

By Senators Thomas, Bronson, Childers, Rossin, Saunders, Grant, Sebesta, Brown-Waite, Casas, Diaz-Balart, Cowin, Mitchell and Dawson

3-1093-00

1 A bill to be entitled

2 An act relating to tax on sales, use, and other

3 transactions; amending s. 212.02, F.S.;

4 defining "agricultural production"; amending s.

5 212.08, F.S.; revising application of the

6 partial exemption for self-propelled,

7 power-drawn, or power-driven farm equipment

8 used exclusively on a farm or in a forest in

9 specified activities and including rental or

10 lease of such equipment in such exemption;

11 reducing the rate of tax on such equipment over

12 a specified period and exempting such equipment

13 beginning January 1, 2003; requiring that the

14 purchaser, renter, or lessee sign a certificate

15 regarding the use of such equipment; specifying

16 effect of possession of such certificate by a

17 seller or other dealer; amending s. 212.12,

18 F.S., relating to promulgation of tax brackets

19 by the Department of Revenue, to conform;

20 providing an effective date.

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

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24 Section 1. Subsection (34) is added to section 212.02,

25 Florida Statutes, to read:

26 212.02 Definitions.--The following terms and phrases

27 when used in this chapter have the meanings ascribed to them

28 in this section, except where the context clearly indicates a

29 different meaning:

30 (34) "Agricultural production" means the production of

31 plants and animals useful to humans, including the

1 preparation, planting, cultivating, or harvesting of these
2 products or any other practices necessary to accomplish
3 production through the harvest phase, and includes
4 aquaculture, horticulture, floriculture, viticulture,
5 forestry, dairy, livestock, poultry, bees, and any and all
6 forms of farm products and farm production.

7 Section 2. Subsection (3) of section 212.08, Florida
8 Statutes, is amended to read:

9 212.08 Sales, rental, use, consumption, distribution,
10 and storage tax; specified exemptions.--The sale at retail,
11 the rental, the use, the consumption, the distribution, and
12 the storage to be used or consumed in this state of the
13 following are hereby specifically exempt from the tax imposed
14 by this chapter.

15 (3) EXEMPTIONS, ~~PARTIAL~~; CERTAIN FARM
16 EQUIPMENT.--Until December 31, 2000, there shall be taxable at
17 the rate of 3 percent the sale, rental, lease, use,
18 consumption, or storage for use in this state of
19 self-propelled, power-drawn, or power-driven farm equipment
20 used exclusively on a farm or in a forest in the agricultural
21 production of plowing, planting, cultivating, or harvesting
22 crops or products as produced by those agricultural industries
23 included in s. 570.02(1), or for fire prevention and
24 suppression work with respect to such crops or products.
25 Harvesting may not be construed to include processing
26 activities. This exemption is not forfeited by moving farm
27 equipment between farms or forests. Beginning January 1, 2001,
28 the tax rate applicable to such equipment shall be 2 percent.
29 Beginning January 1, 2002, the tax rate applicable to such
30 equipment shall be 1 percent. Beginning January 1, 2003, and
31 thereafter, such equipment shall be exempt from the tax

1 imposed by this chapter. However, this exemption shall not be
2 allowed unless the purchaser, renter, or lessee signs a
3 certificate stating that the farm equipment is to be used
4 exclusively on a farm or in a forest for agricultural
5 production or for fire prevention and suppression, as required
6 by this subsection. Possession by a seller, lessor, or other
7 dealer of a written certification by the purchaser, renter, or
8 lessee certifying the purchaser's, renter's, or lessee's
9 entitlement to an exemption permitted by this subsection
10 relieves the seller from the responsibility of collecting the
11 tax on the nontaxable amounts, and the department shall look
12 solely to the purchaser for recovery of such tax if it
13 determines that the purchaser was not entitled to the
14 exemption.~~The rental of self-propelled, power-drawn, or~~
15 ~~power-driven farm equipment shall be taxed at the rate of 3~~
16 ~~percent.~~

17 Section 3. Subsection (11) of section 212.12, Florida
18 Statutes, is amended to read:

19 212.12 Dealer's credit for collecting tax; penalties
20 for noncompliance; powers of Department of Revenue in dealing
21 with delinquents; brackets applicable to taxable transactions;
22 records required.--

23 (11) The department is authorized to provide by rule
24 the tax amounts and brackets applicable to all taxable
25 transactions that occur in counties that have a surtax at a
26 rate other than 1 percent which transactions would otherwise
27 have been transactions taxable at the rate of 6 percent.
28 Likewise, the department is authorized to promulgate by rule
29 the tax amounts and brackets applicable to transactions
30 taxable at 3, 2, or 1 percent pursuant to s. 212.08(3),
31 transactions taxable at 7 percent pursuant to s. 212.05(1)(e),

1 and on transactions which would otherwise have been so taxable
2 in counties which have adopted a discretionary sales surtax.

3 Section 4. This act shall take effect January 1, 2001.

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6 HOUSE SUMMARY

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8 Revises application of the partial sales tax exemption
9 for self-propelled, power-drawn, or power-driven farm
10 equipment used exclusively on a farm or in a forest in
11 specified activities and includes rental or lease of such
12 equipment in such exemption. Reduces the rate of tax on
13 such equipment over a specified period and exempts such
14 equipment beginning January 1, 2003. Requires that the
15 purchaser, renter, or lessee sign a certificate regarding
16 the use of such equipment, and specifies effect of
17 possession of such certificate by a seller or other
18 dealer.
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