

By Representative Stansel

1 A bill to be entitled
2 An act relating to tax on sales, use, and other
3 transactions; amending s. 212.02, F.S.;
4 defining "agricultural production"; amending s.
5 212.08, F.S.; revising application of the
6 partial exemption for self-propelled,
7 power-drawn, or power-driven farm equipment
8 used exclusively on a farm or in a forest in
9 specified activities and including rental or
10 lease of such equipment in such exemption;
11 reducing the rate of tax on such equipment over
12 a specified period and exempting such equipment
13 beginning October 1, 2001; requiring that the
14 purchaser, renter, or lessee sign a certificate
15 regarding the use of such equipment; amending
16 s. 212.12, F.S., relating to promulgation of
17 tax brackets by the Department of Revenue, to
18 conform; providing an effective date.

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

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22 Section 1. Subsection (34) is added to section 212.02,
23 Florida Statutes, 1998 Supplement, to read:

24 212.02 Definitions.--The following terms and phrases
25 when used in this chapter have the meanings ascribed to them
26 in this section, except where the context clearly indicates a
27 different meaning:

28 (34) "Agricultural production" means the production of
29 plants and animals useful to humans, including the preparation
30 of these products for human use and their disposal by
31 marketing or otherwise, and includes aquaculture,

1 horticulture, floriculture, viticulture, forestry, dairy,
2 livestock, poultry, bees, and any and all forms of farm
3 products and farm production.

4 Section 2. Subsection (3) of section 212.08, Florida
5 Statutes, 1998 Supplement, is amended to read:

6 212.08 Sales, rental, use, consumption, distribution,
7 and storage tax; specified exemptions.--The sale at retail,
8 the rental, the use, the consumption, the distribution, and
9 the storage to be used or consumed in this state of the
10 following are hereby specifically exempt from the tax imposed
11 by this chapter.

12 (3) EXEMPTIONS, ~~PARTIAL~~; CERTAIN FARM
13 EQUIPMENT.--Until September 30, 1999, there shall be taxable
14 at the rate of 3 percent the sale, rental, lease, use,
15 consumption, or storage for use in this state of
16 self-propelled, power-drawn, or power-driven farm equipment
17 used exclusively on a farm or in a forest in the agricultural
18 production of plowing, planting, cultivating, or harvesting
19 crops or products as produced by those agricultural industries
20 included in s. 570.02(1), or for fire prevention and
21 suppression work with respect to such crops or products.
22 Harvesting may not be construed to include processing
23 activities. This exemption is not forfeited by moving farm
24 equipment between farms or forests. Beginning October 1, 1999,
25 the tax rate applicable to such equipment shall be 2 percent.
26 Beginning October 1, 2000, the tax rate applicable to such
27 equipment shall be 1 percent. Beginning October 1, 2001, and
28 thereafter, such equipment shall be exempt from the tax
29 imposed by this chapter. However, this exemption shall not be
30 allowed unless the purchaser, renter, or lessee signs a
31 certificate stating that the farm equipment is to be used

1 exclusively on a farm or in a forest for agricultural
2 production or for fire prevention and suppression, as required
3 by this subsection.~~The rental of self-propelled, power-drawn,~~
4 ~~or power-driven farm equipment shall be taxed at the rate of 3~~
5 ~~percent.~~

6 Section 3. Subsection (11) of section 212.12, Florida
7 Statutes, 1998 Supplement, is amended to read:

8 212.12 Dealer's credit for collecting tax; penalties
9 for noncompliance; powers of Department of Revenue in dealing
10 with delinquents; brackets applicable to taxable transactions;
11 records required.--

12 (11) The department is authorized to provide by rule
13 the tax amounts and brackets applicable to all taxable
14 transactions that occur in counties that have a surtax at a
15 rate other than 1 percent which transactions would otherwise
16 have been transactions taxable at the rate of 6 percent.
17 Likewise, the department is authorized to promulgate by rule
18 the tax amounts and brackets applicable to transactions
19 taxable at 3, 2, or 1 percent pursuant to s. 212.08(3),
20 transactions taxable at 7 percent pursuant to s. 212.05(1)(e),
21 and on transactions which would otherwise have been so taxable
22 in counties which have adopted a discretionary sales surtax.

23 Section 4. This act shall take effect upon becoming a
24 law.

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HOUSE SUMMARY

Revises application of the partial sales tax exemption for self-propelled, power-drawn, or power-driven farm equipment used exclusively on a farm or in a forest. Replaces a list of specified activities in which such equipment must be used with use in "agricultural production." Includes rental or lease of such equipment in such exemption. Reduces the rate of tax on such equipment over a specified period and exempts such equipment beginning October 1, 2001. Requires that the purchaser, renter, or lessee sign a certificate regarding the use of such equipment.