

By the Committee on Transportation and Senator King

306-2212-99

1 A bill to be entitled
2 An act relating to port or aviation
3 authorities; creating part VII of ch. 163,
4 F.S.; providing a definition; providing a
5 purpose; providing for creation of a Port or
6 Aviation Authority Ad Valorem Tax Improvement
7 Fund in each county in which a port or aviation
8 authority is located; providing for deposit of
9 ad valorem taxes paid by such authority in the
10 fund; authorizing the tax collector to retain
11 an amount for administrative costs; providing
12 for use of such funds by the authority;
13 providing for future review and repeal;
14 creating s. 193.6257, F.S.; providing immunity;
15 creating s. 194.311, F.S.; providing that
16 immune property is not subject to ad valorem
17 taxation; providing severability; providing an
18 effective date.

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20 WHEREAS, utilization of marine ports and aviation
21 facilities for the movement of products, materials, and people
22 is essential for the well-being of the citizens of the State
23 of Florida, and

24 WHEREAS, establishment of both marine ports and
25 airports throughout the state has necessitated expenditure of
26 substantial public funds and created significant land use
27 impacts, which makes it imperative that such facilities
28 continue to be utilized to their fullest potential, and

29 WHEREAS, the expenditure of substantial funds, both
30 public and private, necessary to establish, maintain, and
31 improve such facilities necessitates long-term planning of 30

1 years or more to fully recover and justify said expenditure,
2 and

3 WHEREAS, legal distinctions exist between the ad
4 valorem real and personal property tax liability of publicly
5 owned ports and airports owned by a county, which are immune
6 from taxation, and those which are not owned by a county,
7 which are exempt from taxation, which result in lessees of a
8 county-owned port or airport not being subject to such taxes
9 and lessees of non-county-owned ports or airports being
10 required to pay said taxes, and

11 WHEREAS, this tax liability puts facilities that are
12 obligated to collect and pay such taxes at a distinct
13 competitive disadvantage, both to other facilities within the
14 state and to facilities located in other states, and

15 WHEREAS, the closing of ports and airports or the loss
16 of businesses which may result and has resulted from this
17 legal distinction is adverse to the communities involved and
18 to the state's interests of having viable, competitive, and
19 productive facilities maintained and expanded to meet the
20 needs of the state, and

21 WHEREAS, return of the taxes paid by non-county-owned
22 ports and airports as contemplated by this act would be to
23 public bodies and would be utilized by public bodies for the
24 benefit of publicly owned facilities utilized by the public,
25 NOW, THEREFORE,

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

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29 Section 1. Part VII of chapter 163, Florida Statutes,
30 consisting of sections 163.71, 163.72, 163.73, 163.74, and
31 163.75, is created to read:

1 163.71 Definition.--As used in this part, "port or
2 aviation authority" means a legal entity other than a county
3 existing as a body politic and corporate, created by act of
4 the Legislature, which owns real property or tangible personal
5 property in this state and which operates either a marine
6 facility, or an aviation facility, or both, for the
7 transportation of goods and people.

8 163.72 Purpose.--The purpose of this part is to
9 effectuate a level playing field between port and aviation
10 operations within the state which are owned and operated by
11 counties, and are therefore immune from the payment of ad
12 valorem taxes, and those which are owned and operated by a
13 port or aviation authority, and to further equalize the
14 financial obligations relative to such operations in the state
15 with those operations in other states which do not require the
16 payment of ad valorem taxes, and to assist the port and
17 aviation authorities of this state in attracting and retaining
18 customers that might otherwise relocate.

19 163.73 Port or Aviation Authority Ad Valorem Tax
20 Improvement Fund.--Each county in which a port or aviation
21 authority is located shall establish a Port or Aviation
22 Authority Ad Valorem Tax Improvement Fund. The tax collector
23 of the county shall deposit 95 percent of all ad valorem taxes
24 on real property and tangible personal property paid by the
25 port or aviation authority to all taxing authorities within
26 the county in the fund. The remaining 5 percent of such tax
27 revenues may be retained by the tax collector to cover the
28 costs of administration of the fund. However, any portion of
29 the amount retained by the tax collector for administration
30 which exceeds the actual cost of administering the fund shall
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1 be distributed to the various taxing authorities on a pro rata
2 basis.

3 163.74 Use of revenues in the fund.--The tax revenues
4 deposited in the Port or Aviation Authority Ad Valorem Tax
5 Improvement Fund shall be distributed to the port or aviation
6 authority annually on or before April 1 for taxes payable for
7 the previous calendar year. To maintain revenue neutrality,
8 the estimate of taxable value for all port or aviation ad
9 valorem tax on real property and tangible personal property
10 may not be used as part of the computation of a district's
11 local effort. The authority shall use these funds for such
12 public purposes as it deems necessary for the enhancement of
13 the authority's facilities.

14 163.75 Future repeal.--This part is repealed on
15 January 1, 2030, unless reviewed and saved from repeal through
16 reenactment by the Legislature.

17 Section 2. Section 193.6257, Florida Statutes, is
18 created to read:

19 193.6257 Property owned by the United States, the
20 state, counties, and political subdivisions of the state.--All
21 property owned by the United States, the state, counties, and
22 political subdivisions of the state is immune from ad valorem
23 taxation.

24 Section 3. Section 194.311, Florida Statutes, is
25 created to read:

26 194.311 Property of a governmental entity.--Immune
27 property, as defined in s. 193.6257, is not subject to ad
28 valorem taxation. Property owned by other governmental units
29 shall be presumed to be used for governmental, municipal, or
30 public purposes and shall not be subject to ad valorem
31 taxation. Such presumption may be overcome and any leasehold

1 interest in the property may be subject to taxation as
2 provided for in s. 196.199, if the property appraiser can
3 establish by clear and convincing evidence that the property
4 is leased to a nongovernmental entity and that its use by the
5 nongovernmental entity does not constitute a governmental,
6 municipal, or public purpose.

7 Section 4. If any provision of this act is held
8 unconstitutional, it is the legislative intent that the
9 unconstitutional provision shall not affect other provisions
10 or applications of this act which can be given effect without
11 the unconstitutional provision, and to this end the provisions
12 of this act are declared severable.

13 Section 5. This act shall take effect upon becoming a
14 law and shall first apply to the 1999 ad valorem tax rolls.
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16 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
17 COMMITTEE SUBSTITUTE FOR
18 SB 2550

19 1. If any provision of the CS is held unconstitutional, it is
20 the legislative intent the unconstitutional provision will not
21 affect other provisions or applications of the act which can
22 be given effect without the unconstitutional provision.

22 2. To maintain revenue neutrality, the estimate of taxable
23 value for all port or aviation ad valorem tax on real property
24 and tangible personal property can not be used as part of the
25 computation of a district's "local effort."

24 3. All property owned by the United States, the state,
25 counties, and political subdivisions of the state is immune
26 from ad valorem taxation and presumed to be used for
27 governmental purposes unless the property appraiser can
28 establish the property is leased to a nongovernmental entity
29 and is used for nongovernmental purposes.
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