

Amendment No. ____ (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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The Committee on Finance & Taxation offered the following:

Amendment (with title amendment)

Remove from the bill: Everything after the enacting clause
and insert in lieu thereof:

Section 1. (1) Effective upon this act becoming a law, subsection (9) is added to section 212.031, Florida Statutes, 1998 Supplement, to read:

212.031 Lease or rental of or license in real property.--

(9) The rental, lease, sublease, or license for the use of a skybox, luxury box, or other box seats for use during a high school or college football game in a high tourism impact county, as defined by s. 125.0104, is exempt from the tax imposed by this section when the charge for such rental, lease, sublease, or license is imposed by a nonprofit sponsoring organization which is qualified as nonprofit pursuant to s. 501(c)(3) of the Internal Revenue Code.

(2) No tax imposed by chapter 212, Florida Statutes, on the transactions made exempt by the amendment to s.

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1 212.031, Florida Statutes, 1998 Supplement, by this section,
2 and not actually paid or collected by a nonprofit sponsoring
3 organization prior to the effective date of this section,
4 shall be due from that nonprofit sponsoring organization.

5 Section 2. Section 212.0602, Florida Statutes, is
6 amended to read.

7 212.0602 Education; limited exemption.--To facilitate
8 investment in education and job training, there is also exempt
9 from the taxes levied under this chapter, subject to the
10 provisions of this section, the purchase or lease of
11 materials, equipment, and other items or the license in or
12 lease of real property by any entity, institution, or
13 organization that is primarily engaged in teaching students to
14 perform any of the activities or services described in s.
15 212.031(1)(a)9., that conducts classes at a fixed location
16 located in this state, that is licensed under chapter 246, and
17 that has at least 500 enrolled students. Any entity,
18 institution, or organization meeting the requirements of this
19 section shall be deemed to qualify for the exemptions in ss.
20 212.031(1)(a)9. and 212.08(5)(f) and (12), and to qualify for
21 an exemption for its purchase or lease of materials,
22 equipment, and other items used for education or demonstration
23 of the school's curriculum, including supporting operations.
24 Nothing in this section shall preclude an entity described in
25 this section from qualifying for any other exemption provided
26 for in this chapter.

27 Section 3. Paragraphs (o), (dd), and (gg) of
28 subsection (7) of section 212.08, Florida Statutes, 1998
29 Supplement, are amended, and paragraphs (zz), (aaa), and (bbb)
30 are added to said subsection, to read:

31 212.08 Sales, rental, use, consumption, distribution,

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1 and storage tax; specified exemptions.--The sale at retail,
2 the rental, the use, the consumption, the distribution, and
3 the storage to be used or consumed in this state of the
4 following are hereby specifically exempt from the tax imposed
5 by this chapter.

6 (7) MISCELLANEOUS EXEMPTIONS.--

7 (o) Religious, charitable, scientific, educational,
8 and veterans' institutions and organizations.--

9 1. There are exempt from the tax imposed by this
10 chapter transactions involving:

11 a. Sales or leases directly to churches or sales or
12 leases of tangible personal property by churches;

13 b. Sales or leases to nonprofit religious, nonprofit
14 charitable, nonprofit scientific, or nonprofit educational
15 institutions when used in carrying on their customary
16 nonprofit religious, nonprofit charitable, nonprofit
17 scientific, or nonprofit educational activities, including
18 church cemeteries; and

19 c. Sales or leases to ~~the state headquarters of~~
20 qualified veterans' organizations and ~~the state headquarters~~
21 ~~of~~ their auxiliaries when used in carrying on their customary
22 veterans' organization activities. ~~If a qualified veterans'~~
23 ~~organization or its auxiliary does not maintain a permanent~~
24 ~~state headquarters, then transactions involving sales or~~
25 ~~leases to such organization and used to maintain the office of~~
26 ~~the highest ranking state official are exempt from the tax~~
27 ~~imposed by this chapter.~~

28 2. The provisions of this section authorizing
29 exemptions from tax shall be strictly defined, limited, and
30 applied in each category as follows:

31 a. "Religious institutions" means churches,

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1 synagogues, and established physical places for worship at
2 which nonprofit religious services and activities are
3 regularly conducted and carried on. The term "religious
4 institutions" includes nonprofit corporations the sole purpose
5 of which is to provide free transportation services to church
6 members, their families, and other church attendees. The term
7 "religious institutions" also includes state, district, or
8 other governing or administrative offices the function of
9 which is to assist or regulate the customary activities of
10 religious organizations or members. The term "religious
11 institutions" also includes any nonprofit corporation which is
12 qualified as nonprofit pursuant to s. 501(c)(3), Internal
13 Revenue Code of 1986, as amended, which owns and operates a
14 Florida television station, at least 90 percent of the
15 programming of which station consists of programs of a
16 religious nature, and the financial support for which,
17 exclusive of receipts for broadcasting from other nonprofit
18 organizations, is predominantly from contributions from the
19 general public. The term "religious institutions" also
20 includes any nonprofit corporation which is qualified as
21 nonprofit pursuant to s. 501(c)(3), Internal Revenue Code of
22 1986, as amended, which provides regular religious services to
23 Florida state prisoners and which from its own established
24 physical place of worship, operates a ministry providing
25 worship and services of a charitable nature to the community
26 on a weekly basis. The term "religious institutions" also
27 includes any nonprofit corporation which is qualified as
28 nonprofit pursuant to s. 501(c)(3), Internal Revenue Code of
29 1986, as amended, the primary activity of which is making and
30 distributing audio recordings of religious scriptures and
31 teachings to blind or visually impaired persons at no charge.

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1 The term "religious institutions" also includes any nonprofit
2 corporation that is qualified as nonprofit pursuant to s.
3 501(c)(3), Internal Revenue Code of 1986, as amended, the sole
4 or primary function of which is to provide, upon invitation,
5 nonprofit religious services, evangelistic services, religious
6 education, administration assistance, or missionary assistance
7 for a church, synagogue, or established physical place of
8 worship at which nonprofit religious services and activities
9 are regularly conducted.

10 b. "Charitable institutions" means only nonprofit
11 corporations qualified as nonprofit pursuant to s. 501(c)(3),
12 Internal Revenue Code of 1954, as amended, and other nonprofit
13 entities, the sole or primary function of which is to provide,
14 or to raise funds for organizations which provide, one or more
15 of the following services if a reasonable percentage of such
16 service is provided free of charge, or at a substantially
17 reduced cost, to persons, animals, or organizations that are
18 unable to pay for such service:

19 (I) Medical aid for the relief of disease, injury, or
20 disability;

21 (II) Regular provision of physical necessities such as
22 food, clothing, or shelter;

23 (III) Services for the prevention of or rehabilitation
24 of persons from alcoholism or drug abuse; the prevention of
25 suicide; or the alleviation of mental, physical, or sensory
26 health problems;

27 (IV) Social welfare services including adoption
28 placement, child care, community care for the elderly,
29 consumer credit counseling, and other social welfare services
30 which clearly and substantially benefit a client population
31 which is disadvantaged or suffers a hardship;

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1 (V) Medical research for the relief of disease,
2 injury, or disability;

3 (VI) Legal services; or

4 (VII) Food, shelter, or medical care for animals or
5 adoption services, cruelty investigations, or education
6 programs concerning animals;

7
8 and the term includes groups providing volunteer staff to
9 organizations designated as charitable institutions under this
10 sub-subparagraph; nonprofit organizations the sole or primary
11 purpose of which is to coordinate, network, or link other
12 institutions designated as charitable institutions under this
13 sub-subparagraph with those persons, animals, or organizations
14 in need of their services; and nonprofit national, state,
15 district, or other governing, coordinating, or administrative
16 organizations the sole or primary purpose of which is to
17 represent or regulate the customary activities of other
18 institutions designated as charitable institutions under this
19 sub-subparagraph. Notwithstanding any other requirement of
20 this section, any blood bank that relies solely upon volunteer
21 donations of blood and tissue, that is licensed under chapter
22 483, and that qualifies as tax exempt under s. 501(c)(3) of
23 the Internal Revenue Code constitutes a charitable institution
24 and is exempt from the tax imposed by this chapter. Sales to a
25 health system foundation, qualified as nonprofit pursuant to
26 s. 501(c)(3), Internal Revenue Code of 1986, as amended, which
27 filed an application for exemption with the department prior
28 to November 15, 1997, and which application is subsequently
29 approved, shall be exempt as to any unpaid taxes on purchases
30 made from November 14, 1990, to December 31, 1997.

31 c. "Scientific organizations" means scientific

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1 organizations which hold current exemptions from federal
2 income tax under s. 501(c)(3) of the Internal Revenue Code and
3 also means organizations the purpose of which is to protect
4 air and water quality or the purpose of which is to protect
5 wildlife and which hold current exemptions from the federal
6 income tax under s. 501(c)(3) of the Internal Revenue Code.

7 d. "Educational institutions" means state
8 tax-supported or parochial, church and nonprofit private
9 schools, colleges, or universities which conduct regular
10 classes and courses of study required for accreditation by, or
11 membership in, the Southern Association of Colleges and
12 Schools, the Department of Education, the Florida Council of
13 Independent Schools, or the Florida Association of Christian
14 Colleges and Schools, Inc., or nonprofit private schools which
15 conduct regular classes and courses of study accepted for
16 continuing education credit by a board of the Division of
17 Medical Quality Assurance of the Department of Health or which
18 conduct regular classes and courses of study accepted for
19 continuing education credit by the American Medical
20 Association. Nonprofit libraries, art galleries, performing
21 arts centers that provide educational programs to school
22 children, which programs involve performances or other
23 educational activities at the performing arts center and serve
24 a minimum of 50,000 school children a year, and museums open
25 to the public are defined as educational institutions and are
26 eligible for exemption. The term "educational institutions"
27 includes private nonprofit organizations the purpose of which
28 is to raise funds for schools teaching grades kindergarten
29 through high school, colleges, and universities. The term
30 "educational institutions" includes any nonprofit newspaper of
31 free or paid circulation primarily on university or college

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1 campuses which holds a current exemption from federal income
2 tax under s. 501(c)(3) of the Internal Revenue Code, and any
3 educational television or radio network or system established
4 pursuant to s. 229.805 or s. 229.8051 and any nonprofit
5 television or radio station which is a part of such network or
6 system and which holds a current exemption from federal income
7 tax under s. 501(c)(3) of the Internal Revenue Code. The term
8 "educational institutions" also includes state, district, or
9 other governing or administrative offices the function of
10 which is to assist or regulate the customary activities of
11 educational organizations or members. The term "educational
12 institutions" also includes a nonprofit educational cable
13 consortium which holds a current exemption from federal income
14 tax under s. 501(c)(3) of the Internal Revenue Code of 1986,
15 as amended, whose primary purpose is the delivery of
16 educational and instructional cable television programming and
17 whose members are composed exclusively of educational
18 organizations which hold a valid consumer certificate of
19 exemption and which are either an educational institution as
20 defined in this sub-subparagraph, or qualified as a nonprofit
21 organization pursuant to s. 501(c)(3) of the Internal Revenue
22 Code of 1986, as amended.

23 e. "Veterans' organizations" means nationally
24 chartered or recognized veterans' organizations, including,
25 but not limited to, Florida chapters of the Paralyzed Veterans
26 of America, Catholic War Veterans of the U.S.A., Jewish War
27 Veterans of the U.S.A., and the Disabled American Veterans,
28 Department of Florida, Inc., which hold current exemptions
29 from federal income tax under s. 501(c)(3), (4), or (19) of
30 the Internal Revenue Code.

31 (dd) Works of art.--

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1 1. Also exempt are works of art sold to or used by an
2 educational institution, as defined in sub-subparagraph
3 (o)2.d.

4 2. This exemption also applies to the sale to or use
5 in this state of any work of art by any person if it was
6 purchased or imported exclusively for the purpose of being
7 donated to any educational institution, or loaned to and made
8 available for display by any educational institution, provided
9 that the term of the loan agreement is for at least 10 years.

10 3. The exemption provided by this paragraph for
11 donations is allowed only if the person who purchased the work
12 of art transfers title to the donated work of art to an
13 educational institution. Such transfer of title shall be
14 evidenced by an affidavit meeting requirements established by
15 rule to document entitlement to the exemption. Nothing in this
16 paragraph shall preclude a work of art donated to an
17 educational institution from remaining in the possession of
18 the donor or purchaser, as long as title to the work of art
19 lies with the educational institution.

20 ~~4.3.~~ A work of art is presumed to have been purchased
21 in or imported into this state exclusively for loan as
22 provided in subparagraph 2., if it is so loaned or placed in
23 storage in preparation for such a loan within 90 days after
24 purchase or importation, whichever is later; but a work of art
25 is not deemed to be placed in storage in preparation for loan
26 for purposes of this exemption if it is displayed at any place
27 other than an educational institution.

28 ~~5.4.~~ The exemptions provided by this paragraph are
29 allowed only if the person who purchased the work of art gives
30 to the vendor an affidavit meeting the requirements,
31 established by rule, to document entitlement to the exemption.

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1 The person who purchased the work of art shall forward a copy
2 of such affidavit to the Department of Revenue at the time it
3 is issued to the vendor.

4 ~~6.5.~~ The exemption for loans provided by subparagraph
5 2. applies only for the period during which a work of art is
6 in the possession of the educational institution or is in
7 storage before transfer of possession to that institution; and
8 when it ceases to be so possessed or held, tax based upon the
9 sales price paid by the owner is payable, and the statute of
10 limitations provided in s. 95.091 shall begin to run at that
11 time. However, tax shall not become due if the work of art is
12 donated to an educational institution after the loan ceases.

13 7. Any educational institution to which a work of art
14 has been donated pursuant to this paragraph shall make
15 available to the department the title to the work of art and
16 any other relevant information. Any educational institution
17 which has received a work of art on loan pursuant to this
18 paragraph shall make available to the department information
19 relating to the work of art. Any educational institution that
20 transfers from its possession a work of art as defined by this
21 paragraph which has been loaned to it must notify the
22 Department of Revenue within 60 days after the transfer.

23 ~~8.6.~~ For purposes of the exemptions provided by this
24 paragraph, the term "work of art" includes pictorial
25 representations, sculpture, jewelry, antiques, stamp
26 collections and coin collections, and other tangible personal
27 property, the value of which is attributable predominantly to
28 its artistic, historical, political, cultural, or social
29 importance.

30 ~~7. This paragraph is a remedial clarification of~~
31 ~~legislative intent and applies to all taxes that remain open~~

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1 ~~to assessment or contest on July 1, 1992.~~

2 (gg) Athletic event sponsors.--There shall be exempt
3 from the tax imposed by this chapter sales or leases to ~~those~~
4 organizations that which:

5 1.~~a.~~ Are incorporated pursuant to chapter 617; ~~and~~

6 2.b. Hold a current exemption from federal corporate
7 income tax liability pursuant to s. 501(c)(3) of the Internal
8 Revenue Code of 1986, as amended; and

9 3.a.2. Sponsor golf tournaments sanctioned by the PGA
10 Tour, PGA of America, or the LPGA; ~~or.~~

11 b. Are funded primarily by county or municipal
12 governments and have as their primary purpose the
13 encouragement and facilitation of the use of certain locations
14 within this state as venues for sporting events.

15 (zz) Nonprofit organizations raising funds for or
16 making grants to organizations holding consumer's certificate
17 of exemption.--Sales or leases to an organization which holds
18 current exemption from federal income tax pursuant to s.
19 501(c)(3) of the Internal Revenue Code, as amended, the sole
20 or primary function of which is to raise funds for or make
21 grants to another organization or organizations currently
22 holding a consumer's certificate of exemption issued by the
23 department are exempt from the tax imposed by this chapter.

24 (aaa) Nonprofit water systems.--Sales or leases to a
25 not-for-profit corporation which holds a current exemption
26 from federal income tax under s. 501(c)(12) of the Internal
27 Revenue Code, as amended, are exempt from the tax imposed by
28 this chapter if the sole or primary function of the
29 corporation is to construct, maintain, or operate a water
30 system in this state.

31 (bbb) Library cooperatives.--Sales or leases to

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1 library cooperatives certified under s. 257.41(2) are exempt
2 from the tax imposed by this chapter.

3
4 Exemptions provided to any entity by this subsection shall not
5 inure to any transaction otherwise taxable under this chapter
6 when payment is made by a representative or employee of such
7 entity by any means, including, but not limited to, cash,
8 check, or credit card even when that representative or
9 employee is subsequently reimbursed by such entity.

10 Section 4. (1) The exemption provided by paragraph
11 (zz) of s. 212.08(7), Florida Statutes, 1998 Supplement, as
12 created by this act, applies retroactively, except that all
13 taxes that have been collected must be remitted, and taxes
14 that have been remitted before July 1, 1999, on transactions
15 that are subject to exemption under that paragraph are not
16 subject to refund.

17 (2) The exemption provided by paragraph (bbb) of s.
18 212.08(7), Florida Statutes, 1998 Supplement, as created by
19 this act, applies retroactively to July 1, 1997.

20 Section 5. Subsection (2) of section 257.41, Florida
21 Statutes, is amended to read:

22 257.41 Library cooperatives; organization; receipt of
23 state moneys.--

24 (2) The Division of Library and Information Services
25 of the Department of State shall establish operating standards
26 and rules under which a library cooperative is eligible to
27 receive state moneys. The division shall issue a certificate
28 to each library cooperative that meets the standards and rules
29 established under this subsection.

30 Section 6. Except as otherwise provided herein, this
31 act shall take effect July 1, 1999.

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1 ===== T I T L E A M E N D M E N T =====

2 And the title is amended as follows:

3 remove from the title of the bill: the entire title

4

5 and insert in lieu thereof:

6 A bill to be entitled

7 An act relating to tax on sales, use, and other
8 transactions; amending s. 212.031, F.S.;

9 providing an exemption for the rental, lease,
10 sublease, or license to use certain skyboxes or
11 other box seats during specified activities in
12 a high tourism impact county under certain

13 conditions; providing that no tax imposed on
14 transactions so exempt and not actually paid or
15 collected prior to the effective date of such
16 exemption shall be due; amending s. 212.0602,

17 F.S., which exempts the purchase or lease of
18 materials, equipment, and other items by
19 specified educational entities, institutions,
20 or organizations under certain limited

21 circumstances; expanding the exemption to
22 include the license in or lease of real
23 property by, and supporting operations of, such
24 educational institutions; amending s. 212.08,

25 F.S.; removing a restriction on the application
26 of the exemption for veterans' organizations
27 and their auxiliaries; revising the definition
28 of "veterans' organizations"; including

29 nonprofit corporations that provide consumer
30 credit counseling in the definition of
31 "charitable institutions" for purposes of the

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1 exemption granted to such institutions;
2 providing an exemption for works of art
3 purchased or imported for the purpose of
4 donation to an educational institution;
5 providing requirements with respect thereto;
6 providing an exemption for sales or leases to
7 certain organizations that are primarily funded
8 by local governments and that encourage the use
9 of certain locations as venues for sporting
10 events; providing an exemption for sales or
11 leases to nonprofit organizations the sole or
12 primary function of which is to raise funds for
13 or make grants to organizations currently
14 holding a consumer's certificate of exemption
15 issued by the Department of Revenue; providing
16 for retroactive application; providing an
17 exemption for sales or leases to nonprofit
18 corporations the sole or primary function of
19 which is to construct, maintain, or operate a
20 water system; providing an exemption for sales
21 or leases to library cooperatives certified
22 under s. 257.41, F.S.; providing for
23 retroactive application; amending s. 257.41,
24 F.S.; requiring the Division of Library and
25 Information Services of the Department of State
26 to issue certificates to library cooperatives
27 that are eligible to receive state moneys;
28 providing effective dates.

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