

By Senator Webster

12-640A-99

See HB

1                                   A bill to be entitled  
2           An act relating to the tax on sales, use, and  
3           other transactions; amending s. 212.04, F.S.;  
4           providing an exemption for charges for the  
5           renting, leasing, or granting of a license for  
6           the 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 of a license for the use of skyboxes,  
5 luxury boxes, or other box seats for athletic or artistic  
6 events imposed by not-for-profit sponsoring organizations,  
7 which 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 LEGISLATIVE SUMMARY

8 Provides a sales tax exemption for charges for the  
9 renting, leasing, or granting of 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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