

By Senator Harris

24-879-98

See HB

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A bill to be entitled
An act relating to tax on sales, use, and other transactions; amending s. 212.08, F.S.; including certain nonprofit corporations that make and distribute recordings to blind or visually impaired persons within the definition of "religious institutions" for tax exemption purposes; 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

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

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

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

1 exclusive of receipts for broadcasting from other nonprofit
2 organizations, is predominantly from contributions from the
3 general public. The term "religious institutions" also
4 includes any nonprofit corporation which is qualified as
5 nonprofit pursuant to s. 501(c)(3), Internal Revenue Code of
6 1986, as amended, which provides regular religious services to
7 Florida state prisoners and which from its own established
8 physical place of worship, operates a ministry providing
9 worship and services of a charitable nature to the community
10 on a weekly basis. The term "religious institutions" also
11 includes any nonprofit corporation which is qualified as
12 nonprofit pursuant to s. 501(c)(3), Internal Revenue Code of
13 1986, as amended, the primary activity of which is making and
14 distributing audio recordings of religious scriptures and
15 teachings to blind or visually impaired persons at no charge.

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

25 (I) Medical aid for the relief of disease, injury, or
26 disability;

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

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

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

8 (V) Medical research for the relief of disease,
9 injury, or disability;

10 (VI) Legal services; or

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

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

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

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

14 d. "Educational institutions" means state
15 tax-supported or parochial, church and nonprofit private
16 schools, colleges, or universities which conduct regular
17 classes and courses of study required for accreditation by, or
18 membership in, the Southern Association of Colleges and
19 Schools, the Department of Education, the Florida Council of
20 Independent Schools, or the Florida Association of Christian
21 Colleges and Schools, Inc., or nonprofit private schools which
22 conduct regular classes and courses of study accepted for
23 continuing education credit by a Board of the Division of
24 Medical Quality Assurance of the Department of Business and
25 Professional Regulation or which conduct regular classes and
26 courses of study accepted for continuing education credit by
27 the American Medical Association. Nonprofit libraries, art
28 galleries, performing arts centers that provide educational
29 programs to school children, which programs involve
30 performances or other educational activities at the performing
31 arts center and serve a minimum of 50,000 school children a

1 year, and museums open to the public are defined as
2 educational institutions and are eligible for exemption. The
3 term "educational institutions" includes private nonprofit
4 organizations the purpose of which is to raise funds for
5 schools teaching grades kindergarten through high school,
6 colleges, and universities. The term "educational
7 institutions" includes any nonprofit newspaper of free or paid
8 circulation primarily on university or college campuses which
9 holds a current exemption from federal income tax under s.
10 501(c)(3) of the Internal Revenue Code, and any educational
11 television or radio network or system established pursuant to
12 s. 229.805 or s. 229.8051 and any nonprofit television or
13 radio station which is a part of such network or system and
14 which holds a current exemption from federal income tax under
15 s. 501(c)(3) of the Internal Revenue Code. The term
16 "educational institutions" also includes state, district, or
17 other governing or administrative offices the function of
18 which is to assist or regulate the customary activities of
19 educational organizations or members. The term "educational
20 institutions" also includes a nonprofit educational cable
21 consortium which holds a current exemption from federal income
22 tax under s. 501(c)(3) of the Internal Revenue Code of 1986,
23 as amended, whose primary purpose is the delivery of
24 educational and instructional cable television programming and
25 whose members are composed exclusively of educational
26 organizations which hold a valid consumer certificate of
27 exemption and which are either an educational institution as
28 defined in this sub-subparagraph, or qualified as a nonprofit
29 organization pursuant to s. 501(c)(3) of the Internal Revenue
30 Code of 1986, as amended.
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1 e. "Veterans' organizations" means nationally
2 chartered or recognized veterans' organizations, including,
3 but not limited to, Florida chapters of the Paralyzed Veterans
4 of America, Catholic War Veterans of the U.S.A., Jewish War
5 Veterans of the U.S.A., and the Disabled American Veterans,
6 Department of Florida, Inc., which hold current exemptions
7 from federal income tax under s. 501(c)(4) or (19) of the
8 Internal Revenue Code.

9 Section 2. This act shall take effect July 1 of the
10 year in which enacted.

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12 HOUSE SUMMARY

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14 Includes certain nonprofit corporations that make and
15 distribute recordings to blind or visually impaired
16 persons within the definition of "religious institutions"
for sales tax exemption purposes.

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