

1 1. "Sea cruise ship" means a vessel that is capable of
2 transporting 250 or more passengers for hire to destination
3 points outside the boundaries of this state and that actually
4 docks and permits passengers to disembark at one or more
5 destination points outside the boundaries of this state.

6 2. "Seaport duty-free zone" means an area designated
7 by ordinance of the governing body of any county that contains
8 a deepwater port, which area must not exceed 5 square miles
9 and must include boundaries contiguous to, but extending not
10 more than 2 miles from, the port. The designation of a seaport
11 duty-free zone is not required by this subsection but is
12 authorized for any county that contains a deepwater port.

13 (b) This chapter does not apply to the sale, use,
14 consumption, or storage of tangible personal property within a
15 seaport duty-free zone, which property is to be removed from
16 this state by a purchaser who either is, or will be, a
17 passenger on a sea cruise ship and who, at the time of taking
18 delivery of the property, does not make his or her permanent
19 place of residence in this state.

20 (c)1. This subsection does not apply unless:

21 a. The purchaser, at the time of sale, furnishes to
22 the selling dealer a valid cruise arrival-departure card and
23 picture identification.

24 b. The purchase is made within 2 days before the
25 departure of the sea cruise ship or within 2 days following
26 the arrival of the sea cruise ship.

27 c. The purchaser, at the time of purchase, furnishes
28 the selling dealer with a statement that includes the
29 purchaser's name, address, and cruise arrival-departure card
30 number. The statement must be dated and signed, under oath, by
31 the purchaser and must include the sentence: "Under penalty of

1 perjury, I declare that I do not make my permanent place of
2 residence in the State of Florida, that I have read the
3 foregoing, and that the facts alleged are true to the best of
4 my knowledge and belief."

5 2. A person who knowingly aids or assists in making
6 any fraudulent statement under this paragraph for the purpose
7 of evading tax, in addition to being liable for payment of the
8 tax plus a mandatory penalty of 200 percent of the tax,
9 commits a felony of the third degree, punishable as provided
10 in s. 775.082, s. 775.083, or s. 775.084.

11 (d) Notwithstanding any other provision of this
12 chapter, this subsection does not apply to:

13 1. Food or drinks.
14 2. Sales through vending or amusement machines.
15 3. The lease or rental of tangible personal property.
16 4. Tangible personal property that will be used at any
17 time in this state in any employment, trade, business, or
18 profession.

19 (e) If the purchaser fails to remove the property from
20 this state within 30 days after the date of purchase, the
21 purchaser is liable to the department for use tax on the cost
22 price of the property in addition to payment of a penalty
23 equal to the amount of use tax payable. This penalty is
24 imposed in lieu of the penalty imposed under s. 212.12(2), is
25 mandatory, and may not be waived by the department.

26 (f)1. Any business that operates a sea cruise ship may
27 issue cruise arrival-departure cards to its passengers. The
28 cruise arrival-departure card must contain: the passenger's
29 name and address; the name of the sea cruise ship; the name of
30 the port from which the cruise has originated or will
31 originate and the scheduled date of departure; the name of the

1 port of termination and scheduled date of arrival; and a
2 unique number that individually identifies the passenger to
3 whom the cruise arrival-departure card was issued.

4 2. A business that operates a sea cruise ship and
5 issues cruise arrival-departure cards must maintain records of
6 all persons to whom the business has issued such cards.

7 3. Any person who issues a false or fraudulent cruise
8 arrival-departure card to any passenger for the purpose of
9 evading tax is liable for a mandatory penalty of \$1,000 for
10 each violation.

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

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13 HOUSE SUMMARY

14 Authorizes any county that contains a deepwater port to
15 designate a seaport duty-free zone. Provides an exemption
16 from the sales and use tax for certain items purchased
17 within such zone by cruise ship passengers who reside
18 outside the state. Specifies requirements purchasers must
19 meet to be eligible for the tax exemption, including
20 possession of an arrival-departure card issued by the
21 cruise ship operator. Provides penalties for attempting
22 to evade the tax by making a fraudulent statement or
23 issuing fraudulent arrival-departure cards. Provides for
24 applicability of use tax and penalties if the exempted
25 property is not removed from the state.
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