Florida House of Representatives - 1999 By Representative Villalobos

1	A bill to be entitled
2	An act relating to the tax on sales, use, and
3	other transactions; amending s. 212.06, F.S.;
4	providing definitions; authorizing the
5	designation of seaport duty-free zones by
6	counties that contain deepwater ports;
7	providing an exemption from the sales and use
8	tax for certain items purchased within a
9	seaport duty-free zone by passengers on a sea
10	cruise ship who reside outside this state;
11	providing requirements for purchasers to
12	qualify for the exemption; providing penalties
13	for making a fraudulent statement for the
14	purpose of tax evasion; providing applicability
15	of use tax and penalties if such property is
16	not removed from the state; authorizing a
17	business that operates a sea cruise ship to
18	issue cruise arrival-departure cards; requiring
19	records to be kept; providing a mandatory fine
20	for issuing a false or fraudulent
21	arrival-departure card for the purpose of tax
22	evasion; providing an effective date.
23	
24	Be It Enacted by the Legislature of the State of Florida:
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26	Section 1. Subsection (17) is added to section 212.06,
27	Florida Statutes, 1998 Supplement, to read:
28	212.06 Sales, storage, use tax; collectible from
29	dealers; "dealer" defined; dealers to collect from purchasers;
30	legislative intent as to scope of tax
31	(17)(a) As used in this subsection:
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"Sea cruise ship" means a vessel that is capable of 1 1. 2 transporting 250 or more passengers for hire to destination points outside the boundaries of this state and that actually 3 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 more than 2 miles from, the port. The designation of a seaport 10 duty-free zone is not required by this subsection but is 11 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 delivery of the property, does not make his or her permanent 18 19 place of residence in this state. 20 (c)1. This subsection does not apply unless: a. The purchaser, at the time of sale, furnishes to 21 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 purchaser's name, address, and cruise arrival-departure card 29 number. The statement must be dated and signed, under oath, by 30 the purchaser and must include the sentence: "Under penalty of 31 2

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perjury, I declare that I do not make my permanent place of 1 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 my knowledge and belief." 4 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 tax plus a mandatory penalty of 200 percent of the tax, 8 9 commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084. 10 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. 3. The lease or rental of tangible personal property. 15 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 purchaser is liable to the department for use tax on the cost 21 22 price of the property in addition to payment of a penalty equal to the amount of use tax payable. This penalty is 23 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 name and address; the name of the sea cruise ship; the name of 29 the port from which the cruise has originated or will 30 originate and the scheduled date of departure; the name of the 31

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port of termination and scheduled date of arrival; and a unique number that individually identifies the passenger to whom the cruise arrival-departure card was issued. 2. A business that operates a sea cruise ship and issues cruise arrival-departure cards must maintain records of all persons to whom the business has issued such cards. 3. Any person who issues a false or fraudulent cruise arrival-departure card to any passenger for the purpose of evading tax is liable for a mandatory penalty of \$1,000 for each violation. Section 2. This act shall take effect July 1, 1999. HOUSE SUMMARY Authorizes any county that contains a deepwater port to Authorizes any county that contains a deepwater port to designate a seaport duty-free zone. Provides an exemption from the sales and use tax for certain items purchased within such zone by cruise ship passengers who reside outside the state. Specifies requirements purchasers must meet to be eligible for the tax exemption, including possession of an arrival-departure card issued by the cruise ship operator. Provides penalties for attempting to evade the tax by making a fraudulent statement or issuing fraudulent arrival-departure cards. Provides for applicability of use tax and penalties if the exempted applicability of use tax and penalties if the exempted property is not removed from the state.

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