

By Representative Constantine

1 A bill to be entitled
2 An act relating to tax on sales, use, and other
3 transactions; amending s. 212.04, F.S.;
4 providing an exemption for charges for the
5 renting, leasing, or granting a license for the
6 use of skyboxes, luxury boxes, or other box
7 seats for certain events imposed by
8 not-for-profit sponsoring organizations;
9 providing that no tax imposed on such
10 transactions and not actually paid or collected
11 shall be due from such an organization;
12 providing an effective date.

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

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16 Section 1. Paragraph (a) of subsection (2) of section
17 212.04, Florida Statutes, 1998 Supplement, is amended to read:
18 212.04 Admissions tax; rate, procedure, enforcement.--
19 (2)(a)1. No tax shall be levied on admissions to
20 athletic or other events sponsored by elementary schools,
21 junior high schools, middle schools, high schools, community
22 colleges, public or private colleges and universities, deaf
23 and blind schools, facilities of the youth services programs
24 of the Department of Children and Family Services, and state
25 correctional institutions when only student, faculty, or
26 inmate talent is used. However, this exemption shall not apply
27 to admission to athletic events sponsored by an institution
28 within the State University System, and the proceeds of the
29 tax collected on such admissions shall be retained and used by
30 each institution to support women's athletics as provided in
31 s. 240.533(3)(c).

1 2.a. No tax shall be levied on dues, membership fees,
2 and admission charges imposed by not-for-profit sponsoring
3 organizations, or on charges for the renting, leasing,
4 letting, or granting a license for the use of skyboxes, luxury
5 boxes, or other box seats for athletic or artistic events
6 imposed by not-for-profit sponsoring organizations, which
7 would be otherwise taxable as provided in s. 212.031. To
8 receive this exemption, the sponsoring organization must
9 qualify as a not-for-profit entity under the provisions of s.
10 501(c)(3) of the Internal Revenue Code of 1954, as amended.

11 b. No tax imposed by this section and not actually
12 collected before August 1, 1992, shall be due from any museum
13 or historic building owned by any political subdivision of the
14 state.

15 3. No tax shall be levied on an admission paid by a
16 student, or on the student's behalf, to any required place of
17 sport or recreation if the student's participation in the
18 sport or recreational activity is required as a part of a
19 program or activity sponsored by, and under the jurisdiction
20 of, the student's educational institution, provided his or her
21 attendance is as a participant and not as a spectator.

22 4. No tax shall be levied on admissions to the
23 National Football League championship game, on admissions to
24 any semifinal game or championship game of a national
25 collegiate tournament, or on admissions to a Major League
26 Baseball all-star game.

27 5. A participation fee or sponsorship fee imposed by a
28 governmental entity as described in s. 212.08(6) for an
29 athletic or recreational program is exempt when the
30 governmental entity by itself, or in conjunction with an
31 organization exempt under s. 501(c)(3) of the Internal Revenue

1 Code of 1954, as amended, sponsors, administers, plans,
2 supervises, directs, and controls the athletic or recreational
3 program.

4 6. Also exempt from the tax imposed by this section to
5 the extent provided in this subparagraph are admissions to
6 live theater, live opera, or live ballet productions in this
7 state which are sponsored by an organization that has received
8 a determination from the Internal Revenue Service that the
9 organization is exempt from federal income tax under s.
10 501(c)(3) of the Internal Revenue Code of 1954, as amended, if
11 the organization actively participates in planning and
12 conducting the event, is responsible for the safety and
13 success of the event, is organized for the purpose of
14 sponsoring live theater, live opera, or live ballet
15 productions in this state, has more than 10,000 subscribing
16 members and has among the stated purposes in its charter the
17 promotion of arts education in the communities which it
18 serves, and will receive at least 20 percent of the net
19 profits, if any, of the events which the organization sponsors
20 and will bear the risk of at least 20 percent of the losses,
21 if any, from the events which it sponsors if the organization
22 employs other persons as agents to provide services in
23 connection with a sponsored event. Prior to March 1 of each
24 year, such organization may apply to the department for a
25 certificate of exemption for admissions to such events
26 sponsored in this state by the organization during the
27 immediately following state fiscal year. The application shall
28 state the total dollar amount of admissions receipts collected
29 by the organization or its agents from such events in this
30 state sponsored by the organization or its agents in the year
31 immediately preceding the year in which the organization

1 applies for the exemption. Such organization shall receive the
2 exemption only to the extent of \$1.5 million multiplied by the
3 ratio that such receipts bear to the total of such receipts of
4 all organizations applying for the exemption in such year;
5 however, in no event shall such exemption granted to any
6 organization exceed 6 percent of such admissions receipts
7 collected by the organization or its agents in the year
8 immediately preceding the year in which the organization
9 applies for the exemption. Each organization receiving the
10 exemption shall report each month to the department the total
11 admissions receipts collected from such events sponsored by
12 the organization during the preceding month and shall remit to
13 the department an amount equal to 6 percent of such receipts
14 reduced by any amount remaining under the exemption. Tickets
15 for such events sold by such organizations shall not reflect
16 the tax otherwise imposed under this section.

17 7. Also exempt from the tax imposed by this section
18 are entry fees for participation in freshwater fishing
19 tournaments.

20 8. Also exempt from the tax imposed by this section
21 are participation or entry fees charged to participants in a
22 game, race, or other sport or recreational event if spectators
23 are charged a taxable admission to such event.

24 9. No tax shall be levied on admissions to any
25 postseason collegiate football game sanctioned by the National
26 Collegiate Athletic Association.

27 Section 2. No tax imposed by chapter 212, Florida
28 Statutes, on the transactions made exempt by the amendment to
29 s. 212.04(2)(a), Florida Statutes, 1998 Supplement, by this
30 act, and not actually paid or collected by a not-for-profit
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1 sponsoring organization, shall be due from that not-for-profit
2 sponsoring organization.

3 Section 3. This act shall take effect upon becoming a
4 law.

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7 HOUSE SUMMARY

8 Provides a sales tax exemption for charges for the
9 renting, leasing, or granting a license for the use of
10 skyboxes, luxury boxes, or other box seats for athletic
11 or artistic events imposed by not-for-profit sponsoring
12 organizations. Provides that no tax imposed on such
13 transactions and not actually paid or collected shall be
14 due from such an organization.
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