
31 for any public purpose if:

1 a. The debt service obligations for any year are met;
2 b. The county's comprehensive plan has been determined
3 to be in compliance with part II of chapter 163; and
4 c. The county has adopted an amendment to the surtax
5 ordinance pursuant to the procedure provided in s. 125.66
6 authorizing additional uses of the surtax proceeds and
7 interest.

8 2. A municipality located within a county that has a
9 population of 50,000 or less on April 1, 1992, or within a
10 county designated as an area of critical state concern on the
11 effective date of this act, and that imposed the surtax before
12 July 1, 1992, may not use the proceeds and interest of the
13 surtax for any purpose other than an infrastructure purpose
14 authorized in paragraph (d) unless the municipality's
15 comprehensive plan has been determined to be in compliance
16 with part II of chapter 163 and the municipality has adopted
17 an amendment to its surtax ordinance or resolution pursuant to
18 the procedure provided in s. 166.041 authorizing additional
19 uses of the surtax proceeds and interest. Such municipality
20 may expend the surtax proceeds and interest for any public
21 purpose authorized in the amendment.

22 3. Those counties designated as an area of critical
23 state concern which qualify to use the surtax for any public
24 purpose may use only up to 10 percent of the surtax proceeds
25 for any public purpose other than for infrastructure purposes
26 authorized by this section.

27 (h)~~(i)~~ Notwithstanding paragraph (d), a county in
28 which 40 percent or more of the just value of real property is
29 exempt or immune from ad valorem taxation, and the
30 municipalities within such a county, may use the proceeds and
31 interest of the surtax for operation and maintenance of parks

1 and recreation programs and facilities established with the
2 proceeds of the surtax.

3 (i)~~(j)~~ Notwithstanding any other provision of this
4 section, a county shall not levy local option sales surtaxes
5 authorized in this subsection and subsections (3), (4), (5),
6 and (6) in excess of a combined rate of 1 percent.

7 (3) SMALL COUNTY SURTAX.--

8 (a) The governing authority in each county that has a
9 population of 50,000 or less on April 1, 1992, may levy a
10 discretionary sales surtax of 0.5 percent or 1 percent. The
11 levy of the surtax shall be pursuant to ordinance enacted by
12 an extraordinary vote of the members of the county governing
13 authority if the surtax revenues are expended for operating
14 purposes. If the surtax revenues are expended for the purpose
15 of servicing bond indebtedness, the surtax shall be approved
16 by a majority of the electors of the county voting in a
17 referendum on the surtax.

18 (b) A statement that includes a brief general
19 description of the projects to be funded by the surtax and
20 conforms to the requirements of s. 101.161 shall be placed on
21 the ballot by the governing authority of any county that
22 enacts an ordinance calling for a referendum on the levy of
23 the surtax for the purpose of servicing bond indebtedness.
24 The following question shall be placed on the ballot:

25
26 FOR the -cent sales tax
27 AGAINST the -cent sales tax
28

29 (c) Pursuant to s. 212.054(4), the proceeds of the
30 surtax levied under this subsection shall be distributed to
31

1 the county and the municipalities within the county in which
2 the surtax was collected, according to:

3 1. An interlocal agreement between the county
4 governing authority and the governing bodies of the
5 municipalities representing a majority of the county's
6 municipal population, which agreement may include a school
7 district with the consent of the county governing authority
8 and the governing bodies of the municipalities representing a
9 majority of the county's municipal population; or

10 2. If there is no interlocal agreement, according to
11 the formula provided in s. 218.62.

12
13 Any change in the distribution formula shall take effect on
14 the first day of any month that begins at least 60 days after
15 written notification of that change has been made to the
16 department.

17 (d)1. If the surtax is levied pursuant to a
18 referendum, the proceeds of the surtax and any interest
19 accrued thereto may be expended by the school district or
20 within the county and municipalities within the county, or, in
21 the case of a negotiated joint county agreement, within
22 another county, for the purpose of servicing bond indebtedness
23 to finance, plan, and construct infrastructure and to acquire
24 land for public recreation or conservation or protection of
25 natural resources. However, if the surtax is levied pursuant
26 to an ordinance approved by an extraordinary vote of the
27 members of the county governing authority, the proceeds and
28 any interest accrued thereto may be used for operational
29 expenses of any infrastructure or for any public purpose
30 authorized in the ordinance under which the surtax is levied.

31

1 2. For the purposes of this paragraph,
2 "infrastructure" means any fixed capital expenditure or fixed
3 capital costs associated with the construction,
4 reconstruction, or improvement of public facilities that have
5 a life expectancy of 5 or more years and any land acquisition,
6 land improvement, design, and engineering costs related
7 thereto.

8 (e) A school district, county, or municipality that
9 receives proceeds under this subsection following a referendum
10 may pledge the proceeds for the purpose of servicing new bond
11 indebtedness incurred pursuant to law. Local governments may
12 use the services of the Division of Bond Finance pursuant to
13 the State Bond Act to issue any bonds through the provisions
14 of this subsection. A jurisdiction may not issue bonds
15 pursuant to this subsection more frequently than once per
16 year. A county and municipality may join together to issue
17 bonds authorized by this subsection.

18 ~~(f) Notwithstanding s. 212.054(5), the surtax shall~~
19 ~~take effect on the first day of a month, as fixed by the~~
20 ~~ordinance adopted pursuant to paragraph (a). A surtax levied~~
21 ~~pursuant to a referendum shall not take effect until at least~~
22 ~~60 days after the date that the referendum approving the levy~~
23 ~~is held.~~

24 (f)~~(g)~~ Notwithstanding any other provision of this
25 section, a county shall not levy local option sales surtaxes
26 authorized in this subsection and subsections (2), (4), (5),
27 and (6) in excess of a combined rate of 1 percent.

28 (4) INDIGENT CARE SURTAX.--

29 (a) The governing body in each county the government
30 of which is not consolidated with that of one or more
31 municipalities, which has a population of at least 800,000

1 residents and is not authorized to levy a surtax under
2 subsection (5) or subsection (6), may levy, pursuant to an
3 ordinance either approved by an extraordinary vote of the
4 governing body or conditioned to take effect only upon
5 approval by a majority vote of the electors of the county
6 voting in a referendum, a discretionary sales surtax at a rate
7 that may not exceed 0.5 percent.

8 (b) If the ordinance is conditioned on a referendum, a
9 statement that includes a brief and general description of the
10 purposes to be funded by the surtax and that conforms to the
11 requirements of s. 101.161 shall be placed on the ballot by
12 the governing body of the county. The following questions
13 shall be placed on the ballot:

14
15 FOR THE . . . CENTS TAX
16 AGAINST THE . . . CENTS TAX
17

18 ~~(c) Notwithstanding s. 212.054(5), the sales surtax~~
19 ~~may take effect on the first day of any month, as fixed by the~~
20 ~~ordinance adopted pursuant to paragraph (a), but may not take~~
21 ~~effect until at least 60 days after the date of adoption of~~
22 ~~the ordinance adopted pursuant to paragraph (a) or, if the~~
23 ~~surtax is made subject to a referendum, at least 60 days after~~
24 ~~the date of approval by the electors of the ordinance adopted~~
25 ~~pursuant to paragraph (a).~~

26 (c)~~(d)~~ The ordinance adopted by the governing body
27 providing for the imposition of the surtax shall set forth a
28 plan for providing health care services to qualified
29 residents, as defined in paragraph (d)~~(e)~~. Such plan and
30 subsequent amendments to it shall fund a broad range of health
31 care services for both indigent persons and the medically

1 poor, including, but not limited to, primary care and
2 preventive care as well as hospital care. It shall emphasize
3 a continuity of care in the most cost-effective setting,
4 taking into consideration both a high quality of care and
5 geographic access. Where consistent with these objectives, it
6 shall include, without limitation, services rendered by
7 physicians, clinics, community hospitals, mental health
8 centers, and alternative delivery sites, as well as at least
9 one regional referral hospital where appropriate. It shall
10 provide that agreements negotiated between the county and
11 providers will include reimbursement methodologies that take
12 into account the cost of services rendered to eligible
13 patients, recognize hospitals that render a disproportionate
14 share of indigent care, provide other incentives to promote
15 the delivery of charity care, and require cost containment
16 including, but not limited to, case management. It must also
17 provide that any hospitals that are owned and operated by
18 government entities on May 21, 1991, must, as a condition of
19 receiving funds under this subsection, afford public access
20 equal to that provided under s. 286.011 as to meetings of the
21 governing board, the subject of which is budgeting resources
22 for the rendition of charity care as that term is defined in
23 the Florida Hospital Uniform Reporting System (FHURS) manual
24 referenced in s. 408.07. The plan shall also include
25 innovative health care programs that provide cost-effective
26 alternatives to traditional methods of service delivery and
27 funding.

28 (d)~~(e)~~ For the purpose of this subsection, the term
29 "qualified resident" means residents of the authorizing county
30 who are:

31

- 1 1. Qualified as indigent persons as certified by the
2 authorizing county;
- 3 2. Certified by the authorizing county as meeting the
4 definition of the medically poor, defined as persons having
5 insufficient income, resources, and assets to provide the
6 needed medical care without using resources required to meet
7 basic needs for shelter, food, clothing, and personal
8 expenses; or not being eligible for any other state or federal
9 program, or having medical needs that are not covered by any
10 such program; or having insufficient third-party insurance
11 coverage. In all cases, the authorizing county is intended to
12 serve as the payor of last resort; or
- 13 3. Participating in innovative, cost-effective
14 programs approved by the authorizing county.
- 15 ~~(e)(f)~~ Moneys collected pursuant to this subsection
16 remain the property of the state and shall be distributed by
17 the Department of Revenue on a regular and periodic basis to
18 the clerk of the circuit court as ex officio custodian of the
19 funds of the authorizing county. The clerk of the circuit
20 court shall:
- 21 1. Maintain the moneys in an indigent health care
22 trust fund;
- 23 2. Invest any funds held on deposit in the trust fund
24 pursuant to general law; and
- 25 3. Disburse the funds, including any interest earned,
26 to any provider of health care services, as provided in
27 paragraphs ~~(c)(d)~~ and ~~(d)(e)~~, upon directive from the
28 authorizing county.
- 29 ~~(f)(g)~~ Notwithstanding any other provision of this
30 section, a county shall not levy local option sales surtaxes
31

1 authorized in this subsection and subsections (2) and (3) in
2 excess of a combined rate of 1 percent.
3 (g)~~(h)~~ This subsection expires October 1, 2005.
4 (5) COUNTY PUBLIC HOSPITAL SURTAX.--Any county as
5 defined in s. 125.011(1) may levy the surtax authorized in
6 this subsection pursuant to an ordinance either approved by
7 extraordinary vote of the county commission or conditioned to
8 take effect only upon approval by a majority vote of the
9 electors of the county voting in a referendum. In a county as
10 defined in s. 125.011(1), for the purposes of this subsection,
11 "county public general hospital" means a general hospital as
12 defined in s. 395.002 which is owned, operated, maintained, or
13 governed by the county or its agency, authority, or public
14 health trust.
15 (a) The rate shall be 0.5 percent.
16 (b) If the ordinance is conditioned on a referendum,
17 the proposal to adopt the county public hospital surtax shall
18 be placed on the ballot in accordance with law at a time to be
19 set at the discretion of the governing body. The referendum
20 question on the ballot shall include a brief general
21 description of the health care services to be funded by the
22 surtax.
23 (c) Proceeds from the surtax shall be:
24 1. Deposited by the county in a special fund, set
25 aside from other county funds, to be used only for the
26 operation, maintenance, and administration of the county
27 public general hospital; and
28 2. Remitted promptly by the county to the agency,
29 authority, or public health trust created by law which
30 administers or operates the county public general hospital.
31

1 (d) The county shall continue to contribute each year
2 at least 80 percent of that percentage of the total county
3 budget appropriated for the operation, administration, and
4 maintenance of the county public general hospital from the
5 county's general revenues in the fiscal year of the county
6 ending September 30, 1991.

7 (e) Notwithstanding any other provision of this
8 section, a county may not levy local option sales surtaxes
9 authorized in this subsection and subsections (2) and (3) in
10 excess of a combined rate of 1 percent.

11 (6) SMALL COUNTY INDIGENT CARE SURTAX.--

12 (a) The governing body in each county that has a
13 population of 50,000 or less on April 1, 1992, may levy,
14 pursuant to an ordinance approved by an extraordinary vote of
15 the governing body, a discretionary sales surtax at a rate of
16 0.5 percent. Any county that levies the surtax authorized by
17 this subsection shall continue to expend county funds for the
18 medically poor and related health services in an amount equal
19 to the amount that it expended for the medically poor and
20 related health services in the fiscal year preceding the
21 adoption of the authorizing ordinance.

22 ~~(b) Notwithstanding s. 212.054(5), the sales surtax~~
23 ~~may take effect on the first day of any month, as fixed by the~~
24 ~~ordinance adopted pursuant to paragraph (a), but may not take~~
25 ~~effect until at least 60 days after the date of adoption of~~
26 ~~the ordinance.~~

27 (b)(e) The ordinance adopted by the governing body
28 providing for the imposition of the surtax shall set forth a
29 brief plan for providing health care services to qualified
30 residents, as defined in paragraph (c) ~~(d)~~. Such plan and
31 subsequent amendments to it shall fund a broad range of health

1 care services for both indigent persons and the medically
2 poor, including, but not limited to, primary care and
3 preventive care as well as hospital care. It shall emphasize
4 a continuity of care in the most cost-effective setting,
5 taking into consideration both a high quality of care and
6 geographic access. Where consistent with these objectives, it
7 shall include, without limitation, services rendered by
8 physicians, clinics, community hospitals, mental health
9 centers, and alternative delivery sites, as well as at least
10 one regional referral hospital where appropriate. It shall
11 provide that agreements negotiated between the county and
12 providers will include reimbursement methodologies that take
13 into account the cost of services rendered to eligible
14 patients, recognize hospitals that render a disproportionate
15 share of indigent care, provide other incentives to promote
16 the delivery of charity care, and require cost containment
17 including, but not limited to, case management. It shall also
18 provide that any hospitals that are owned and operated by
19 government entities on May 21, 1991, must, as a condition of
20 receiving funds under this subsection, afford public access
21 equal to that provided under s. 286.011 as to meetings of the
22 governing board, the subject of which is budgeting resources
23 for the rendition of charity care as that term is defined in
24 the rules of the Health Care Cost Containment Board. The plan
25 shall also include innovative health care programs that
26 provide cost-effective alternatives to traditional methods of
27 service delivery and funding.

28 (c)~~(d)~~ For the purpose of this subsection, "qualified
29 resident" means residents of the authorizing county who are:

30 1. Qualified as indigent persons as certified by the
31 authorizing county;

1 2. Certified by the authorizing county as meeting the
2 definition of the medically poor, defined as persons having
3 insufficient income, resources, and assets to provide the
4 needed medical care without using resources required to meet
5 basic needs for shelter, food, clothing, and personal
6 expenses; or not being eligible for any other state or federal
7 program, or having medical needs that are not covered by any
8 such program; or having insufficient third-party insurance
9 coverage. In all cases, the authorizing county is intended to
10 serve as the payor of last resort; or

11 3. Participating in innovative, cost-effective
12 programs approved by the authorizing county.

13 (d)~~(e)~~ Moneys collected pursuant to this subsection
14 remain the property of the state and shall be distributed by
15 the Department of Revenue on a regular and periodic basis to
16 the clerk of the circuit court as ex officio custodian of the
17 funds of the authorizing county. The clerk of the circuit
18 court shall:

19 1. Maintain the moneys in an indigent health care
20 trust fund;

21 2. Invest any funds held on deposit in the trust fund
22 pursuant to general law; and

23 3. Disburse the funds, including any interest earned,
24 to any provider of health care services, as provided in
25 paragraphs (b)~~(e)~~ and (c)~~(d)~~, upon directive from the
26 authorizing county.

27 (e)~~(f)~~ Notwithstanding any other provision of this
28 section, a county shall not levy local option sales surtaxes
29 authorized in this subsection and subsections (2) and (3) in
30 excess of a combined rate of 1 percent.

31 (f)~~(g)~~ This subsection expires October 1, 1998.

1 (7) SCHOOL CAPITAL OUTLAY SURTAX.--
2 (a) The school board in each county may levy, pursuant
3 to resolution conditioned to take effect only upon approval by
4 a majority vote of the electors of the county voting in a
5 referendum, a discretionary sales surtax at a rate that may
6 not exceed 0.5 percent.

7 (b) The resolution shall include a statement that
8 provides a brief and general description of the school capital
9 outlay projects to be funded by the surtax. If applicable,
10 the resolution must state that the district school board has
11 been recognized by the State Board of Education as having a
12 Florida Frugal Schools Program. The statement shall conform to
13 the requirements of s. 101.161 and shall be placed on the
14 ballot by the governing body of the county. The following
15 question shall be placed on the ballot:

16
17 FOR THE CENTS TAX
18 AGAINST THE CENTS TAX
19

20 ~~(c) Notwithstanding s. 212.054(5), the sales surtax~~
21 ~~may take effect on the first day of any month, as fixed by the~~
22 ~~resolution adopted pursuant to paragraph (a), but may not take~~
23 ~~effect until at least 60 days after the date of approval by~~
24 ~~the electors of the resolution adopted pursuant to paragraph~~
25 ~~(a).~~

26 (c)~~(d)~~ The resolution providing for the imposition of
27 the surtax shall set forth a plan for use of the surtax
28 proceeds for fixed capital expenditures or fixed capital costs
29 associated with the construction, reconstruction, or
30 improvement of school facilities and campuses which have a
31 useful life expectancy of 5 or more years, and any land

1 acquisition, land improvement, design, and engineering costs
2 related thereto. Additionally, the plan shall include the
3 costs of retrofitting and providing for technology
4 implementation, including hardware and software, for the
5 various sites within the school district. Surtax revenues may
6 be used for the purpose of servicing bond indebtedness to
7 finance projects authorized by this subsection, and any
8 interest accrued thereto may be held in trust to finance such
9 projects. Neither the proceeds of the surtax nor any interest
10 accrued thereto shall be used for operational expenses. If the
11 district school board has been recognized by the State Board
12 of Education as having a Florida Frugal Schools Program, the
13 district's plan for use of the surtax proceeds must be
14 consistent with this subsection and with uses assured under
15 the Florida Frugal Schools Program.

16 (d)~~(e)~~ Any school board imposing the surtax shall
17 implement a freeze on noncapital local school property taxes,
18 at the millage rate imposed in the year prior to the
19 implementation of the surtax, for a period of at least 3 years
20 from the date of imposition of the surtax. This provision
21 shall not apply to existing debt service or required state
22 taxes.

23 (e)~~(f)~~ Surtax revenues collected by the Department of
24 Revenue pursuant to this subsection shall be distributed to
25 the school board imposing the surtax in accordance with law.

26 Section 6. Section 125.2801, Florida Statutes, is
27 amended to read:

28 125.2801 County qualification retention.--Once a
29 county qualifies for authorization to create a jury district
30 under s. 40.015(1), and once a county qualifies for small
31 county technical assistance pursuant to s. 163.05(3), and once

1 a county qualifies to be required to include optional elements
2 in their comprehensive plans pursuant to s. 163.3177(6)(i),
3 and once a county qualifies to enter into a written agreement
4 with the state land planning agency pursuant to s.
5 163.3191(12)(a), and once a county qualifies under s.
6 212.055(2)(d)1. to use local government infrastructure surtax
7 proceeds or any interest accrued thereto for long-term
8 maintenance costs associated with landfill closure, and once a
9 county qualifies under s. 212.055(2)(h)~~(j)~~ to use local
10 government infrastructure surtax proceeds and interest for
11 operation and maintenance of parks and recreation programs and
12 facilities established with proceeds of the surtax, and once a
13 county qualifies for reduction or waiver of permit processing
14 fees pursuant to s. 218.075, and once a county qualifies for
15 emergency distribution pursuant to s. 218.65, and once a
16 county qualifies for funds from the Emergency Management,
17 Preparedness, and Assistance Trust Fund pursuant to s.
18 252.373(3)(a), and once a county qualifies for priority State
19 Touring Program grants under s. 265.2861(1)(c), and once a
20 county qualifies under s. 403.706(4)(d) to provide its
21 residents with the opportunity to recycle, and once a county
22 qualifies for receipt of annual solid waste and recycling
23 grants pursuant to s. 403.7095(7)(a), the county shall retain
24 such qualification until it exceeds a population of 75,000.

25 Section 7. Paragraph (c) of subsection (2) of section
26 212.097, Florida Statutes, is amended to read:

27 212.097 Urban High-Crime Area Job Tax Credit
28 Program.--

29 (2) As used in this section, the term:

30 (c) "New business" means any eligible business first
31 beginning operation on a site in a qualified high-crime area

1 and clearly separate from any other commercial or business
2 operation of the business entity within a qualified high-crime
3 area. A business entity that operated an eligible business
4 within a qualified high-crime area within the 48 months before
5 the period provided for application by subsection (3) is date
6 ~~shall not be~~ considered a new business.

7 Section 8. Paragraph (d) of subsection (2) of section
8 212.098, Florida Statutes, is amended to read:

9 212.098 Rural Job Tax Credit Program.--

10 (2) As used in this section, the term:

11 (d) "New business" means any eligible business first
12 beginning operation on a site in a qualified county and
13 clearly separate from any other commercial or business
14 operation of the business entity within a qualified county. A
15 business entity that operated an eligible business within a
16 qualified county within the 48 months before the period
17 provided for application by subsection (3) is date ~~shall not~~
18 ~~be~~ considered a new business.

19 Section 9. Subsection (1) of section 212.11, Florida
20 Statutes, is amended to read:

21 212.11 Tax returns and regulations.--

22 (1)(a) Each dealer shall calculate his or her
23 estimated tax liability for any month by one of the following
24 methods:

25 1. Sixty-six percent of the current month's liability
26 pursuant to this part as shown on the tax return;

27 2. Sixty-six percent of the tax reported on the tax
28 return pursuant to this part by a dealer for the taxable
29 transactions occurring during the corresponding month of the
30 preceding calendar year; or
31

1 3. Sixty-six percent of the average tax liability
2 pursuant to this part for those months during the preceding
3 calendar year in which the dealer reported taxable
4 transactions.

5 (b) For the purpose of ascertaining the amount of tax
6 payable under this chapter, it shall be the duty of all
7 dealers to file ~~make~~ a return and remit the tax, on or before
8 the 20th day of the month, to the department, upon forms
9 prepared and furnished by it or in a format prescribed by it.
10 Such return must show, ~~showing~~ the rentals, admissions, gross
11 sales, or purchases, as the case may be, arising from all
12 leases, rentals, admissions, sales, or purchases taxable under
13 this chapter during the preceding calendar month.

14 (c) However, the department may require:

15 1. A quarterly return and payment when the tax
16 remitted by the dealer for the preceding four calendar
17 quarters did not exceed \$1,000.

18 2. A semiannual return and payment when the tax
19 remitted by the dealer for the preceding four calendar
20 quarters did not exceed \$500.

21 3. An annual return and payment when the tax remitted
22 by the dealer for the preceding four calendar quarters did not
23 exceed \$100.

24 4. A quarterly return and monthly payment when the tax
25 remitted by the dealer for the preceding four calendar
26 quarters exceeded \$1,000 but did not exceed \$12,000.

27 (d) The department may authorize dealers who are newly
28 required to file returns and pay tax quarterly to file returns
29 and remit the tax for the 3-month periods ending in February,
30 May, August, and November, and may authorize dealers who are
31 newly required to file returns and pay tax semiannually to

1 file returns and remit the tax for the 6-month periods ending
2 in May and November.

3 (e) The department shall accept returns, except those
4 required to be initiated through an electronic data
5 interchange, as timely if postmarked on or before the 20th day
6 of the month; if the 20th day falls on a Saturday, Sunday, or
7 federal or state legal holiday, returns shall be accepted as
8 timely if postmarked on the next succeeding workday. Any
9 dealer who operates two or more places of business for which
10 returns are required to be filed with the department and
11 maintains records for such places of business in a central
12 office or place shall have the privilege on each reporting
13 date of filing a consolidated return for all such places of
14 business in lieu of separate returns for each such place of
15 business; however, such consolidated returns must clearly
16 indicate the amounts collected within each county of the
17 state. Any dealer who files a consolidated return shall
18 calculate his or her estimated tax liability for each county
19 by the same method the dealer uses to calculate his or her
20 estimated tax liability on the consolidated return as a whole.
21 Each dealer shall file a return for each tax period even
22 though no tax is due for such period.

23 (f)1. A taxpayer who is required to remit taxes by
24 electronic funds transfer shall make a return in a manner ~~form~~
25 that is initiated through an electronic data interchange. The
26 acceptable method of transfer, the method, form, and content
27 of the electronic data interchange, giving due regard to
28 developing uniform standards for formats as adopted by the
29 American National Standards Institute, the circumstances under
30 which an electronic data interchange shall serve as a
31 substitute for the filing of another form of return, and the

1 means, if any, by which taxpayers will be provided with
2 acknowledgments, shall be as prescribed by the department. The
3 department must accept such returns as timely if initiated and
4 accepted on or before the 20th day of the month. If the 20th
5 day falls on a Saturday, Sunday, or federal or state legal
6 holiday, returns must be accepted as timely if initiated and
7 accepted on the next succeeding workday.

8 2. The department may waive the requirement to make a
9 return through an electronic data interchange due to problems
10 arising from the taxpayer's computer capabilities, data
11 systems changes, and taxpayer operating procedures. To obtain
12 a waiver, the taxpayer shall demonstrate in writing to the
13 department that such circumstances exist.

14 Section 10. Subsection (1) of section 212.12, Florida
15 Statutes, is amended to read:

16 212.12 Dealer's credit for collecting tax; penalties
17 for noncompliance; powers of Department of Revenue in dealing
18 with delinquents; brackets applicable to taxable transactions;
19 records required.--

20 (1) Notwithstanding any other provision of law and for
21 the purpose of compensating persons granting licenses for and
22 the lessors of real and personal property taxed hereunder, for
23 the purpose of compensating dealers in tangible personal
24 property, for the purpose of compensating dealers providing
25 communication services and taxable services, for the purpose
26 of compensating owners of places where admissions are
27 collected, and for the purpose of compensating remitters of
28 any taxes or fees reported on the same documents utilized for
29 the sales and use tax, as compensation for the keeping of
30 prescribed records, filing timely tax returns, and the proper
31 accounting and remitting of taxes by them, such seller,

1 person, lessor, dealer, owner, and remitter (except dealers
2 who make mail order sales) shall be allowed 2.5 percent of the
3 amount of the tax due and accounted for and remitted to the
4 department, in the form of a deduction in submitting his or
5 her report and paying the amount due by him or her; the
6 department shall allow such deduction of 2.5 percent of the
7 amount of the tax to the person paying the same for remitting
8 the tax and making of tax returns in the manner herein
9 provided, for paying the amount due to be paid by him or her,
10 and as further compensation to dealers in tangible personal
11 property for the keeping of prescribed records and for
12 collection of taxes and remitting the same. However, if the
13 amount of the tax due and remitted to the department for the
14 reporting period exceeds \$1,200, no allowance shall be allowed
15 for all amounts in excess of \$1,200. The executive director
16 of the department is authorized to negotiate a collection
17 allowance, pursuant to rules promulgated by the department,
18 with a dealer who makes mail order sales. The rules of the
19 department shall provide guidelines for establishing the
20 collection allowance based upon the dealer's estimated costs
21 of collecting the tax, the volume and value of the dealer's
22 mail order sales to purchasers in this state, and the
23 administrative and legal costs and likelihood of achieving
24 collection of the tax absent the cooperation of the dealer.
25 However, in no event shall the collection allowance negotiated
26 by the executive director exceed 10 percent of the tax
27 remitted for a reporting period.

28 (a) The collection allowance may not be granted, nor
29 may any deduction be permitted, if the required tax return or
30 tax is delinquent at the time of payment.

31

1 (b) The Department of Revenue may deny ~~reduce~~ the
2 collection allowance ~~by 10 percent or \$50, whichever is less,~~
3 if a taxpayer files an incomplete return.

4 1. An "incomplete return" is, for purposes of this
5 chapter, a return which is lacking such uniformity,
6 completeness, and arrangement that the physical handling,
7 verification, ~~or~~ review of the return, or determination of
8 other taxes and fees reported on the return may not be readily
9 accomplished.

10 2. The department shall adopt rules requiring such
11 information as it may deem necessary to ensure that the tax
12 levied hereunder is properly collected, reviewed, compiled,
13 reported,and enforced, including, but not limited to: the
14 amount of gross sales; the amount of taxable sales; the amount
15 of tax collected or due; the amount of lawful refunds,
16 deductions, or credits claimed; the amount claimed as the
17 dealer's collection allowance; the amount of penalty and
18 interest; the amount due with the return; and such other
19 information as the Department of Revenue may specify. The
20 department shall require that transient rentals and
21 agricultural equipment transactions be separately shown. ~~For~~
22 ~~returns remitted on or after February 1, 1992, the department~~
23 ~~shall also require that~~ Sales made through vending machines as
24 defined in s. 212.0515 must be separately shown on the return.
25 ~~For returns remitted on or after February 1, 1995,~~ Sales made
26 through coin-operated amusement machines as defined by s.
27 212.02 and the number of machines operated must be separately
28 shown on the return or on a form prescribed by the department.
29 If a separate form is required, the same penalties for late
30 filing, incomplete filing, or failure to file as provided for
31 the sales tax return shall apply to said form.

1 (c) The collection allowance and other credits or
2 deductions provided in this chapter shall be applied
3 proportionally to any taxes or fees reported on the same
4 documents used for the sales and use tax.

5 Section 11. Subsection (4) of section 212.17, Florida
6 Statutes, is amended to read:

7 212.17 Credits for returned goods, rentals, or
8 admissions; additional powers of department.--

9 (4)(a) The department shall design, prepare, print and
10 furnish to all dealers, except dealers filing through
11 electronic data interchange, or make available or prescribe to
12 the ~~said~~ dealers, all necessary forms for filing returns and
13 instructions to ensure a full collection from dealers and an
14 accounting for the taxes due, but failure of any dealer to
15 secure such forms ~~does shall~~ not relieve the ~~such~~ dealer from
16 the payment of the ~~said~~ tax at the time and in the manner
17 herein provided.

18 (b) The department shall prescribe the format and
19 instructions necessary for filing returns in a manner that is
20 initiated through an electronic data interchange to ensure a
21 full collection from dealers and an accounting for the taxes
22 due. The failure of any dealer to use such format does not
23 relieve the dealer from the payment of the tax at the time and
24 in the manner provided.

25 Section 12. Section 213.755, Florida Statutes, is
26 amended to read:

27 213.755 Payment of taxes by electronic funds
28 transfer.--

29 (1) The executive director of the Department of
30 Revenue shall have authority to require a taxpayer to remit
31 taxes by electronic funds transfer where the taxpayer,

1 including consolidated filers, is subject to tax and has paid
2 that tax in the prior state fiscal year in an amount of
3 \$50,000 or more.

4 (2) As used in any revenue law administered by the
5 department, the term:

6 (a) "Payment" means any payment or remittance required
7 to be made or paid within a prescribed period or on or before
8 a prescribed date under the authority of any provision of a
9 revenue law which the department has the responsibility for
10 regulating, controlling, and administering. The term does not
11 include any remittance unless the amount of the remittance is
12 actually received by the department.

13 (b) "Return" means any report, claim, statement,
14 notice, application, affidavit, or other document required to
15 be filed within a prescribed period or on or before a
16 prescribed date under the authority of any provision of a
17 revenue law which the department has the responsibility of
18 regulating, controlling, and administering.

19 (3) Solely for the purposes of administering this
20 section:

21 (a)~~(1)~~ Taxes levied under parts I and II of chapter
22 206 shall be considered a single tax.

23 (b)~~(2)~~ A person required to remit a tax acting as a
24 collection agent or dealer for the state shall nonetheless be
25 considered the taxpayer.

26 Section 13. Subsection (1) of section 213.053, Florida
27 Statutes, is amended to read:

28 213.053 Confidentiality and information sharing.--

29 (1) The provisions of this section apply to s.
30 125.0104, county government; s. 125.0108, tourist impact tax;
31 chapter 175, municipal firefighters' pension trust funds;

1 chapter 185, municipal police officers' retirement trust
2 funds; chapter 198, estate taxes; chapter 199, intangible
3 personal property taxes; chapter 201, excise tax on documents;
4 chapter 203, gross receipts taxes; chapter 211, tax on
5 severance and production of minerals; chapter 212, tax on
6 sales, use, and other transactions; chapter 220, income tax
7 code; chapter 221, emergency excise tax; s. 252.372, emergency
8 management, preparedness, and assistance surcharge; s.
9 370.07(3), Apalachicola Bay oyster surcharge; chapter 376,
10 pollutant spill prevention and control; s. 403.718, waste tire
11 fees; s. 403.7185, lead-acid battery fees; s. 403.7195, waste
12 newsprint disposal fees; ~~s. 403.7197, advance disposal fees~~;
13 s. 538.09, registration of secondhand dealers; s. 538.25,
14 registration of secondary metals recyclers; ss. 624.501 and
15 624.509-624.515 ~~ss. 624.509-624.514~~, insurance code+
16 ~~administration and general provisions~~; s. 681.117, motor
17 vehicle warranty enforcement; and s. 896.102, reports of
18 financial transactions in trade or business.

19 Section 14. Effective October 1, 1998, paragraph (a)
20 of subsection (4) of section 213.0535, Florida Statutes, is
21 amended to read:

22 213.0535 Registration Information Sharing and Exchange
23 Program.--

24 (4) There are two levels of participation:

25 (a) Each unit of state or local government responsible
26 for administering one or more of the provisions specified in
27 subparagraphs 1.-7. is a level-one participant. Level-one
28 participants shall exchange, monthly or quarterly, as
29 determined jointly by each participant and the department, the
30 data enumerated in subsection (2) for each new registrant, new
31

1 filer, or initial reporter, permittee, or licensee, with
2 respect to the following taxes, licenses, or permits:
3 1. The sales and use tax imposed under chapter 212.
4 2. The tourist development tax imposed under s.
5 125.0104.
6 3. The tourist impact tax imposed under s. 125.0108.
7 4. Local occupational license taxes imposed under
8 chapter 205.
9 5. Convention development taxes imposed under s.
10 212.0305.
11 6. Public lodging and food service establishment
12 licenses issued pursuant to chapter 509.
13 7. Beverage law licenses issued pursuant to chapter
14 561.
15 Section 15. Paragraph (a) of subsection (2) of section
16 213.21, Florida Statutes, is amended, and subsection (7) is
17 added to that section, to read:
18 213.21 Informal conferences; compromises.--
19 (2)(a) The executive director of the department or his
20 or her designee is authorized to enter into a written closing
21 agreement with any taxpayer settling or compromising the
22 taxpayer's liability for any tax, interest, or penalty
23 assessed under any of the chapters specified in s. 72.011(1).
24 When such a closing agreement has been approved by the
25 department and signed by the executive director or his or her
26 designee and the taxpayer, it shall be final and conclusive;
27 and, except upon a showing of fraud or misrepresentation of
28 material fact or except as to adjustments pursuant to ss.
29 198.16 and 220.23, no additional assessment may be made by the
30 department against the taxpayer for the tax, interest, or
31 penalty specified in the closing agreement for the time period

1 specified in the closing agreement, and the taxpayer shall not
2 be entitled to institute any judicial or administrative
3 proceeding to recover any tax, interest, or penalty paid
4 pursuant to the closing agreement. The department is
5 authorized to delegate to the executive director the authority
6 to approve any such closing agreement resulting in a tax
7 reduction of \$250,000~~\$100,000~~ or less.

8 (7)(a) When a taxpayer voluntarily self-discloses a
9 liability for tax to the department, the department may settle
10 and compromise the tax and interest due under the voluntary
11 self-disclosure to those amounts due for the 5 years
12 immediately preceding the date that the taxpayer initially
13 contacted the department concerning the voluntary
14 self-disclosure. For purposes of this paragraph, "years" means
15 tax years or calendar years, whichever is applicable to the
16 tax that is voluntarily self-disclosed. A voluntary
17 self-disclosure does not occur if the department has contacted
18 or informed the taxpayer that the department is inquiring into
19 the taxpayer's liability for tax or whether the taxpayer is
20 subject to tax in this state.

21 (b) The department may further settle and compromise
22 the tax and interest due under a voluntary self-disclosure
23 when the department is able to determine that such further
24 settlement and compromise is in the best interests of this
25 state. When making this determination the department shall
26 consider, but is not limited to, the following:

- 27 1. The amount of tax and interest that will be
28 collected and compromised under the voluntary self-disclosure;
29 2. The financial ability of the taxpayer and the
30 future outlook of the taxpayer's business and the industry
31 involved;

1 3. Whether the taxpayer has paid or will be paying
2 other taxes to the state;

3 4. The future voluntary compliance of the taxpayer;
4 and

5 5. Any other factor that the department considers
6 relevant to this determination.

7 (c) This subsection does not limit the department's
8 ability to enter into further settlement and compromise of the
9 liability that is voluntarily self-disclosed based on any
10 other provision of this section.

11 (d) This subsection does not apply to a voluntary
12 self-disclosure when the taxpayer collected, but failed to
13 remit, the tax to the state.

14 Section 16. Subsection (6) of section 213.28, Florida
15 Statutes, is amended to read:

16 213.28 Contracts with private auditors.--

17 (6) Certified public accountants entering into such
18 contracts must be in good standing under the laws of the state
19 in which they are licensed ~~and in which the work is performed.~~
20 They shall be bound by the same confidentiality requirements
21 and subject to the same penalties as the department under s.
22 213.053. Any return, return information, or documentation
23 obtained from the Internal Revenue Service under an
24 information-sharing agreement is confidential and exempt from
25 the provisions of s. 119.07(1) and s. 24(a), Art. I of the
26 State Constitution and shall not be divulged or disclosed in
27 any manner by an officer or employee of the department to any
28 certified public accountant under a contract authorized by
29 this section, unless the department and the Internal Revenue
30 Service mutually agree to such disclosure.

31

1 Section 17. Section 213.67, Florida Statutes, is
2 amended to read:
3 213.67 Garnishment.--
4 (1) If a person is delinquent in the payment of any
5 taxes, penalties, and interest owed to the department, the
6 executive director or his or her designee may give notice of
7 the amount of such delinquency by registered mail to all
8 persons having in their possession or under their control any
9 credits or personal property, exclusive of wages, belonging to
10 the delinquent taxpayer, or owing any debts to such delinquent
11 taxpayer at the time of receipt by them of such notice.
12 Thereafter, any person who has been notified may not transfer
13 or make any other disposition of such credits, other personal
14 property, or debts until the executive director or his or her
15 designee consents to a transfer or disposition or until 60
16 days after the receipt of such notice. If during the effective
17 period of the notice to withhold, any person so notified makes
18 any transfer or disposition of the property or debts required
19 to be withheld hereunder, he or she is liable to the state for
20 any indebtedness owed to the department by the person with
21 respect to whose obligation the notice was given to the extent
22 of the value of the property or the amount of the debts thus
23 transferred or paid if, solely by reason of such transfer or
24 disposition, the state is unable to recover the indebtedness
25 of the person with respect to whose obligation the notice was
26 given. If the delinquent taxpayer contests the intended levy
27 in circuit court or under chapter 120, the notice under this
28 section remains effective until final resolution of the
29 contest. Any financial institution receiving such notice shall
30 maintain a right of setoff for any transaction involving a
31 debit card occurring on or before the date of receipt of such

1 ~~notice. The notice provided for in this section may be renewed~~
2 ~~when the taxpayer contests the intended levy in circuit court~~
3 ~~or under chapter 120, pending the final resolution of that~~
4 ~~action.~~

5 (2) All persons who have been notified must, within 5
6 days after receipt of the notice, advise the executive
7 director or his or her designee of the credits, other personal
8 property, or debts in their possession, under their control,
9 or owing them, and must advise the executive director or his
10 or her designee within 5 days after coming into possession or
11 control of any subsequent credits, personal property, or debts
12 owed during the time prescribed by the notice. Any such person
13 coming into possession or control of such subsequent credits,
14 personal property, or debts may not transfer or dispose of
15 them during the time prescribed by the notice or before the
16 department consents to a transfer.

17 (3) During the last 30 days of the 60-day period set
18 forth in subsection (1), the executive director or his or her
19 designee may levy upon such credits, other personal property,
20 or debts. The levy must be accomplished by delivery of a
21 notice of levy by registered mail, upon receipt of which the
22 person possessing the credits, other personal property, or
23 debts shall transfer them to the department or pay to the
24 department the amount owed to the delinquent taxpayer.

25 (4) A notice that is delivered under this section is
26 effective at the time of delivery against all credits, other
27 personal property, or debts of the delinquent taxpayer which
28 are not at the time of such notice subject to an attachment,
29 garnishment, or execution issued through a judicial process.

30 (5) Any person acting in accordance with the terms of
31 the notice or levy issued by the executive director or his or

1 her designee is expressly discharged from any obligation or
2 liability to the delinquent taxpayer with respect to such
3 credits, other personal property, or debts of the delinquent
4 taxpayer affected by compliance with the notice of freeze or
5 levy.

6 (6)(a) Levy may be made under subsection (3) upon
7 credits, other personal property, or debt of any person with
8 respect to any unpaid tax, penalties, and interest only after
9 the executive director or his or her designee has notified
10 such person in writing of the intention to make such levy.

11 (b) No less than 30 days before the day of the levy,
12 the notice of intent to levy required under paragraph (a)
13 shall be given in person or sent by certified or registered
14 mail to the person's last known address.

15 (c) The notice required in paragraph (a) must include
16 a brief statement that sets forth in simple and nontechnical
17 terms:

18 1. The provisions of this section relating to levy and
19 sale of property;

20 2. The procedures applicable to the levy under this
21 section;

22 3. The administrative and judicial appeals available
23 to the taxpayer with respect to such levy and sale, and the
24 procedures relating to such appeals; and

25 4. The alternatives, if any, available to taxpayers
26 which could prevent levy on the property.

27 (7) A taxpayer may contest the notice of intent to
28 levy provided for under subsection (6) by filing an action in
29 circuit court. Alternatively, the taxpayer may file a petition
30 under the applicable provisions of chapter 120. After an
31 action has been initiated under chapter 120 to contest the

1 notice of intent to levy, an action relating to the same levy
2 may not be filed by the taxpayer in circuit court, and
3 judicial review is exclusively limited to appellate review
4 pursuant to s. 120.68. Also, after an action has been
5 initiated in circuit court, an action may not be brought under
6 chapter 120.

7 (8) An action may not be brought to contest a notice
8 of intent to levy under chapter 120 or in circuit court, later
9 than 21 days after the date of receipt of the notice of intent
10 to levy.

11 (9) The department shall provide notice to the
12 Comptroller, in electronic or other form specified by the
13 Comptroller, listing the taxpayers for which tax warrants are
14 outstanding. Pursuant to subsection (1), the Comptroller
15 shall, upon notice from the department, withhold all payments
16 to any person or business, as defined in s. 212.02, which
17 provides commodities or services to the state, leases real
18 property to the state, or constructs a public building or
19 public work for the state. The department may levy upon the
20 withheld payments in accordance with subsection (3). The
21 provisions of s. 215.422 do not apply from the date the notice
22 is filed with the Comptroller until the date the department
23 notifies the Comptroller of its consent to make payment to the
24 person or 60 days after receipt of the department's notice in
25 accordance with subsection (1), whichever occurs earlier.

26 (10) The department may bring an action in circuit
27 court for an order compelling compliance with any notice
28 issued under this section.

29 Section 18. (1) Paragraph (n) of subsection (1) and
30 paragraph (c) of subsection (2) of section 220.03, Florida
31 Statutes, are amended to read:

1 220.03 Definitions.--
2 (1) SPECIFIC TERMS.--When used in this code, and when
3 not otherwise distinctly expressed or manifestly incompatible
4 with the intent thereof, the following terms shall have the
5 following meanings:
6 (n) "Internal Revenue Code" means the United States
7 Internal Revenue Code of 1986, as amended and in effect on
8 January 1, 1998 ~~1997~~, except as provided in subsection (3).
9 (2) DEFINITIONAL RULES.--When used in this code and
10 neither otherwise distinctly expressed nor manifestly
11 incompatible with the intent thereof:
12 (c) Any term used in this code shall have the same
13 meaning as when used in a comparable context in the Internal
14 Revenue Code and other statutes of the United States relating
15 to federal income taxes, as such code and statutes are in
16 effect on January 1, 1998 ~~1997~~. However, if subsection (3) is
17 implemented, the meaning of any term shall be taken at the
18 time the term is applied under this code.
19 (2) This section shall take effect upon this act
20 becoming a law, and shall operate retroactively to January 1,
21 1998.
22 Section 19. (1) Subsection (11) is added to section
23 220.02, Florida Statutes, to read:
24 220.02 Legislative intent.--
25 (11) Notwithstanding any other provision in this
26 chapter, it is the intent of the Legislature that, except as
27 otherwise provided under the Internal Revenue Code, for
28 purposes of this chapter a "qualified subchapter S
29 subsidiary," as that term is defined in s. 1361(b)(3) of the
30 Internal Revenue Code, shall not be treated as a separate
31 corporation or entity from the S corporation parent to which

1 the subsidiary's assets, liabilities, income, deductions, and
2 credits are attributed under s. 1361(b)(3) thereof.

3 (2) This section shall take effect upon this act
4 becoming a law. The provisions of this section are intended to
5 clarify the intent of the Legislature under existing law and
6 are effective with respect to tax years beginning on or after
7 January 1, 1997.

8 Section 20. (1) Subsection (4) is added to section
9 220.22, Florida Statutes, to read:

10 220.22 Returns; filing requirement.--

11 (4) For the year in which an election is made pursuant
12 to s. 1361(b)(3) of the Internal Revenue Code, the qualified
13 subchapter S subsidiary shall file an informational return
14 with the department, which return shall be restricted to
15 information identifying the subsidiary, the electing S
16 corporation parent, and the effective date of the election.

17 (2) This section shall take effect upon this act
18 becoming a law. The provisions of this section are intended to
19 clarify the intent of the Legislature under existing law and
20 are effective with respect to tax years beginning on or after
21 January 1, 1997; however, no penalty shall be assessed for
22 failure to file the information return required by this
23 section if the return would have been due on or before the
24 date this act becomes a law.

25 Section 21. Except as otherwise provided herein, this
26 act shall take effect July 1 of the year in which enacted.

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