

By Senator Bronson

18-1026-99

1                                   A bill to be entitled  
2           An act relating to sales and use tax  
3           exemptions; amending s. 212.08, F.S.; exempting  
4           certain flight training facilities from the  
5           sales and use tax; providing an effective date.

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

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9           Section 1. Paragraph (o) of subsection (7) of section  
10 212.08, Florida Statutes, 1998 Supplement, is amended to read:

11           212.08 Sales, rental, use, consumption, distribution,  
12 and storage tax; specified exemptions.--The sale at retail,  
13 the rental, the use, the consumption, the distribution, and  
14 the storage to be used or consumed in this state of the  
15 following are hereby specifically exempt from the tax imposed  
16 by this chapter.

17           (7) MISCELLANEOUS EXEMPTIONS.--

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

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

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

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

30           c. Sales or leases to the state headquarters of  
31 qualified veterans' organizations and the state headquarters

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

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

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

1 nonprofit pursuant to s. 501(c)(3), Internal Revenue Code of  
2 1986, as amended, which provides regular religious services to  
3 Florida state prisoners and which from its own established  
4 physical place of worship, operates a ministry providing  
5 worship and services of a charitable nature to the community  
6 on a weekly basis. The term "religious institutions" also  
7 includes any nonprofit corporation which is qualified as  
8 nonprofit pursuant to s. 501(c)(3), Internal Revenue Code of  
9 1986, as amended, the primary activity of which is making and  
10 distributing audio recordings of religious scriptures and  
11 teachings to blind or visually impaired persons at no charge.  
12 The term "religious institutions" also includes any nonprofit  
13 corporation that is qualified as nonprofit pursuant to s.  
14 501(c)(3), Internal Revenue Code of 1986, as amended, the sole  
15 or primary function of which is to provide, upon invitation,  
16 nonprofit religious services, evangelistic services, religious  
17 education, administration assistance, or missionary assistance  
18 for a church, synagogue, or established physical place of  
19 worship at which nonprofit religious services and activities  
20 are regularly conducted.

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

30           (I) Medical aid for the relief of disease, injury, or  
31 disability;

1           (II) Regular provision of physical necessities such as  
2 food, clothing, or shelter;  
3           (III) Services for the prevention of or rehabilitation  
4 of persons from alcoholism or drug abuse; the prevention of  
5 suicide; or the alleviation of mental, physical, or sensory  
6 health problems;  
7           (IV) Social welfare services including adoption  
8 placement, child care, community care for the elderly, and  
9 other social welfare services which clearly and substantially  
10 benefit a client population which is disadvantaged or suffers  
11 a hardship;  
12           (V) Medical research for the relief of disease,  
13 injury, or disability;  
14           (VI) Legal services; or  
15           (VII) Food, shelter, or medical care for animals or  
16 adoption services, cruelty investigations, or education  
17 programs concerning animals;  
18  
19 and the term includes groups providing volunteer staff to  
20 organizations designated as charitable institutions under this  
21 sub-subparagraph; nonprofit organizations the sole or primary  
22 purpose of which is to coordinate, network, or link other  
23 institutions designated as charitable institutions under this  
24 sub-subparagraph with those persons, animals, or organizations  
25 in need of their services; and nonprofit national, state,  
26 district, or other governing, coordinating, or administrative  
27 organizations the sole or primary purpose of which is to  
28 represent or regulate the customary activities of other  
29 institutions designated as charitable institutions under this  
30 sub-subparagraph. Notwithstanding any other requirement of  
31 this section, any blood bank that relies solely upon volunteer

1 donations of blood and tissue, that is licensed under chapter  
2 483, and that qualifies as tax exempt under s. 501(c)(3) of  
3 the Internal Revenue Code constitutes a charitable institution  
4 and is exempt from the tax imposed by this chapter. Sales to a  
5 health system foundation, qualified as nonprofit pursuant to  
6 s. 501(c)(3), Internal Revenue Code of 1986, as amended, which  
7 filed an application for exemption with the department prior  
8 to November 15, 1997, and which application is subsequently  
9 approved, shall be exempt as to any unpaid taxes on purchases  
10 made from November 14, 1990, to December 31, 1997.

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

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

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

1 organization pursuant to s. 501(c)(3) of the Internal Revenue  
2 Code of 1986, as amended. The term "educational institutions"  
3 also includes FAA Part 142 training facilities, schools, or  
4 businesses that train aircraft pilots and flight crews for  
5 approval, certification, or regulation by the Federal Aviation  
6 Administration or by comparable foreign regulatory  
7 authorities.

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

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

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19 SENATE SUMMARY

20 Includes certain facilities, schools, or businesses that  
21 train airline pilots and flight crews in the definition  
22 of the term "educational institutions" for purposes of  
23 the exemption from the sales and use tax.  
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