

Bill No. CS for SB 1070, 1st Eng.

Amendment No.

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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11	Senator Horne moved the following amendment:		
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13	Senate Amendment (with title amendment)		
14	Delete everything after the enacting clause		
15			
16	and insert:		
17	Section 1. Section 196.2002, Florida Statutes, is		
18	created to read:		
19	<u>196.2002 Exemption for 501(c)(12) Not-for-Profit Water</u>		
20	<u>and Wastewater Systems.--Property of any not-for-profit water</u>		
21	<u>and wastewater corporation which holds a current exemption</u>		
22	<u>from federal income tax under section 501(c)(12) of the</u>		
23	<u>Internal Revenue Code, as amended, shall be exempt from ad</u>		
24	<u>valorem taxation if the sole or primary function of the</u>		
25	<u>corporation is to construct, maintain or operate a water</u>		
26	<u>and/or wastewater system in this state.</u>		
27	Section 2. Paragraph (a) of subsection (3) of section		
28	95.091, Florida Statutes, is amended to read:		
29	95.091 Limitation on actions to collect taxes.--		
30	(3)(a) With the exception of taxes levied under		
31	chapter 198 and tax adjustments made pursuant to s. 220.23,		

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1 the Department of Revenue may determine and assess the amount
2 of any tax, penalty, or interest due under any tax enumerated
3 in s. 72.011 which it has authority to administer and the
4 Department of Business and Professional Regulation may
5 determine and assess the amount of any tax, penalty, or
6 interest due under any tax enumerated in s. 72.011 which it
7 has authority to administer:

8 1.a. For taxes due before July 1, 1999, within 5 years
9 after the date the tax is due, any return with respect to the
10 tax is due, or such return is filed, whichever occurs later;
11 and for taxes due on or after July 1, 1999, within 3 years
12 after the date the tax is due, any return with respect to the
13 tax is due, or such return is filed, whichever occurs later;

14 b. Effective July 1, 2002, notwithstanding
15 sub-subparagraph a., within 3 years after the date the tax is
16 due, any return with respect to the tax is due, or such return
17 is filed, whichever occurs later;

18 2. For taxes due before July 1, 1999, within 6 years
19 after the date the taxpayer either makes a substantial
20 underpayment of tax, or files a substantially incorrect
21 return;

22 3. At any time while the right to a refund or credit
23 of the tax is available to the taxpayer;

24 4. For taxes due before July 1, 1999, at any time
25 after the taxpayer has filed a grossly false return;

26 5. At any time after the taxpayer has failed to make
27 any required payment of the tax, has failed to file a required
28 return, or has filed a fraudulent return, except that for
29 taxes due on or after July 1, 1999, the limitation prescribed
30 in subparagraph 1.~~sub-subparagraph a.~~ applies if the taxpayer
31 has disclosed in writing the tax liability to the department

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1 before the department has contacted the taxpayer; or
2 6. In any case in which there has been a refund of tax
3 erroneously made for any reason:

4 a. For refunds made before July 1, 1999, within 5
5 years after making such refund; and

6 b. For refunds made on or after July 1, 1999, within 3
7 years after making such refund,

8
9 or at any time after making such refund if it appears that any
10 part of the refund was induced by fraud or the
11 misrepresentation of a material fact.

12 Section 3. Subsection (2) of section 106.265, Florida
13 Statutes, is amended to read:

14 106.265 Civil penalties.--

15 (2) If any person, political committee, committee of
16 continuous existence, or political party fails or refuses to
17 pay to the commission any civil penalties assessed pursuant to
18 the provisions of this section, the commission ~~Department of~~
19 ~~Revenue~~ shall be responsible for collecting the civil
20 penalties resulting from such action.

21 Section 4. Paragraph (b) of subsection (14) of section
22 120.80, Florida Statutes, is amended to read:

23 120.80 Exceptions and special requirements;
24 agencies.--

25 (14) DEPARTMENT OF REVENUE.--

26 (b) Taxpayer contest proceedings.--

27 1. In any administrative proceeding brought pursuant
28 to this chapter as authorized by s. 72.011(1), the taxpayer
29 shall be designated the "petitioner" and the Department of
30 Revenue shall be designated the "respondent," except that for
31 actions contesting an assessment or denial of refund under

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1 chapter 207, the Department of Highway Safety and Motor
2 Vehicles shall be designated the "respondent," and for actions
3 contesting an assessment or denial of refund under chapters
4 210, 550, 561, 562, 563, 564, and 565, the Department of
5 Business and Professional Regulation shall be designated the
6 "respondent."

7 2. In any such administrative proceeding, the
8 applicable department's burden of proof, except as otherwise
9 specifically provided by general law, shall be limited to a
10 showing that an assessment has been made against the taxpayer
11 and the factual and legal grounds upon which the applicable
12 department made the assessment.

13 3.a. Prior to filing a petition under this chapter,
14 the taxpayer shall pay to the applicable department the amount
15 of taxes, penalties, and accrued interest assessed by that
16 department which are not being contested by the taxpayer.
17 Failure to pay the uncontested amount shall result in the
18 dismissal of the action and imposition of an additional
19 penalty of 25 percent of the amount taxed.

20 b. The requirements of s. 72.011(2) and (3)(a) are
21 jurisdictional for any action under this chapter to contest an
22 assessment or denial of refund by the Department of Revenue,
23 the Department of Highway Safety and Motor Vehicles, or the
24 Department of Business and Professional Regulation.

25 4. Except as provided in s. 220.719, further
26 collection and enforcement of the contested amount of an
27 assessment for nonpayment or underpayment of any tax,
28 interest, or penalty shall be stayed beginning on the date a
29 petition is filed. Upon entry of a final order, an agency may
30 resume collection and enforcement action.

31 5. The prevailing party, in a proceeding under ss.

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1 120.569 and 120.57 authorized by s. 72.011(1), may recover all
2 legal costs incurred in such proceeding, including reasonable
3 attorney's fees, if the losing party fails to raise a
4 justiciable issue of law or fact in its petition or response.

5 6. Upon review pursuant to s. 120.68 of final agency
6 action concerning an assessment of tax, penalty, or interest
7 with respect to a tax imposed under chapter 212, or the denial
8 of a refund of any tax imposed under chapter 212, if the court
9 finds that the Department of Revenue improperly rejected or
10 modified a conclusion of law, the court may award reasonable
11 attorney's fees and reasonable costs of the appeal to the
12 prevailing appellant.

13 Section 5. Subsection (1) of section 166.231, Florida
14 Statutes, is amended, to read:

15 166.231 Municipalities; public service tax.--

16 (1)(a) A municipality may levy a tax on the purchase
17 of electricity, metered natural gas, liquefied petroleum gas
18 either metered or bottled, manufactured gas either metered or
19 bottled, and water service. Except for those municipalities in
20 which (c) applies, the tax shall be levied only upon purchases
21 within the municipality and shall not exceed 10 percent of the
22 payments received by the seller of the taxable item from the
23 purchaser for the purchase of such service. Municipalities
24 imposing a tax on the purchase of cable television service as
25 of May 4, 1977, may continue to levy such tax to the extent
26 necessary to meet all obligations to or for the benefit of
27 holders of bonds or certificates which were issued prior to
28 May 4, 1977. Purchase of electricity means the purchase of
29 electric power by a person who will consume it within the
30 municipality.

31 (b) The tax imposed by paragraph (a) shall not be

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1 applied against any fuel adjustment charge, and such charge
2 shall be separately stated on each bill. The term "fuel
3 adjustment charge" means all increases in the cost of utility
4 services to the ultimate consumer resulting from an increase
5 in the cost of fuel to the utility subsequent to October 1,
6 1973.

7 (c) The tax in paragraph (a) on water service may be
8 applied outside municipal boundaries to property included in a
9 development of regional impact approved pursuant to s. 380.06,
10 if agreed to in writing by the development of such property
11 and the municipality prior to March 31, 2000, if a tax levied
12 pursuant to the subsection is challenged, recovery, if any,
13 shall be limited to monies paid into an escrow account of the
14 clerk of the court subsequent to such challenge.

15 Section 6. Section 175.111, Florida Statutes, is
16 amended to read:

17 175.111 Certified copy of ordinance or resolution
18 filed; insurance companies' annual report of premiums;
19 duplicate files; book of accounts.--For any municipality,
20 special fire control district, chapter plan, local law
21 municipality, local law special fire control district, or
22 local law plan under this chapter, whenever any municipality
23 passes an ordinance or whenever any special fire control
24 district passes a resolution establishing a chapter plan or
25 local law plan assessing and imposing the taxes authorized in
26 s. 175.101, a certified copy of such ordinance or resolution
27 shall be deposited with the division. Thereafter every
28 insurance company, association, corporation, or other insurer
29 carrying on the business of property insurance on real or
30 personal property, on or before the succeeding March 1 after
31 date of the passage of the ordinance or resolution, shall

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1 report fully in writing and under oath to the division and the
2 Department of Revenue a just and true account of all premiums
3 by such insurer received for property insurance policies
4 covering or insuring any real or personal property located
5 within the corporate limits of each such municipality or
6 special fire control district during the period of time
7 elapsing between the date of the passage of the ordinance or
8 resolution and the end of the calendar year. The report shall
9 include the code designation as prescribed by the division for
10 each piece of insured property, real or personal, located
11 within the corporate limits of each municipality and within
12 the legally defined boundaries of each special fire control
13 district. The aforesaid insurer shall annually thereafter, on
14 March 1, file with ~~the division and~~ the Department of Revenue
15 a similar report covering the preceding year's premium
16 receipts, and every such insurer at the same time of making
17 such reports shall pay to the Department of Revenue the amount
18 of the tax hereinbefore mentioned. Every insurer engaged in
19 carrying on such insurance business in the state shall keep
20 accurate books of accounts of all such business done by it
21 within the corporate limits of each such municipality and
22 within the legally defined boundaries of each such special
23 fire control district, and in such manner as to be able to
24 comply with the provisions of this chapter. Based on the
25 insurers' reports of premium receipts, the division shall
26 prepare a consolidated premium report and shall furnish to any
27 municipality or special fire control district requesting the
28 same a copy of the relevant section of that report.

29 Section 7. Section 185.09, Florida Statutes, is
30 amended to read:

31 185.09 Report of premiums paid; date tax payable.--For

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1 any municipality, chapter plan, local law municipality, or
2 local law plan under this chapter, whenever any municipality
3 passes an ordinance establishing a chapter plan or local law
4 plan and assessing and imposing the tax authorized in s.
5 185.08, a certified copy of such ordinance shall be deposited
6 with the division; and thereafter every insurance company,
7 corporation, or other insurer carrying on the business of
8 casualty insuring, on or before the succeeding March 1 after
9 date of the passage of the ordinance, shall report fully in
10 writing to the division and the Department of Revenue a just
11 and true account of all premiums received by such insurer for
12 casualty insurance policies covering or insuring any property
13 located within the corporate limits of such municipality
14 during the period of time elapsing between the date of the
15 passage of the ordinance and the end of the calendar year. The
16 aforesaid insurer shall annually thereafter, on March 1, file
17 with ~~the division and~~ the Department of Revenue a similar
18 report covering the preceding year's premium receipts. Every
19 such insurer shall, at the time of making such report, pay to
20 the Department of Revenue the amount of the tax heretofore
21 mentioned. Every insurer engaged in carrying on a general
22 casualty insurance business in the state shall keep accurate
23 books of account of all such business done by it within the
24 limits of such incorporated municipality in such a manner as
25 to be able to comply with the provisions of this chapter.
26 Based on the insurers' reports of premium receipts, the
27 division shall prepare a consolidated premium report and shall
28 furnish to any municipality requesting the same a copy of the
29 relevant section of that report.

30 Section 8. Paragraphs (r) and (s) are added to
31 subsection (7) of section 213.053, Florida Statutes, to read:

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1 213.053 Confidentiality and information sharing.--

2 (7) Notwithstanding any other provision of this
3 section, the department may provide:

4 (r) Information relative to the returns required by
5 ss. 175.111 and 185.09 to the Department of Management
6 Services in the conduct of its official duties. The Department
7 of Management Services is, in turn, authorized to disclose
8 payment information to a governmental agency as necessary in
9 the administration of chapters 175 and 185.

10 (s) Names, addresses, and federal employer
11 identification numbers, or similar identifiers, to the
12 Department of Highway Safety and Motor Vehicles for use in the
13 conduct of its official duties.

14
15 Disclosure of information under this subsection shall be
16 pursuant to a written agreement between the executive director
17 and the agency. Such agencies, governmental or
18 nongovernmental, shall be bound by the same requirements of
19 confidentiality as the Department of Revenue. Breach of
20 confidentiality is a misdemeanor of the first degree,
21 punishable as provided by s. 775.082 or s. 775.083.

22 Section 9. Section 189.420, Florida Statutes, is
23 created to read:

24 189.420 Assessments levied on facilities regulated
25 under chapter 513.--When an independent or dependent special
26 district levies an assessment on a facility regulated under
27 chapter 513, the assessment shall not be based on the
28 assertion that the facility is comprised of residential units.
29 Instead, facilities regulated under chapter 513 shall be
30 assessed in the same manner as a hotel, motel, or other
31 similar facility.

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1 Section 10. Effective January 1, 2001, paragraph (g)
2 is added to subsection (1) of section 203.01, Florida
3 Statutes, to read:

4 203.01 Tax on gross receipts for utility services.--

5 (1)(a) Every person that receives payment for any
6 utility service shall report by the last day of each month to
7 the Department of Revenue, under oath of the secretary or some
8 other officer of such person, the total amount of gross
9 receipts derived from business done within this state, or
10 between points within this state, for the preceding month and,
11 at the same time, shall pay into the State Treasury an amount
12 equal to a percentage of such gross receipts at the rate set
13 forth in paragraph (b). Such collections shall be certified
14 by the Comptroller upon the request of the State Board of
15 Education.

16 (b) Beginning July 1, 1992, and thereafter, the rate
17 shall be 2.5 percent.

18 (c) Any person who purchases, installs, rents, or
19 leases a telephone system or telecommunication system for his
20 or her own use to provide that person with telephone service
21 or telecommunication service which is a substitute for any
22 telephone company switched service or a substitute for any
23 dedicated facility by which a telephone company provides a
24 communication path shall register with the Department of
25 Revenue and pay into the State Treasury a yearly amount equal
26 to a percentage of the actual cost of operating such system at
27 the rate set forth in paragraph (b). "Actual cost" includes,
28 but is not limited to, depreciation, interest, maintenance,
29 repair, and other expenses directly attributable to the
30 operation of such system. For purposes of this paragraph, the
31 depreciation expense to be included in actual cost shall be

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1 the depreciation expense claimed for federal income tax
2 purposes. The total amount of any payment required by a lease
3 or rental contract or agreement shall be included within the
4 actual cost. The provisions of this paragraph do not apply to
5 the use by any local telephone company or any
6 telecommunication carrier of its own telephone system or
7 telecommunication system to conduct a telecommunication
8 service for hire or to the use of any radio system operated by
9 any county or municipality or by the state or any political
10 subdivision thereof. If a system described in this paragraph
11 is located in more than one state, the actual cost of such
12 system for purposes of this paragraph shall be the actual cost
13 of the system's equipment located in Florida. The term
14 "telecommunications carrier" specifically includes cellular
15 telephone carriers and other radio common carriers.

16 (d) Electricity produced by cogeneration or by small
17 power producers which is transmitted and distributed by a
18 public utility between two locations of a customer of the
19 utility pursuant to s. 366.051 is subject to the tax imposed
20 by this section. The tax shall be applied to the cost price
21 of such electricity as provided in s. 212.02(4) and shall be
22 paid each month by the producer of such electricity.

23 (e) Electricity produced by cogeneration or by small
24 power producers during the 12-month period ending June 30 of
25 each year which is in excess of nontaxable electricity
26 produced during the 12-month period ending June 30, 1990, is
27 subject to the tax imposed by this section. The tax shall be
28 applied to the cost price of such electricity as provided in
29 s. 212.02(4) and shall be paid each month, beginning with the
30 month in which total production exceeds the production of
31 nontaxable electricity for the 12-month period ending June 30,

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1 1990. For purposes of this paragraph, "nontaxable
2 electricity" means electricity produced by cogeneration or by
3 small power producers which is not subject to tax under
4 paragraph (d). Taxes paid pursuant to paragraph (d) may be
5 credited against taxes due under this paragraph. Electricity
6 generated as part of an industrial manufacturing process which
7 manufactures products from phosphate rock, raw wood fiber,
8 paper, citrus or any agricultural product shall not be subject
9 to the tax imposed by this paragraph. "Industrial
10 manufacturing process" means the entire process conducted at
11 the location where the process takes place.

12 (f) Any person other than a cogenerator or small power
13 producer described in paragraph (e) who produces for his or
14 her own use electrical energy which is a substitute for
15 electrical energy produced by an electric utility as defined
16 in s. 366.02 is subject to the tax imposed by this section.
17 The tax shall be applied to the cost price of such electrical
18 energy as provided in s. 212.02(4) and shall be paid each
19 month. The provisions of this paragraph do not apply to any
20 electrical energy produced and used by an electric utility.

21 (g) Notwithstanding any other provision of this
22 chapter, with the exception of a telephone or
23 telecommunication system described in paragraph (c), the
24 department may require:

25 1. A quarterly return and payment when the tax
26 remitted for the preceding four calendar quarters did not
27 exceed \$1,000;

28 2. A semiannual return and payment when the tax
29 remitted for the preceding four calendar quarters did not
30 exceed \$500; or

31 3. An annual return and payment when the tax remitted

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1 for the preceding four calendar quarters did not exceed \$100.

2 Section 11. Effective July 1, 2000, section 206.09,
3 Florida Statutes, is amended to read:

4 206.09 Reports from carriers transporting motor fuel
5 or similar products.--

6 (1) Every railroad company, pipeline company, water
7 transportation company, private carrier, and common carrier
8 transporting motor fuel, casinghead gasoline, natural
9 gasoline, naphtha, or diesel fuel distillate, either in
10 interstate or intrastate or foreign commerce, to points within
11 Florida, and every person transporting motor fuel, casinghead
12 gasoline, natural gasoline, naphtha, or diesel fuel
13 distillate, by whatever manner, to a point in Florida from any
14 point outside of said state, shall file monthly returns
15 setting forth:

16 (a) The name under which such person is transacting
17 business within the state.

18 (b) The location with street number address of such
19 person's principal office or place of business within the
20 state.

21 (c) The name, federal employer identification number
22 or, if such number is not available, the social security
23 number, and business address of the owner or the names and
24 addresses of the partners, if such person is a partnership, or
25 the principal officers, if such person is a corporation or
26 association.

27 (2) Such person or company shall report under oath to
28 the department on forms prescribed by the department all
29 deliveries of motor fuel, casinghead gasoline, natural
30 gasoline, naphtha, or diesel fuel distillate so made to points
31 within the state.

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1 (3) Such reports shall cover monthly periods and be
2 submitted within 20 days after the close of the month covered
3 by the report and shall show:

4 (a) The name, federal employer identification number
5 or, if such number is not available, the social security
6 number, and complete business address of the person to whom
7 the deliveries of motor fuel, casinghead gasoline, natural
8 gasoline, naphtha, or diesel fuel distillate have actually and
9 in fact been made;

10 (b) The name, federal employer identification number
11 or, if such number is not available, the social security
12 number, and complete business address of the originally named
13 consignee, if motor fuel, casinghead gasoline, natural
14 gasoline, naphtha, or diesel fuel distillate has been
15 delivered to any person other than the originally named
16 consignee;

17 (c) The municipality and state of origin, the
18 municipality, county, and state of delivery, the date of
19 delivery, and the number and initials of each tank car and the
20 number of gallons contained therein, if shipped by rail;

21 (d) The name of the boat, barge, or vessel and the
22 number of gallons contained therein, if shipped by water;

23 (e) The company unit number of each tank truck and the
24 number of gallons contained therein, if transported by motor
25 truck;

26 (f) If delivered by other means, the manner in which
27 such delivery is made; and

28 (g) Such other additional information relative to
29 shipments of motor fuel as the department may require.

30 (4) The department is authorized to suspend the
31 reporting requirements of this section if substantially the

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1 same data is filed with the Internal Revenue Service and
2 provided to the department through a national information
3 reporting system.

4 ~~(5)(4)~~ If any such person or company required to file
5 under this section fails to make a complete report, the
6 department shall impose, in addition to any other penalty or
7 interest due, a penalty in the amount of \$200.

8 Section 12. Effective July 1, 2000, section 206.095,
9 Florida Statutes, is amended to read:

10 206.095 Reports from terminal operators.--

11 (1) Every terminal operator who stores, handles, or
12 transfers motor fuel, casinghead gasoline, natural gasoline,
13 naphtha, diesel fuel, kerosene, or other middle distillates
14 shall file a report on forms prescribed by the department.
15 The report shall be filed on a monthly basis within 20 days
16 after the close of the month covered by the report and shall
17 show:

18 (a) The name, address, and license number of the
19 terminal supplier, importer, or exporter storing or
20 transferring such product.

21 (b) The name of the boat, barge, or vessel
22 transporting the product to the terminal.

23 (c) The number of gallons and type of product which is
24 being stored.

25 (d) Such other additional information relative to
26 shipments and storage of products as the department may
27 require.

28 (2) The department is authorized to suspend the
29 reporting requirements of this section if substantially the
30 same data is filed with the Internal Revenue Service and
31 provided to the department through a national information

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1 reporting system.

2 (3)(2) If any terminal operator fails to make a
3 complete report, the department shall impose, in addition to
4 any other penalty and interest due, a penalty in the amount of
5 \$100.

6 Section 13. Effective July 1, 2000, section 212.051,
7 Florida Statutes, is amended to read:

8 212.051 Equipment, or machinery, and other materials
9 for pollution control; not subject to sales or use tax.--

10 (1) Notwithstanding any provision to the contrary,
11 sales, use, or privilege taxes shall not be collected with
12 respect to any facility, device, fixture, equipment, or
13 machinery, specialty chemical, or bioaugmentation product used
14 primarily for the control or abatement of pollution or
15 contaminants in manufacturing, processing, compounding, or
16 producing for sale items of tangible personal property at a
17 fixed location, or any structure, machinery, or equipment
18 installed in the reconstruction or replacement of such
19 facility, device, fixture, equipment, or machinery. To
20 qualify, such facility, device, fixture, equipment, or
21 structure, specialty chemical, or bioaugmentation product must
22 be used, installed, or constructed to meet a law implemented
23 by, or a condition of a permit issued by, the Department of
24 Environmental Protection; however, such exemption shall not be
25 allowed unless the purchaser signs a certificate stating that
26 the facility, device, fixture, equipment, or structure,
27 specialty chemical, or bioaugmentation product to be exempted
28 is required to meet such law or condition.

29 (2) Equipment, machinery, or materials required to
30 meet any law implemented by, or any condition of a permit
31 issued by, the Department of Environmental Protection that are

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1 purchased for the monitoring, prevention, abatement, or
2 control of pollution or contaminants at privately owned or
3 operated landfills or construction and demolition debris
4 disposal facilities shall be exempt from taxation as otherwise
5 imposed by this chapter; however, such exemption shall not be
6 allowed unless the purchaser signs a certificate stating that
7 the equipment, machinery, or materials to be exempted are
8 required to meet such law or condition. This exemption does
9 not include solid waste collection vehicles, compactors,
10 graders, or other earthmoving equipment.

11 (3) For the purposes of this section, "specialty
12 chemicals" means those chemicals used to enhance or further
13 treat wastewater, including, but not limited to, defoamers,
14 nutrients, and polymers, and "bioaugmentation products" means
15 the microorganisms used in waste treatment plants to break
16 down solids and consume organic matter.

17 Section 14. (1) Paragraph (c) of subsection (1) of
18 section 212.06, Florida Statutes, is amended to read:

19 212.06 Sales, storage, use tax; collectible from
20 dealers; "dealer" defined; dealers to collect from purchasers;
21 legislative intent as to scope of tax.--

22 (1)

23 (c)1. Notwithstanding the provisions of paragraph (b),
24 the use tax on asphalt manufactured for one's own use shall be
25 calculated with respect to paragraph (b) only upon the cost of
26 materials which become a component part or which are an
27 ingredient of the finished asphalt and upon the cost of the
28 transportation of such components and ingredients. In
29 addition, an indexed tax of 38 cents per ton of such
30 manufactured asphalt shall be due at the same time and in the
31 same manner as taxes due pursuant to paragraph (b). Beginning

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1 July 1, 1989, the indexed tax shall be adjusted each July 1 to
2 an amount, rounded to the nearest cent, equal to the product
3 of 38 cents multiplied by a fraction, the numerator of which
4 is the annual average of the "materials and components for
5 construction" series of the producer price index, as
6 calculated and published by the United States Department of
7 Labor, Bureau of Statistics, for the previous calendar year,
8 and the denominator of which is the annual average of said
9 series for calendar year 1988.

10 2. Beginning July 1, 1999, the indexed tax imposed by
11 this paragraph on ~~shall not apply to~~ manufactured asphalt
12 which is used for any federal, state, or local government
13 public works project shall be reduced by 20 percent. ~~Beginning~~
14 ~~July 1, 1999, 20 percent of such amount is exempt.~~

15 (2) It is the intent of the Legislature that the
16 amendment to s. 212.06(1)(c), Florida Statutes, by this
17 section is remedial in nature and merely clarifies existing
18 law.

19 Section 15. (1) Effective July 1, 2000, paragraphs
20 (a) and (c) of subsection (5) and paragraph (eee) of
21 subsection (7) of section 212.08, Florida Statutes, are
22 amended, and paragraph (ggg) is added to subsection (7) of
23 said section, to read:

24 212.08 Sales, rental, use, consumption, distribution,
25 and storage tax; specified exemptions.--The sale at retail,
26 the rental, the use, the consumption, the distribution, and
27 the storage to be used or consumed in this state of the
28 following are hereby specifically exempt from the tax imposed
29 by this chapter.

30 (5) EXEMPTIONS; ACCOUNT OF USE.--

31 (a) Items in agricultural use and certain nets.--There

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1 are exempt from the tax imposed by this chapter nets designed
2 and used exclusively by commercial fisheries; disinfectants,
3 fertilizers, insecticides, pesticides, herbicides, fungicides,
4 and weed killers used for application on crops or groves,
5 including commercial nurseries and home vegetable gardens,
6 used in dairy barns or on poultry farms for the purpose of
7 protecting poultry or livestock, or used directly on poultry
8 or livestock; portable containers or moveable receptacles in
9 which portable containers are placed, used for processing farm
10 products; field and garden seeds, including flower seeds;
11 nursery stock, seedlings, cuttings, or other propagative
12 material purchased for growing stock; seeds, seedlings,
13 cuttings, and plants used to produce food for human
14 consumption; cloth, plastic, and other similar materials used
15 for shade, mulch, or protection from frost or insects on a
16 farm; generators used on poultry farms; and liquefied
17 petroleum gas or other fuel used to heat a structure in which
18 started pullets or broilers are raised; however, such
19 exemption shall not be allowed unless the purchaser or lessee
20 signs a certificate stating that the item to be exempted is
21 for the exclusive use designated herein. Also exempt are
22 cellophane wrappers, glue for tin and glass (apiarists),
23 mailing cases for honey, shipping cases, window cartons, and
24 baling wire and twine used for baling hay, when used by a
25 farmer to contain, produce, or process an agricultural
26 commodity.

27 (c) Machinery and equipment used in production of
28 electrical or steam energy.--

29 1. The purchase of machinery and equipment for use at
30 a fixed location which machinery and equipment are necessary
31 in the production of electrical or steam energy resulting from

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1 the burning of boiler fuels other than residual oil is exempt
2 from the tax imposed by this chapter. Such electrical or
3 steam energy must be primarily for use in manufacturing,
4 processing, compounding, or producing for sale items of
5 tangible personal property in this state. Use of a de minimis
6 amount of residual fuel to facilitate the burning of
7 nonresidual fuel shall not reduce the exemption otherwise
8 available under this paragraph.

9 2. In facilities where machinery and equipment are
10 necessary to burn both residual and nonresidual fuels, the
11 exemption shall be prorated. Such proration shall be based
12 upon the production of electrical or steam energy from
13 nonresidual fuels as a percentage of electrical or steam
14 energy from all fuels. If it is determined that 15 percent or
15 less of all electrical or steam energy generated was produced
16 by burning residual fuel, the full exemption shall apply.
17 Purchasers claiming a partial exemption shall obtain such
18 exemption by refund of taxes paid, or as otherwise provided in
19 the department's rules.

20 3. The department may adopt rules that provide for
21 implementation of this exemption. Purchasers of machinery and
22 equipment qualifying for the exemption provided in this
23 paragraph shall furnish the department with an affidavit
24 stating that the item or items to be exempted are for the use
25 designated herein. Any person furnishing a false affidavit to
26 the vendor for the purpose of evading payment of any tax
27 imposed under this chapter shall be subject to the penalty set
28 forth in s. 212.085 and as otherwise provided by law.
29 Purchasers with self-accrual authority shall maintain all
30 documentation necessary to prove the exempt status of
31 purchases.

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- 1 (7) MISCELLANEOUS EXEMPTIONS.--
- 2 (eee) Certain repair and labor charges.--
- 3 1. Subject to the provisions of subparagraphs 2. and
- 4 3., there is exempt from the tax imposed by this chapter all
- 5 labor charges for the repair of, and parts and materials used
- 6 in the repair of and incorporated into, industrial machinery
- 7 and equipment which is used for the manufacture, processing,
- 8 compounding, or production, or preparation for shipping of
- 9 items of tangible personal property at a fixed location within
- 10 this state.
- 11 2. This exemption applies only to industries
- 12 classified under SIC Industry Major Group Numbers 10, 12, 13,
- 13 14, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34,
- 14 35,36, 37, 38, and 39 and Industry Group Number 212. As used
- 15 in this subparagraph, "SIC" means those classifications
- 16 contained in the Standard Industrial Classification Manual,
- 17 1987, as published by the Office of Management and Budget,
- 18 Executive Office of the President.
- 19 3. This exemption shall be applied as follows:
- 20 a. Beginning July 1, 1999, 25 percent of such charges
- 21 for repair parts and labor shall be exempt.
- 22 b. Beginning July 1, 2000, 50 percent of such charges
- 23 for repair parts and labor shall be exempt.
- 24 c. Beginning July 1, 2001, 75 percent of such charges
- 25 for repair parts and labor shall be exempt.
- 26 d. Beginning July 1, 2002, 100 percent of such charges
- 27 for repair parts and labor shall be exempt.
- 28 (ggg) People-mover systems.--People-mover systems, and
- 29 parts thereof, which are purchased or manufactured by
- 30 contractors employed either directly by or as agents for the
- 31 United States Government, the state, a county, a municipality,

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1 a political subdivision of the state, or the public operator
2 of a public-use airport as defined by s. 332.004(14) are
3 exempt from the tax imposed by this chapter when the systems
4 or parts go into or become part of publicly owned facilities.
5 In the case of contractors who manufacture and install such
6 systems and parts, this exemption extends to the purchase of
7 component parts and all other manufacturing and fabrication
8 costs. The department may provide a form to be used by
9 contractors to provide to suppliers of people-mover systems or
10 parts to certify the contractors' eligibility for the
11 exemption provided under this paragraph. As used in this
12 paragraph, "people-mover systems" includes wheeled passenger
13 vehicles and related control and power distribution systems
14 that are part of a transportation system for use by the
15 general public, regardless of whether such vehicles are
16 operator-controlled or driverless, self-propelled or propelled
17 by external power and control systems, or conducted on roads,
18 rails, guidebeams, or other permanent structures that are an
19 integral part of such transportation system. "Related control
20 and power distribution systems" includes any electrical or
21 electronic control or signaling equipment, but does not
22 include the embedded wiring, conduits, or cabling used to
23 transmit electrical or electronic signals among such control
24 equipment, power distribution equipment, signaling equipment,
25 and wheeled vehicles.

26
27 Exemptions provided to any entity by this subsection shall not
28 inure to any transaction otherwise taxable under this chapter
29 when payment is made by a representative or employee of such
30 entity by any means, including, but not limited to, cash,
31 check, or credit card even when that representative or

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1 employee is subsequently reimbursed by such entity.

2 (2) The amendment to s. 212.08(7)(eee)2., Florida
 3 Statutes, by this section is remedial in nature and shall have
 4 the same force and effect as if SIC Industry Major Group
 5 Number 35 had been included from July 1, 1999.

6 Section 16. Effective July 1, 2000, paragraph (c) of
 7 subsection (1) of section 212.11, Florida Statutes, is amended
 8 to read:

9 212.11 Tax returns and regulations.--

10 (1)

11 (c) However, the department may require:

12 1. A quarterly return and payment when the tax
 13 remitted by the dealer for the preceding four calendar
 14 quarters did not exceed \$1,000.

15 2. A semiannual return and payment when the tax
 16 remitted by the dealer for the preceding four calendar
 17 quarters did not exceed \$500.

18 3. An annual return and payment when the tax remitted
 19 by the dealer for the preceding four calendar quarters did not
 20 exceed \$100.

21 4. A quarterly return and monthly payment when the tax
 22 remitted by the dealer for the preceding four calendar
 23 quarters exceeded \$1,000 but did not exceed \$12,000.

24
 25 The department is authorized to allow a dealer filing returns
 26 and paying tax under subparagraph 1., subparagraph 2.,
 27 subparagraph 3., or subparagraph 4. to continue to use the
 28 same filing frequency, even though the dealer has paid tax in
 29 a filing period that is greater than the maximum amount
 30 allowed for such period. The dealer must submit a written
 31 request to the department to be continued on the same filing

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1 frequency, and such request must be based on an explanation
2 that the tax amount submitted represents nonrecurring business
3 activity.

4 Section 17. (1) Paragraph (c) of subsection (6) of
5 section 212.12, Florida Statutes, is amended to read:

6 212.12 Dealer's credit for collecting tax; penalties
7 for noncompliance; powers of Department of Revenue in dealing
8 with delinquents; brackets applicable to taxable transactions;
9 records required.--

10 (6)

11 (c)1. If the records of a dealer are adequate but
12 voluminous in nature and substance, the department may
13 ~~statistically~~ sample such records, except for fixed assets,
14 and project the audit findings derived therefrom over the
15 entire audit period to determine the proportion that taxable
16 retail sales bear to total retail sales or the proportion that
17 taxable purchases bear to total purchases. In order to
18 conduct such a sample, the department must first make a good
19 faith effort to reach an agreement with the dealer, which
20 agreement provides for the means and methods to be used in the
21 sampling process. In the event that no agreement is reached,
22 the dealer is entitled to a review by the executive director.

23 2. For the purposes of sampling pursuant to
24 subparagraph 1., the department shall project any deficiencies
25 and overpayments derived therefrom over the entire audit
26 period. In determining the dealer's compliance, the department
27 shall reduce any tax deficiency as derived from the sample by
28 the amount of any overpayment derived from the sample. In the
29 event the department determines from the sample results that
30 the dealer has a net tax overpayment, the department shall
31 provide the findings of this overpayment to the Comptroller

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1 for repayment of funds paid into the State Treasury through
2 error pursuant to s. 215.26.

3 (2) It is the intent of the Legislature that this
4 section clarify rather than change existing law. Further, this
5 section shall apply to all tax periods that are still open for
6 assessment or refund when this section takes effect, including
7 tax periods that are the subject of assessment or refund
8 claims that are pending in administrative or judicial
9 proceedings when this section takes effect.

10 Section 18. Effective July 1, 2000, subsections (3)
11 and (5) of section 213.015, Florida Statutes, are amended to
12 read:

13 213.015 Taxpayer rights.--There is created a Florida
14 Taxpayer's Bill of Rights to guarantee that the rights,
15 privacy, and property of Florida taxpayers are adequately
16 safeguarded and protected during tax assessment, collection,
17 and enforcement processes administered under the revenue laws
18 of this state. The Taxpayer's Bill of Rights compiles, in one
19 document, brief but comprehensive statements which explain, in
20 simple, nontechnical terms, the rights and obligations of the
21 Department of Revenue and taxpayers. The rights afforded
22 taxpayers to assure that their privacy and property are
23 safeguarded and protected during tax assessment and collection
24 are available only insofar as they are implemented in other
25 parts of the Florida Statutes or rules of the Department of
26 Revenue. The rights so guaranteed Florida taxpayers in the
27 Florida Statutes and the departmental rules are:

28 (3) The right to be represented or advised by counsel
29 or other qualified representatives at any time in
30 administrative interactions with the department, the right to
31 procedural safeguards with respect to recording of interviews

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1 during tax determination or collection processes conducted by
2 the department, the right to be treated in a professional
3 manner by department personnel, and the right to have audits,
4 inspections of records, and interviews conducted at a
5 reasonable time and place except in criminal and internal
6 investigations (see ss. 198.06, 199.218, 201.11(1), 203.02,
7 206.14, 211.125(3), 211.33(3), 212.0305(3), 212.12(5)(a),
8 (6)(a), and (13), 212.13(5), 213.05, 213.21(1)(a) and (c), and
9 213.34).

10 (5) The right to obtain simple, nontechnical
11 statements which explain the reason for audit selection and
12 the procedures, remedies, and rights available during audit,
13 appeals, and collection proceedings, including, but not
14 limited to, the rights pursuant to this Taxpayer's Bill of
15 Rights and the right to be provided with a narrative
16 description which explains the basis of audit changes,
17 proposed assessments, assessments, and denials of refunds;
18 identifies any amount of tax, interest, or penalty due; and
19 states the consequences of the taxpayer's failure to comply
20 with the notice.

21 Section 19. (1) Effective July 1, 2000, subsections
22 (2) and (3) of section 213.21, Florida Statutes, are amended
23 to read:

24 213.21 Informal conferences; compromises.--

25 (2)(a) The executive director of the department or his
26 or her designee is authorized to enter into closing agreements
27 with any taxpayer settling or compromising the taxpayer's
28 liability for any tax, interest, or penalty assessed under any
29 of the chapters specified in s. 72.011(1). Such agreements
30 shall be in writing when the amount of tax, penalty, or
31 interest compromised exceeds \$30,000 or for lesser amounts

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1 when the department deems it appropriate or when requested by
2 the taxpayer. When a written closing agreement has been
3 approved by the department and signed by the executive
4 director or his or her designee and the taxpayer, it shall be
5 final and conclusive; and, except upon a showing of fraud or
6 misrepresentation of material fact or except as to adjustments
7 pursuant to ss. 198.16 and 220.23, no additional assessment
8 may be made by the department against the taxpayer for the
9 tax, interest, or penalty specified in the closing agreement
10 for the time period specified in the closing agreement, and
11 the taxpayer shall not be entitled to institute any judicial
12 or administrative proceeding to recover any tax, interest, or
13 penalty paid pursuant to the closing agreement. The
14 department is authorized to delegate to the executive director
15 the authority to approve any such closing agreement resulting
16 in a tax reduction of \$250,000 or less.

17 (b) Notwithstanding the provisions of paragraph (a),
18 for the purpose of facilitating the settlement and
19 distribution of an estate held by a personal representative,
20 the executive director of the department may, on behalf of the
21 state, agree upon the amount of taxes at any time due or to
22 become due from such personal representative under the
23 provisions of chapter 198; and payment in accordance with such
24 agreement shall be full satisfaction of the taxes to which the
25 agreement relates.

26 (c) Notwithstanding paragraph (a), for the purpose of
27 compromising the liability of any taxpayer for tax or interest
28 on the grounds of doubt as to liability based on the
29 taxpayer's reasonable reliance on a written determination
30 issued by the department as described in paragraph (3)(b), the
31 department may compromise the amount of such tax or interest

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1 liability resulting from such reasonable reliance.

2 (3)(a) A taxpayer's liability for any tax or interest
3 specified in s. 72.011(1) may be compromised by the department
4 upon the grounds of doubt as to liability for or
5 collectibility of such tax or interest. A taxpayer's liability
6 for penalties under any of the chapters specified in s.
7 72.011(1) may be settled or compromised if it is determined by
8 the department that the noncompliance is due to reasonable
9 cause and not to willful negligence, willful neglect, or
10 fraud. A taxpayer who establishes reasonable reliance on the
11 written advice issued by the department to the taxpayer will
12 be deemed to have shown reasonable cause for the
13 noncompliance. In addition, a taxpayer's liability for
14 penalties under any of the chapters specified in s. 72.011(1)
15 in excess of 25 percent of the tax shall be settled or
16 compromised if the department determines that the
17 noncompliance is due to reasonable cause and not to willful
18 negligence, willful neglect, or fraud. The department shall
19 maintain records of all compromises, and the records shall
20 state the basis for the compromise. The records of compromise
21 under this paragraph shall not be subject to disclosure
22 pursuant to s. 119.07(1) and shall be considered confidential
23 information governed by the provisions of s. 213.053.

24 (b) Doubt as to liability of a taxpayer for tax and
25 interest exists if the taxpayer demonstrates that he or she
26 reasonably relied on a written determination of the department
27 in any of the following circumstances:

28 1. The audit workpapers clearly show that the same
29 issue was considered in a prior audit of the taxpayer
30 conducted by or on behalf of the department and, after
31 consideration of the issue, the department's auditor

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1 determined that no assessment was appropriate in regard to
2 that issue.

3 2. The same issue was raised in a prior audit of the
4 taxpayer and during the informal protest of the proposed
5 assessment the department issued a notice of decision
6 withdrawing the issue from the assessment.

7 3. The taxpayer received a technical assistance
8 advisement pursuant to s. 213.22 in regard to the issue.

9
10 The circumstances listed in this paragraph are not intended to
11 be the only circumstances in which doubt as to liability
12 exists. Nothing contained in this section shall interfere with
13 the state's ability to structure a remedy to cure a judicially
14 determined constitutional defect in a tax law.

15 (c) A taxpayer shall not be deemed to have reasonably
16 relied on a written determination of the department under any
17 of the following circumstances:

18 1. The taxpayer misrepresented material facts or did
19 not fully disclose material facts at the time the written
20 determination was issued.

21 2. The specific facts and circumstances have changed
22 in such a material manner that the written determination no
23 longer applies.

24 3. The statutes or regulations on which the
25 determination was based have been materially revised or a
26 published judicial opinion constituting precedent in the
27 taxpayer's jurisdiction has overruled the department's
28 determination on the issue.

29 4. The department has informed the taxpayer in writing
30 that its previous written determination has been revised and
31 should no longer be relied upon.

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1 ~~(d)(b)~~ A taxpayer's liability for the service fee
2 required by s. 215.34(2) may be settled or compromised if it
3 is determined that the dishonored check, draft, or order was
4 returned due to an error committed by the issuing financial
5 institution, and the error is substantiated by the department.
6 The department shall maintain records of all compromises, and
7 the records shall state the basis for the compromise.

8 (2) The amendments to s. 213.21(2) and (3), Florida
9 Statutes, by this section shall apply only to notices of
10 intent to conduct an audit issued on or after October 1, 2000.

11 Section 20. Subsection (6) of section 213.235, Florida
12 Statutes, is repealed.

13 Section 21. Subsection (9) is added to section 213.27,
14 Florida Statutes, to read:

15 213.27 Contracts with debt collection agencies and
16 certain vendors.--

17 (9)(a) The department may enter into contracts with
18 public or private vendors to develop and implement a voluntary
19 system for sales and use tax collection and administration.
20 The amount of compensation paid to vendors shall be
21 established by the executive director of the department and
22 shall be based upon a percentage of the sales and use tax
23 collections made through the system or on a per transaction
24 basis; however, if the amount of compensation is based upon a
25 percentage of the sales and use tax collections made through
26 the system, the percentage shall not exceed the negotiated
27 percentage provided in s. 212.12(1). The department shall
28 provide quarterly reports to the Speaker of the House of
29 Representatives, Minority Leader of the House of
30 Representatives, President of the Senate, and Minority Leader
31 of the Senate on the amount of compensation paid pursuant to

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1 these contracts. The system shall have the capability to
2 determine the taxability of a transaction, the appropriate tax
3 rate to be applied to a taxable transaction, and the total tax
4 due on a transaction, and shall provide a method for remitting
5 the tax to the department. The department shall be responsible
6 for testing and certifying the accuracy of the system.

7 (b) A seller of goods or services subject to sales and
8 use tax who utilizes the system for purposes of computation
9 and remittance of sales and use tax shall not be subject to
10 the reporting and remittance requirements of ss. 212.11 and
11 212.15(1) for those transactions handled through the system
12 and shall not be entitled to the credit provided in s.

13 212.12(1). A seller of goods or services subject to sales and
14 use tax who utilizes the system for purposes of computation
15 and remittance of sales and use tax shall not be subject to
16 audit for those transactions handled through the system,
17 unless there are indicia that fraud has been committed by the
18 seller.

19 (c) Disclosure of information necessary under this
20 subsection shall be pursuant to a written agreement between
21 the executive director of the department and the vendor. The
22 vendor shall be bound by the same requirements of
23 confidentiality as the department. Breach of confidentiality
24 is a misdemeanor of the first degree, punishable as provided
25 in s. 775.082 or s. 775.083.

26 (d) On or before January 1 annually, the department
27 shall provide recommendations to the Speaker of the House of
28 Representatives, Minority Leader of the House of
29 Representatives, President of the Senate, and Minority Leader
30 of the Senate for provisions to be adopted for inclusion
31 within the system that will make sales and use tax collection

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1 and administration simplified and uniform.

2 Section 22. (1) Paragraph (n) of subsection (1) and
3 paragraph (c) of subsection (2) of section 220.03, Florida
4 Statutes, are amended to read:

5 220.03 Definitions.--

6 (1) SPECIFIC TERMS.--When used in this code, and when
7 not otherwise distinctly expressed or manifestly incompatible
8 with the intent thereof, the following terms shall have the
9 following meanings:

10 (n) "Internal Revenue Code" means the United States
11 Internal Revenue Code of 1986, as amended and in effect on
12 January 1, 2000 ~~1999~~, except as provided in subsection (3).

13 (2) DEFINITIONAL RULES.--When used in this code and
14 neither otherwise distinctly expressed nor manifestly
15 incompatible with the intent thereof:

16 (c) Any term used in this code shall have the same
17 meaning as when used in a comparable context in the Internal
18 Revenue Code and other statutes of the United States relating
19 to federal income taxes, as such code and statutes are in
20 effect on January 1, 2000 ~~1999~~. However, if subsection (3) is
21 implemented, the meaning of any term shall be taken at the
22 time the term is applied under this code.

23 (2) This section shall operate retroactively to
24 January 1, 2000.

25 Section 23. Subsection (2) of section 220.62, Florida
26 Statutes, is amended to read:

27 220.62 Definitions.--For purposes of this part:

28 (2) The term "savings association" means a savings
29 association holding company registered under the Homeowners'
30 Loan Act (HOLA) of 1933, 12 U.S.C. 1467a, as amended, or any
31 savings association, building and loan association, savings

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1 and loan association, or mutual savings bank not having
2 capital stock, whether subject to the laws of this or any
3 other jurisdiction.

4 Section 24. Section 1 of chapter 98-187, Laws of
5 Florida, applies retroactively to the renewal of any
6 promissory note evidencing a term obligation executed on or
7 after January 1, 1990, for which the tax under s. 201.09,
8 Florida Statutes, has not been paid and which was the subject
9 of a pending protest that was initiated prior to January 1,
10 1998.

11 Section 25. For purposes of future calculations only,
12 the base year revenue received by a municipality for the
13 calendar year 1997, as provided for in ss. 175.351(1) and
14 185.35(1), Florida Statutes, respectively, shall be adjusted
15 by the Division of Retirement based on all original 1997
16 insurance returns as adjusted by all amended 1997 insurance
17 returns received by the Department of Revenue no later than
18 February 28, 2001. The Department of Revenue is authorized to
19 provide, and shall provide, the return data for the excise
20 taxes under chapters 175 and 185, Florida Statutes, to the
21 Division of Retirement. It is the intent of the Legislature
22 that this section shall not impact any judicial proceeding
23 pending on or before March 31, 2000.

24 Section 26. For the period July 1, 1998, through June
25 30, 1999, every person who was classified under SIC Industry
26 Group Number 212 and who paid the tax imposed under chapter
27 212, Florida Statutes, on charges for steam or electrical
28 energy which was used in the manner described in s.
29 212.08(7)(ii), Florida Statutes, shall be entitled to receive
30 a refund of said taxes pursuant to ss. 213.255 and 215.26,
31 Florida Statutes. For the period July 1, 1998, through June

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1 30, 1999, every person who was classified under SIC Industry
2 Group Number 212 and who did not pay the tax imposed under
3 chapter 212, Florida Statutes, on charges for steam or
4 electrical energy which was used in the manner described in s.
5 212.08(7)(ii), Florida Statutes, shall not be required to pay
6 the tax, penalty, or interest on those charges. As used in
7 this section, "SIC" means those classifications contained in
8 the Standard Industrial Classification Manual, 1987, as
9 published by the Office of Management and Budget, Executive
10 Office of the President.

11 Section 27. Notwithstanding the provisions of s.
12 199.052(10), Florida Statutes, failure to timely file a
13 consolidated return for any one or more years shall not
14 prejudice the taxpayer's right to file a consolidated return
15 if the consolidated return is filed prior to July 31, 2000,
16 and the affiliated group of corporations of which the taxpayer
17 is a member has previously filed consolidated returns for
18 corporate income tax purposes under s. 220.131, Florida
19 Statutes.

20 Section 28. Effective July 1, 2000, paragraph (a) of
21 subsection (2) of section 210.20, Florida Statutes, is amended
22 to read:

23 210.20 Employees and assistants; distribution of
24 funds.--

25 (2) As collections are received by the division from
26 such cigarette taxes, it shall pay the same into a trust fund
27 in the State Treasury designated "Cigarette Tax Collection
28 Trust Fund" which shall be paid and distributed as follows:

29 (a) The division shall from month to month certify to
30 the Comptroller the amount derived from the cigarette tax
31 imposed by s. 210.02, less the service charges provided for in

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1 s. 215.20 and less 0.9 percent of the amount derived from the
2 cigarette tax imposed by s. 210.02, which shall be deposited
3 into the Alcoholic Beverage and Tobacco Trust Fund, specifying
4 the amounts to be transferred from the Cigarette Tax
5 Collection Trust Fund and credited on the basis of ~~5.8 percent~~
6 ~~of the net collections to the Municipal Financial Assistance~~
7 ~~Trust Fund, 32.4 percent of the net collections to the Revenue~~
8 ~~Sharing Trust Fund for Municipalities, 2.9 percent of the net~~
9 collections to the Revenue Sharing Trust Fund for Counties,
10 and 29.3 percent of the net collections for the funding of
11 indigent health care to the Public Medical Assistance Trust
12 Fund.

13 Section 29. Effective July 1, 2000, paragraph (f) of
14 subsection (6) of section 212.20, Florida Statutes, is amended
15 to read:

16 212.20 Funds collected, disposition; additional powers
17 of department; operational expense; refund of taxes
18 adjudicated unconstitutionally collected.--

19 (6) Distribution of all proceeds under this chapter
20 shall be as follows:

21 (f) The proceeds of all other taxes and fees imposed
22 pursuant to this chapter shall be distributed as follows:

23 1. In any fiscal year, the greater of \$500 million,
24 minus an amount equal to 4.6 percent of the proceeds of the
25 taxes collected pursuant to chapter 201, or 5 percent of all
26 other taxes and fees imposed pursuant to this chapter shall be
27 deposited in monthly installments into the General Revenue
28 Fund.

29 2. Two-tenths of one percent shall be transferred to
30 the Solid Waste Management Trust Fund.

31 3. After the distribution under subparagraphs 1. and

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1 2., 9.653 percent of the amount remitted by a sales tax dealer
2 located within a participating county pursuant to s. 218.61
3 shall be transferred into the Local Government Half-cent Sales
4 Tax Clearing Trust Fund.

5 4. After the distribution under subparagraphs 1., 2.,
6 and 3., 0.054 percent shall be transferred to the Local
7 Government Half-cent Sales Tax Clearing Trust Fund and
8 distributed pursuant to s. 218.65.

9 5. For proceeds received after July 1, 2000, and after
10 the distributions under subparagraphs 1., 2., 3., and 4.,
11 1.0715 percent of the available proceeds pursuant to this
12 paragraph shall be transferred monthly to the Revenue Sharing
13 Trust Fund for Municipalities pursuant to s. 218.215. If the
14 total revenue to be distributed pursuant to this subparagraph
15 is at least as great as the amount due from the Revenue
16 Sharing Trust Fund for Municipalities and the Municipal
17 Financial Assistance Trust Fund in state fiscal year
18 1999-2000, no municipality shall receive less than the amount
19 due from the Revenue Sharing Trust Fund for Municipalities and
20 the Municipal Financial Assistance Trust Fund in state fiscal
21 year 1999-2000. If the total proceeds to be distributed are
22 less than the amount received in combination from the Revenue
23 Sharing Trust Fund for Municipalities and the Municipal
24 Financial Assistance Trust Fund in state fiscal year
25 1999-2000, each municipality shall receive an amount
26 proportionate to the amount it was due in state fiscal year
27 1999-2000.

28 6.5. Of the remaining proceeds:

29 a. One hundred sixty-six thousand six hundred and
30 sixty-seven dollars ~~Beginning July 1, 1992, \$166,667 shall be~~
31 distributed monthly by the department to each applicant that

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1 has been certified as a "facility for a new professional
2 sports franchise" or a "facility for a retained professional
3 sports franchise" pursuant to s. 288.1162 and \$41,667 shall be
4 distributed monthly by the department to each applicant that
5 has been certified as a "new spring training franchise
6 facility" pursuant to s. 288.1162. Distributions shall begin
7 60 days following such certification and shall continue for 30
8 years. Nothing contained herein shall be construed to allow an
9 applicant certified pursuant to s. 288.1162 to receive more in
10 distributions than actually expended by the applicant for the
11 public purposes provided for in s. 288.1162(7). However, a
12 certified applicant shall receive distributions up to the
13 maximum amount allowable and undistributed under this section
14 for additional renovations and improvements to the facility
15 for the franchise without additional certification.

16 b. Beginning 30 days after notice by the Office of
17 Tourism, Trade, and Economic Development to the Department of
18 Revenue that an applicant has been certified as the
19 professional golf hall of fame pursuant to s. 288.1168 and is
20 open to the public, \$166,667 shall be distributed monthly, for
21 up to 300 months, to the applicant.

22 c. Beginning 30 days after notice by the Department of
23 Commerce to the Department of Revenue that the applicant has
24 been certified as the International Game Fish Association
25 World Center facility pursuant to s. 288.1169, and the
26 facility is open to the public, \$83,333 shall be distributed
27 monthly, for up to 180 months, to the applicant. This
28 distribution is subject to reduction pursuant to s. 288.1169.

29 ~~7.6.~~ All other proceeds shall remain with the General
30 Revenue Fund.

31 Section 30. Effective July 1, 2000, subsection (6) of

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1 section 288.1169, Florida Statutes, is amended to read:

2 288.1169 International Game Fish Association World
3 Center facility; department duties.--

4 (6) The Department of Commerce must recertify every 10
5 years that the facility is open, that the International Game
6 Fish Association World Center continues to be the only
7 international administrative headquarters, fishing museum, and
8 Hall of Fame in the United States recognized by the
9 International Game Fish Association, and that the project is
10 meeting the minimum projections for attendance or sales tax
11 revenues as required at the time of original certification.
12 If the facility is not recertified during this 10-year review
13 as meeting the minimum projections, then funding will be
14 abated until certification criteria are met. If the project
15 fails to generate \$1 million of annual revenues pursuant to
16 paragraph (2)(e), the distribution of revenues pursuant to s.
17 212.20(6)(f)~~6.5~~-c. shall be reduced to an amount equal to
18 \$83,333 multiplied by a fraction, the numerator of which is
19 the actual revenues generated and the denominator of which is
20 \$1 million. Such reduction shall remain in effect until
21 revenues generated by the project in a 12-month period equal
22 or exceed \$1 million.

23 Section 31. Effective July 1, 2000, paragraph (b) of
24 subsection (3) of section 11.45, Florida Statutes, is amended
25 to read:

26 11.45 Definitions; duties; audits; reports.--

27 (3)

28 (b) The Legislative Auditing Committee shall direct
29 the Auditor General to make a financial audit of any
30 municipality whenever petitioned to do so by at least 20
31 percent of the electors of that municipality. The supervisor

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1 of elections of the county in which the municipality is
2 located shall certify whether or not the petition contains the
3 signatures of at least 20 percent of the electors of the
4 municipality. After the completion of the audit, the Auditor
5 General shall determine whether the municipality has the
6 fiscal resources necessary to pay the cost of the audit. The
7 municipality shall pay the cost of the audit within 90 days
8 after the Auditor General's determination that the
9 municipality has the available resources. If the municipality
10 fails to pay the cost of the audit, the Department of Revenue
11 shall, upon certification of the Auditor General, withhold
12 from that portion of the distribution pursuant to s.
13 212.20(6)(f)5. municipal financial assistance trust fund for
14 municipalities which is derived from the cigarette tax imposed
15 under chapter 210, and which is distributable to such
16 municipality a sum sufficient to pay the cost of the audit
17 and shall deposit that sum into the General Revenue Fund of
18 the state.

19 Section 32. Effective July 1, 2000, section 200.132,
20 Florida Statutes, is repealed.

21 Section 33. Except as otherwise provided herein, this
22 act shall take effect upon becoming a law.

23
24

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

26 And the title is amended as follows:delete the entire title

27

28 and insert:

29

A bill to be entitled

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An act relating to taxation; creating s.

31

196.2002, F.S., providing an exemption for

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1 not-for-profit water and wastewater
2 corporations; amending s. 95.091, F.S.;
3 specifying the time period within which the
4 Department of Revenue and Department of
5 Business and Professional Regulation may
6 determine and assess the amount of certain
7 taxes, penalties, or interest due beginning
8 July 1, 2002; correcting a reference; amending
9 s. 106.265, F.S.; providing that the Florida
10 Elections Commission, rather than the
11 Department of Revenue, shall have
12 responsibility for collecting civil penalties
13 for violation of chapter 104 or chapter 106,
14 F.S.; amending s. 120.80, F.S.; providing for
15 the award of reasonable attorney's fees and
16 costs of an appeal to a prevailing appellant on
17 an appeal of an assessment imposed or refund
18 denied under chapter 212, F.S., under specified
19 circumstances; amending s. 166.231(1), F.S., to
20 allow a municipality to levy tax on water
21 service outside municipal boundaries if an
22 agreement is reached by specific date; amending
23 ss. 175.111 and 185.09, F.S.; removing a
24 requirement that insurers subject to a premium
25 tax for a municipal or special district
26 firefighter pension plan or a municipal police
27 pension plan file an annual premium receipt
28 report with the Division of Retirement;
29 amending s. 213.053, F.S.; authorizing the
30 Department of Revenue to share information
31 regarding such reports with the Department of

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1 Management Services, and to share certain
2 identifying information with the Department of
3 Highway Safety and Motor Vehicles; creating s.
4 189.420, F.S.; providing requirements with
5 respect to special district assessments on
6 facilities regulated under ch. 513, F.S.;
7 amending s. 203.01, F.S.; authorizing the
8 department to require quarterly, semiannual, or
9 annual returns for the tax on gross receipts
10 for utility services under certain conditions;
11 amending ss. 206.09 and 206.095, F.S.;
12 authorizing the department to suspend a
13 requirement for certain reports from carriers
14 transporting, or terminal operators handling,
15 motor fuel and similar products, under certain
16 conditions; amending s. 212.051, F.S.;
17 including specialty chemicals and
18 bioaugmentation products within the sales tax
19 exemption for equipment and machinery used for
20 pollution control in connection with the
21 manufacture of items of tangible personal
22 property for sale; providing definitions;
23 amending s. 212.06, F.S.; clarifying language
24 with respect to the exemption from the indexed
25 tax on manufactured asphalt for asphalt used
26 for government public works projects;
27 specifying that the exemption includes federal
28 projects; amending s. 212.08, F.S.; revising
29 application of the exemption for portable
30 containers used for processing farm products;
31 providing conditions under which the full sales

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1 tax exemption for machinery and equipment used
2 to produce electrical or steam energy will
3 apply when both residual and nonresidual fuels
4 are used; revising application of the sales tax
5 exemption for repair and labor charges for
6 certain industrial machinery and equipment;
7 providing intent; providing an exemption for
8 people-mover systems and parts thereof
9 purchased or manufactured by certain
10 contractors; providing an exemption for the
11 purchase of component parts by, and other
12 manufacturing costs incurred by, certain
13 contractors who manufacture and install such
14 systems and parts; providing definitions;
15 amending s. 212.11, F.S.; authorizing the
16 department to allow a sales tax dealer to
17 continue to use a filing frequency when the
18 dealer exceeds the maximum tax for that
19 frequency, under certain conditions; amending
20 s. 212.12, F.S.; revising provisions which
21 authorize the department to sample a dealer's
22 records when such records are adequate but
23 voluminous, in order to determine the dealer's
24 tax liability; providing that overpayments and
25 deficiencies shall be projected over the entire
26 audit period, and the tax deficiency reduced or
27 refund made as necessary; providing intent;
28 amending s. 213.015, F.S.; specifying
29 additional taxpayer rights with respect to
30 treatment by department personnel and
31 explanation of the reason for audit selection;

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1 amending s. 213.21, F.S.; providing conditions
2 under which a taxpayer's liability may be
3 compromised when the taxpayer establishes
4 reasonable reliance on written advice issued by
5 the department; providing application;
6 repealing s. 213.235(6), F.S., which relates to
7 application of the annual rate of interest
8 applicable to tax payment deficiencies as
9 determined under said section; amending s.
10 213.27, F.S.; authorizing the department to
11 contract with public or private vendors to
12 develop and implement a voluntary system for
13 sales and use tax collection and
14 administration; providing for compensation;
15 requiring reports; providing for application of
16 provisions of chapter 212, F.S., to system
17 users; providing for maintenance of
18 confidentiality of certain information;
19 providing a penalty; amending s. 220.03, F.S.;
20 updating references to the Internal Revenue
21 Code for corporate income tax purposes;
22 providing for retroactive effect; amending s.
23 220.62, F.S.; including savings association
24 holding companies registered under the
25 Homeowners' Loan Act within the definition of
26 "savings association" for purposes of the
27 franchise tax on banks and savings
28 associations; providing that s. 1 of ch.
29 98-187, Laws of Florida, which amends s.
30 201.09, F.S., to provide liability for the
31 excise tax on documents when a renewal note

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1 increases the unpaid balance or the original
2 face amount of the original contract and
3 obligation, applies retroactively to certain
4 term obligations; directing the Division of
5 Retirement to adjust a municipality's 1997 base
6 year revenue for purposes of its own pension
7 plan for firefighters or police officers based
8 on specified information; authorizing the
9 department to provide data to the division;
10 providing that, for a specified period, persons
11 classified under SIC Industry Group Number 212
12 who paid tax under ch. 212, F.S., on certain
13 charges for steam or electrical energy entitled
14 to exemption are entitled to a refund, and that
15 such persons who did not pay the tax are not
16 required to pay the tax, penalty, or interest;
17 providing that failure to timely file a
18 consolidated return for intangible personal
19 property tax for any one or more years shall
20 not prejudice a taxpayer's right to file a
21 consolidated return under certain conditions;
22 amending s. 210.20, F.S.; eliminating transfers
23 of net cigarette tax collections to the
24 Municipal Financial Assistance Trust Fund and
25 Revenue Sharing Trust Fund for Municipalities;
26 amending s. 212.20, F.S.; authorizing a
27 distribution of proceeds under ch. 212, F.S.,
28 to the Revenue Sharing Trust Fund for
29 Municipalities; amending s. 288.1169, F.S.;

30 revising a cross reference, to conform;
31 amending s. 11.45, F.S.; revising a reference,

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to conform; repealing s. 200.132, F.S.,
relating to the Municipal Financial Assistance
Trust Fund; providing effective dates.