A bill to be entitled 1 2 An act relating to tax on sales, use, and other 3 transactions; amending s. 212.06, F.S.; revising the application of provisions which 4 5 exempt from use tax a person who secures rock, fill dirt, or similar materials from a location 6 7 he or she owns for use on his or her own 8 property, to include corporations and 9 affiliated groups; providing an effective date.

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

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Section 1. Paragraph (a) of subsection (15) of section 212.06, Florida Statutes, 1998 Supplement, is amended to read: 212.06 Sales, storage, use tax; collectible from

16 dealers; "dealer" defined; dealers to collect from purchasers; legislative intent as to scope of tax. --17

(15)(a) When a contractor secures rock, shell, fill dirt, or similar materials from a location that he or she owns or leases and uses such materials to fulfill a real property contract on the property of another person, the contractor is the ultimate consumer of such materials and is liable for use tax thereon. This paragraph does not apply to a person or a corporation or affiliated group as defined by s. 220.03(1)(b) or (e) that who secures such materials from a location that he, or it owns for use on his, or her, or its own property. The basis upon which the contractor shall remit the tax is the fair retail market value determined by establishing either the price he or she would have to pay for it on the open market or the price he or she would regularly charge if 31 he or she sold it to other contractors or users.

Section 2. This act shall take effect July 1, 1999. HOUSE SUMMARY Revises the application of provisions which exempt from use tax a person who secures rock, fill dirt, or similar materials from a location he or she owns for use on his or her own property, to include corporations and affiliated groups.