

1 A bill to be entitled
2 An act relating to tax on sales, use, and other
3 transactions; amending s. 212.08, F.S.;
4 providing an exemption from the taxes imposed
5 by chapter 212 for joining fees paid for
6 memberships and ownership interests in and
7 assessments for capital expenditures levied by
8 not-for-profit membership clubs; providing an
9 effective date.

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

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13 Section 1. Paragraph (zz) is added to subsection (7)
14 of section 212.08, Florida Statutes, 1998 Supplement, to read:
15 212.08 Sales, rental, use, consumption, distribution,
16 and storage tax; specified exemptions.--The sale at retail,
17 the rental, the use, the consumption, the distribution, and
18 the storage to be used or consumed in this state of the
19 following are hereby specifically exempt from the tax imposed
20 by this chapter.

21 (7) MISCELLANEOUS EXEMPTIONS.--

22 (zz) Joining fees paid for memberships and ownership
23 interests in and assessments for capital expenditures levied
24 by private not-for-profit clubs.--Exempt from the taxes
25 imposed by this chapter are:

26 1. Monies paid on a one-time-only basis for the
27 privilege of joining and acquiring ownership interest in
28 private not-for-profit clubs, regardless of whether such
29 monies are refundable or not and regardless of the purposes
30 for which such monies are used.

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1 2. Assessments for capital expenditures levied by
2 private, not-for-profit clubs in which members have an
3 ownership interest, whether such assessments are recurring or
4 non-recurring provided, however, that such assessments do not
5 result in a reduction of dues or fees. For purposes of this
6 paragraph, "capital expenditures" means the acquisition of
7 capital assets and payments for capital improvements,
8 including repairs or maintenance to existing capital assets,
9 that maintain or add to the value of or prolong the useful
10 life of the capital asset, according to generally accepted
11 accounting principles.

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13 Exemptions provided to any entity by this subsection shall not
14 inure to any transaction otherwise taxable under this chapter
15 when payment is made by a representative or employee of such
16 entity by any means, including, but not limited to, cash,
17 check, or credit card even when that representative or
18 employee is subsequently reimbursed by such entity. This
19 exemption shall not apply to private equity membership clubs
20 that limit their membership based on race, gender, religion or
21 sexual orientation.

22 Section 2. This act shall take effect July 1, 1999.
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