

By Senator Grant

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A bill to be entitled
An act relating to the tax on sales, use, and
other transactions; amending s. 212.08, F.S.;
providing an exemption for certain radio
stations and other organizations that conduct
religious activities; providing an effective
date.

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

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

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

(7) MISCELLANEOUS EXEMPTIONS.--

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

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

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

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

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 radio or television station, at least 90 percent of
28 the 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. The term "religious institutions" also
9 includes any nonprofit corporation that is qualified as
10 nonprofit pursuant to s. 501(c)(3), United States Internal
11 Revenue Code of 1986, as amended, the sole or primary function
12 of which is to provide, at any location, nonprofit religious
13 services, evangelistic services, religious education, or
14 missionary activities for, or in direct participation with,
15 one or more churches, synagogues, or established physical
16 places of worship at which nonprofit religious services and
17 activities are regularly conducted.

18 b. "Charitable institutions" means only nonprofit
19 corporations qualified as nonprofit pursuant to s. 501(c)(3),
20 Internal Revenue Code of 1954, as amended, and other nonprofit
21 entities, the sole or primary function of which is to provide,
22 or to raise funds for organizations which provide, one or more
23 of the following services if a reasonable percentage of such
24 service is provided free of charge, or at a substantially
25 reduced cost, to persons, animals, or organizations that are
26 unable to pay for such service:

27 (I) Medical aid for the relief of disease, injury, or
28 disability;

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

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1 (III) Services for the prevention of or rehabilitation
2 of persons from alcoholism or drug abuse; the prevention of
3 suicide; or the alleviation of mental, physical, or sensory
4 health problems;

5 (IV) Social welfare services including adoption
6 placement, child care, community care for the elderly, and
7 other social welfare services which clearly and substantially
8 benefit a client population which is disadvantaged or suffers
9 a hardship;

10 (V) Medical research for the relief of disease,
11 injury, or disability;

12 (VI) Legal services; or

13 (VII) Food, shelter, or medical care for animals or
14 adoption services, cruelty investigations, or education
15 programs concerning animals;

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17 and the term includes groups providing volunteer staff to
18 organizations designated as charitable institutions under this
19 sub-subparagraph; nonprofit organizations the sole or primary
20 purpose of which is to coordinate, network, or link other
21 institutions designated as charitable institutions under this
22 sub-subparagraph with those persons, animals, or organizations
23 in need of their services; and nonprofit national, state,
24 district, or other governing, coordinating, or administrative
25 organizations the sole or primary purpose of which is to
26 represent or regulate the customary activities of other
27 institutions designated as charitable institutions under this
28 sub-subparagraph. Notwithstanding any other requirement of
29 this section, any blood bank that relies solely upon volunteer
30 donations of blood and tissue, that is licensed under chapter
31 483, and that qualifies as tax exempt under s. 501(c)(3) of

1 the Internal Revenue Code constitutes a charitable institution
2 and is exempt from the tax imposed by this chapter. Sales to a
3 health system, qualified as nonprofit pursuant to s.
4 501(c)(3), Internal Revenue Code of 1986, as amended, which
5 filed an application for exemption with the department prior
6 to April 5, 1997, and which application is subsequently
7 approved, shall be exempt as to any unpaid taxes on purchases
8 made from January 1, 1994, to June 1, 1997.

9 c. "Scientific organizations" means scientific
10 organizations which hold current exemptions from federal
11 income tax under s. 501(c)(3) of the Internal Revenue Code and
12 also means organizations the purpose of which is to protect
13 air and water quality or the purpose of which is to protect
14 wildlife and which hold current exemptions from the federal
15 income tax under s. 501(c)(3) of the Internal Revenue Code.

16 d. "Educational institutions" means state
17 tax-supported or parochial, church and nonprofit private
18 schools, colleges, or universities which conduct regular
19 classes and courses of study required for accreditation by, or
20 membership in, the Southern Association of Colleges and
21 Schools, the Department of Education, the Florida Council of
22 Independent Schools, or the Florida Association of Christian
23 Colleges and Schools, Inc., or nonprofit private schools which
24 conduct regular classes and courses of study accepted for
25 continuing education credit by a Board of the Division of
26 Medical Quality Assurance of the Department of Business and
27 Professional Regulation or which conduct regular classes and
28 courses of study accepted for continuing education credit by
29 the American Medical Association. Nonprofit libraries, art
30 galleries, performing arts centers that provide educational
31 programs to school children, which programs involve

1 performances or other educational activities at the performing
2 arts center and serve a minimum of 50,000 school children a
3 year, and museums open to the public are defined as
4 educational institutions and are eligible for exemption. The
5 term "educational institutions" includes private nonprofit
6 organizations the purpose of which is to raise funds for
7 schools teaching grades kindergarten through high school,
8 colleges, and universities. The term "educational
9 institutions" includes any nonprofit newspaper of free or paid
10 circulation primarily on university or college campuses which
11 holds a current exemption from federal income tax under s.
12 501(c)(3) of the Internal Revenue Code, and any educational
13 television or radio network or system established pursuant to
14 s. 229.805 or s. 229.8051 and any nonprofit television or
15 radio station which is a part of such network or system and
16 which holds a current exemption from federal income tax under
17 s. 501(c)(3) of the Internal Revenue Code. The term
18 "educational institutions" also includes state, district, or
19 other governing or administrative offices the function of
20 which is to assist or regulate the customary activities of
21 educational organizations or members. The term "educational
22 institutions" also includes a nonprofit educational cable
23 consortium which holds a current exemption from federal income
24 tax under s. 501(c)(3) of the Internal Revenue Code of 1986,
25 as amended, whose primary purpose is the delivery of
26 educational and instructional cable television programming and
27 whose members are composed exclusively of educational
28 organizations which hold a valid consumer certificate of
29 exemption and which are either an educational institution as
30 defined in this sub-subparagraph, or qualified as a nonprofit
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1 organization pursuant to s. 501(c)(3) of the Internal Revenue
2 Code of 1986, as amended.

3 e. "Veterans' organizations" means nationally
4 chartered or recognized veterans' organizations, including,
5 but not limited to, Florida chapters of the Paralyzed Veterans
6 of America, Catholic War Veterans of the U.S.A., Jewish War
7 Veterans of the U.S.A., and the Disabled American Veterans,
8 Department of Florida, Inc., which hold current exemptions
9 from federal income tax under s. 501(c)(4) or (19) of the
10 Internal Revenue Code.

11 Section 2. This act shall take effect July 1, 1998.

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14 SENATE SUMMARY

15 Redefines the term "religious institutions" for purposes
16 of exemption from the tax on sales, use, and other
17 transactions to include certain owners of radio stations
18 and certain organizations that provide religious
19 services, evangelistic services, religious education, or
20 missionary activities in conjunction with other religious
21 organizations.

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