

By the Committee on Finance & Taxation and Representative
Albright

1 A bill to be entitled
2 An act relating to taxation; amending s.
3 95.091, F.S.; specifying the time period within
4 which the Department of Revenue and Department
5 of 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 ss. 175.111 and 185.09, F.S.;
15 removing a requirement that insurers subject to
16 a premium tax for a municipal or special
17 district firefighter pension plan or a
18 municipal police pension plan file an annual
19 premium receipt report with the Division of
20 Retirement; amending s. 213.053, F.S.;
21 authorizing the Department of Revenue to share
22 information regarding such reports with the
23 Department of Management Services, and to share
24 certain identifying information with the
25 Department of Highway Safety and Motor
26 Vehicles; creating s. 189.420, F.S.; providing
27 requirements with respect to special district
28 assessments on facilities regulated under ch.
29 513, F.S.; amending s. 195.027, F.S.; directing
30 the Department of Revenue to adopt rules
31 providing standards for valuing a utility's

1 operating property and providing requirements
2 with respect thereto; providing that appraisals
3 that adhere to such standards are entitled to a
4 presumption of correctness; amending s. 203.01,
5 F.S.; authorizing the department to require
6 quarterly, semiannual, or annual returns for
7 the tax on gross receipts for utility services
8 under certain conditions; amending ss. 206.09
9 and 206.095, F.S.; authorizing the department
10 to suspend a requirement for certain reports
11 from carriers transporting, or terminal
12 operators handling, motor fuel and similar
13 products, under certain conditions; amending s.
14 212.051, F.S.; including specialty chemicals
15 and bioaugmentation products within the sales
16 tax exemption for equipment and machinery used
17 for pollution control in connection with the
18 manufacture of items of tangible personal
19 property for sale; providing definitions;
20 amending s. 212.06, F.S.; clarifying language
21 with respect to the exemption from the indexed
22 tax on manufactured asphalt for asphalt used
23 for government public works projects;
24 specifying that the exemption includes federal
25 projects; amending s. 212.08, F.S.; revising
26 application of the exemption for portable
27 containers used for processing farm products;
28 providing conditions under which the full sales
29 tax exemption for machinery and equipment used
30 to produce electrical or steam energy will
31 apply when both residual and nonresidual fuels

1 are used; revising application of the sales tax
2 exemption for repair and labor charges for
3 certain industrial machinery and equipment;
4 providing intent; amending s. 212.11, F.S.;
5 authorizing the department to allow a sales tax
6 dealer to continue to use a filing frequency
7 when the dealer exceeds the maximum tax for
8 that frequency, under certain conditions;
9 amending s. 212.12, F.S.; revising provisions
10 which authorize the department to sample a
11 dealer's records when such records are adequate
12 but voluminous, in order to determine the
13 dealer's tax liability; providing that
14 overpayments and deficiencies shall be
15 projected over the entire audit period, and the
16 tax deficiency reduced or refund made as
17 necessary; providing intent; amending s.
18 213.015, F.S.; specifying additional taxpayer
19 rights with respect to treatment by department
20 personnel and explanation of the reason for
21 audit selection; amending s. 213.21, F.S.;
22 providing conditions under which a taxpayer's
23 liability may be compromised when the taxpayer
24 establishes reasonable reliance on written
25 advice issued by the department; providing
26 application; repealing s. 213.235(6), F.S.,
27 which relates to application of the annual rate
28 of interest applicable to tax payment
29 deficiencies as determined under said section;
30 amending s. 213.27, F.S.; authorizing the
31 department to contract with public or private

1 vendors to develop and implement a voluntary
2 system for sales and use tax collection and
3 administration; providing for compensation;
4 requiring reports; providing for application of
5 provisions of chapter 212, F.S., to system
6 users; providing for maintenance of
7 confidentiality of certain information;
8 providing a penalty; amending s. 220.03, F.S.;
9 updating references to the Internal Revenue
10 Code for corporate income tax purposes;
11 providing for retroactive effect; amending s.
12 220.62, F.S.; including savings association
13 holding companies registered under the
14 Homeowners' Loan Act within the definition of
15 "savings association" for purposes of the
16 franchise tax on banks and savings
17 associations; providing that s. 1 of ch.
18 98-187, Laws of Florida, which amends s.
19 201.09, F.S., to provide liability for the
20 excise tax on documents when a renewal note
21 increases the unpaid balance or the original
22 face amount of the original contract and
23 obligation, applies retroactively to certain
24 term obligations; directing the Division of
25 Retirement to adjust a municipality's 1997 base
26 year revenue for purposes of its own pension
27 plan for firefighters or police officers based
28 on specified information; authorizing the
29 department to provide data to the division;
30 providing that, for a specified period, persons
31 classified under SIC Industry Group Number 212

1 who paid tax under ch. 212, F.S., on certain
2 charges for steam or electrical energy entitled
3 to exemption are entitled to a refund, and that
4 such persons who did not pay the tax are not
5 required to pay the tax, penalty, or interest;
6 providing effective dates.

7

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

9

10 Section 1. Paragraph (a) of subsection (3) of section
11 95.091, Florida Statutes, is amended to read:

12 95.091 Limitation on actions to collect taxes.--

13 (3)(a) With the exception of taxes levied under
14 chapter 198 and tax adjustments made pursuant to s. 220.23,
15 the Department of Revenue may determine and assess the amount
16 of any tax, penalty, or interest due under any tax enumerated
17 in s. 72.011 which it has authority to administer and the
18 Department of Business and Professional Regulation may
19 determine and assess the amount of any tax, penalty, or
20 interest due under any tax enumerated in s. 72.011 which it
21 has authority to administer:

22 1.a. For taxes due before July 1, 1999, within 5 years
23 after the date the tax is due, any return with respect to the
24 tax is due, or such return is filed, whichever occurs later;
25 and for taxes due on or after July 1, 1999, within 3 years
26 after the date the tax is due, any return with respect to the
27 tax is due, or such return is filed, whichever occurs later;

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

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

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

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

9 5. At any time after the taxpayer has failed to make
10 any required payment of the tax, has failed to file a required
11 return, or has filed a fraudulent return, except that for
12 taxes due on or after July 1, 1999, the limitation prescribed
13 in subparagraph 1.~~sub-subparagraph a.~~ applies if the taxpayer
14 has disclosed in writing the tax liability to the department
15 before the department has contacted the taxpayer; or

16 6. In any case in which there has been a refund of tax
17 erroneously made for any reason:

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

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

22
23 or at any time after making such refund if it appears that any
24 part of the refund was induced by fraud or the
25 misrepresentation of a material fact.

26 Section 2. Subsection (2) of section 106.265, Florida
27 Statutes, is amended to read:

28 106.265 Civil penalties.--

29 (2) If any person, political committee, committee of
30 continuous existence, or political party fails or refuses to
31 pay to the commission any civil penalties assessed pursuant to

1 the provisions of this section, the commission ~~Department of~~
2 ~~Revenue~~ shall be responsible for collecting the civil
3 penalties resulting from such action.

4 Section 3. Section 175.111, Florida Statutes, is
5 amended to read:

6 175.111 Certified copy of ordinance or resolution
7 filed; insurance companies' annual report of premiums;
8 duplicate files; book of accounts.--For any municipality,
9 special fire control district, chapter plan, local law
10 municipality, local law special fire control district, or
11 local law plan under this chapter, whenever any municipality
12 passes an ordinance or whenever any special fire control
13 district passes a resolution establishing a chapter plan or
14 local law plan assessing and imposing the taxes authorized in
15 s. 175.101, a certified copy of such ordinance or resolution
16 shall be deposited with the division. Thereafter every
17 insurance company, association, corporation, or other insurer
18 carrying on the business of property insurance on real or
19 personal property, on or before the succeeding March 1 after
20 date of the passage of the ordinance or resolution, shall
21 report fully in writing and under oath to the division and the
22 Department of Revenue a just and true account of all premiums
23 by such insurer received for property insurance policies
24 covering or insuring any real or personal property located
25 within the corporate limits of each such municipality or
26 special fire control district during the period of time
27 elapsing between the date of the passage of the ordinance or
28 resolution and the end of the calendar year. The report shall
29 include the code designation as prescribed by the division for
30 each piece of insured property, real or personal, located
31 within the corporate limits of each municipality and within

1 the legally defined boundaries of each special fire control
2 district. The aforesaid insurer shall annually thereafter, on
3 March 1, file with ~~the division and~~ the Department of Revenue
4 a similar report covering the preceding year's premium
5 receipts, and every such insurer at the same time of making
6 such reports shall pay to the Department of Revenue the amount
7 of the tax hereinbefore mentioned. Every insurer engaged in
8 carrying on such insurance business in the state shall keep
9 accurate books of accounts of all such business done by it
10 within the corporate limits of each such municipality and
11 within the legally defined boundaries of each such special
12 fire control district, and in such manner as to be able to
13 comply with the provisions of this chapter. Based on the
14 insurers' reports of premium receipts, the division shall
15 prepare a consolidated premium report and shall furnish to any
16 municipality or special fire control district requesting the
17 same a copy of the relevant section of that report.

18 Section 4. Section 185.09, Florida Statutes, is
19 amended to read:

20 185.09 Report of premiums paid; date tax payable.--For
21 any municipality, chapter plan, local law municipality, or
22 local law plan under this chapter, whenever any municipality
23 passes an ordinance establishing a chapter plan or local law
24 plan and assessing and imposing the tax authorized in s.
25 185.08, a certified copy of such ordinance shall be deposited
26 with the division; and thereafter every insurance company,
27 corporation, or other insurer carrying on the business of
28 casualty insuring, on or before the succeeding March 1 after
29 date of the passage of the ordinance, shall report fully in
30 writing to the division and the Department of Revenue a just
31 and true account of all premiums received by such insurer for

1 casualty insurance policies covering or insuring any property
2 located within the corporate limits of such municipality
3 during the period of time elapsing between the date of the
4 passage of the ordinance and the end of the calendar year. The
5 aforesaid insurer shall annually thereafter, on March 1, file
6 with ~~the division and~~ the Department of Revenue a similar
7 report covering the preceding year's premium receipts. Every
8 such insurer shall, at the time of making such report, pay to
9 the Department of Revenue the amount of the tax heretofore
10 mentioned. Every insurer engaged in carrying on a general
11 casualty insurance business in the state shall keep accurate
12 books of account of all such business done by it within the
13 limits of such incorporated municipality in such a manner as
14 to be able to comply with the provisions of this chapter.
15 Based on the insurers' reports of premium receipts, the
16 division shall prepare a consolidated premium report and shall
17 furnish to any municipality requesting the same a copy of the
18 relevant section of that report.

19 Section 5. Paragraphs (r) and (s) are added to
20 subsection (7) of section 213.053, Florida Statutes, to read:

21 213.053 Confidentiality and information sharing.--

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

24 (r) Information relative to the returns required by
25 ss. 175.111 and 185.09 to the Department of Management
26 Services in the conduct of its official duties. The Department
27 of Management Services is, in turn, authorized to disclose
28 payment information to a governmental agency as necessary in
29 the administration of chapters 175 and 185.

30 (s) Names, addresses, and federal employer
31 identification numbers, or similar identifiers, to the

1 Department of Highway Safety and Motor Vehicles for use in the
2 conduct of its official duties.

3
4 Disclosure of information under this subsection shall be
5 pursuant to a written agreement between the executive director
6 and the agency. Such agencies, governmental or
7 nongovernmental, shall be bound by the same requirements of
8 confidentiality as the Department of Revenue. Breach of
9 confidentiality is a misdemeanor of the first degree,
10 punishable as provided by s. 775.082 or s. 775.083.

11 Section 6. Section 189.420, Florida Statutes, is
12 created to read:

13 189.420 Assessments levied on facilities regulated
14 under chapter 513.--When an independent or dependent special
15 district levies an assessment on a facility regulated under
16 chapter 513, the assessment shall not be based on the
17 assertion that the facility is comprised of residential units.
18 Instead, facilities regulated under chapter 513 shall be
19 assessed in the same manner as a hotel, motel, or other
20 similar facility.

21 Section 7. Subsection (7) is added to section 195.027,
22 Florida Statutes, to read:

23 195.027 Rules and regulations.--

24 (7) The Department of Revenue shall adopt rules that
25 set forth standards for valuing a utility's operating
26 property, and these standards shall be based on a unit method
27 of valuation. The rules shall provide a uniform method for
28 allocating the value of the unit among the taxing
29 jurisdictions in which the utility owns taxable property. The
30 department shall specify by rule an allocation formula that is
31 based on the net book value of the taxable property. The rules

1 shall provide that the minimum financial assurance amount for
2 decommissioning a nuclear unit, as required by the Nuclear
3 Regulatory Commission, shall be deducted from the unit
4 valuation prior to allocation. The standards prescribed by the
5 department shall take into consideration the factors set forth
6 in s. 193.011, and shall provide for any necessary adjustments
7 resulting from other statutory provisions applicable to
8 tangible personal property of a utility, including
9 construction work in progress, fuels classified as inventory,
10 and pollution control equipment. For purposes of this
11 subsection, "utility operating property" means all tangible
12 personal property owned by a public utility, as defined in s.
13 366.02(1), which property is directly related to the operation
14 of the utility. Appraisals that adhere to these standards
15 shall be entitled to a presumption of correctness, and
16 appraisals that deviate from these standards shall not be so
17 entitled. The department shall use its best efforts to adopt
18 these rules on or before December 31, 2000, and the rules
19 shall apply to the assessment rolls for the year following the
20 year in which the rules are adopted.

21 Section 8. Effective January 1, 2001, paragraph (g) is
22 added to subsection (1) of section 203.01, Florida Statutes,
23 to read:

24 203.01 Tax on gross receipts for utility services.--

25 (1)(a) Every person that receives payment for any
26 utility service shall report by the last day of each month to
27 the Department of Revenue, under oath of the secretary or some
28 other officer of such person, the total amount of gross
29 receipts derived from business done within this state, or
30 between points within this state, for the preceding month and,
31 at the same time, shall pay into the State Treasury an amount

1 equal to a percentage of such gross receipts at the rate set
2 forth in paragraph (b). Such collections shall be certified
3 by the Comptroller upon the request of the State Board of
4 Education.

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

7 (c) Any person who purchases, installs, rents, or
8 leases a telephone system or telecommunication system for his
9 or her own use to provide that person with telephone service
10 or telecommunication service which is a substitute for any
11 telephone company switched service or a substitute for any
12 dedicated facility by which a telephone company provides a
13 communication path shall register with the Department of
14 Revenue and pay into the State Treasury a yearly amount equal
15 to a percentage of the actual cost of operating such system at
16 the rate set forth in paragraph (b). "Actual cost" includes,
17 but is not limited to, depreciation, interest, maintenance,
18 repair, and other expenses directly attributable to the
19 operation of such system. For purposes of this paragraph, the
20 depreciation expense to be included in actual cost shall be
21 the depreciation expense claimed for federal income tax
22 purposes. The total amount of any payment required by a lease
23 or rental contract or agreement shall be included within the
24 actual cost. The provisions of this paragraph do not apply to
25 the use by any local telephone company or any
26 telecommunication carrier of its own telephone system or
27 telecommunication system to conduct a telecommunication
28 service for hire or to the use of any radio system operated by
29 any county or municipality or by the state or any political
30 subdivision thereof. If a system described in this paragraph
31 is located in more than one state, the actual cost of such

1 system for purposes of this paragraph shall be the actual cost
2 of the system's equipment located in Florida. The term
3 "telecommunications carrier" specifically includes cellular
4 telephone carriers and other radio common carriers.

5 (d) Electricity produced by cogeneration or by small
6 power producers which is transmitted and distributed by a
7 public utility between two locations of a customer of the
8 utility pursuant to s. 366.051 is subject to the tax imposed
9 by this section. The tax shall be applied to the cost price
10 of such electricity as provided in s. 212.02(4) and shall be
11 paid each month by the producer of such electricity.

12 (e) Electricity produced by cogeneration or by small
13 power producers during the 12-month period ending June 30 of
14 each year which is in excess of nontaxable electricity
15 produced during the 12-month period ending June 30, 1990, is
16 subject to the tax imposed by this section. The tax shall be
17 applied to the cost price of such electricity as provided in
18 s. 212.02(4) and shall be paid each month, beginning with the
19 month in which total production exceeds the production of
20 nontaxable electricity for the 12-month period ending June 30,
21 1990. For purposes of this paragraph, "nontaxable
22 electricity" means electricity produced by cogeneration or by
23 small power producers which is not subject to tax under
24 paragraph (d). Taxes paid pursuant to paragraph (d) may be
25 credited against taxes due under this paragraph. Electricity
26 generated as part of an industrial manufacturing process which
27 manufactures products from phosphate rock, raw wood fiber,
28 paper, citrus or any agricultural product shall not be subject
29 to the tax imposed by this paragraph. "Industrial
30 manufacturing process" means the entire process conducted at
31 the location where the process takes place.

1 (f) Any person other than a cogenerator or small power
2 producer described in paragraph (e) who produces for his or
3 her own use electrical energy which is a substitute for
4 electrical energy produced by an electric utility as defined
5 in s. 366.02 is subject to the tax imposed by this section.
6 The tax shall be applied to the cost price of such electrical
7 energy as provided in s. 212.02(4) and shall be paid each
8 month. The provisions of this paragraph do not apply to any
9 electrical energy produced and used by an electric utility.

10 (g) Notwithstanding any other provision of this
11 chapter, with the exception of a telephone or
12 telecommunication system described in paragraph (c), the
13 department may require:

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

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

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

22 Section 9. Effective July 1, 2000, section 206.09,
23 Florida Statutes, is amended to read:

24 206.09 Reports from carriers transporting motor fuel
25 or similar products.--

26 (1) Every railroad company, pipeline company, water
27 transportation company, private carrier, and common carrier
28 transporting motor fuel, casinghead gasoline, natural
29 gasoline, naphtha, or diesel fuel distillate, either in
30 interstate or intrastate or foreign commerce, to points within
31 Florida, and every person transporting motor fuel, casinghead

1 gasoline, natural gasoline, naphtha, or diesel fuel
2 distillate, by whatever manner, to a point in Florida from any
3 point outside of said state, shall file monthly returns
4 setting forth:

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

7 (b) The location with street number address of such
8 person's principal office or place of business within the
9 state.

10 (c) The name, federal employer identification number
11 or, if such number is not available, the social security
12 number, and business address of the owner or the names and
13 addresses of the partners, if such person is a partnership, or
14 the principal officers, if such person is a corporation or
15 association.

16 (2) Such person or company shall report under oath to
17 the department on forms prescribed by the department all
18 deliveries of motor fuel, casinghead gasoline, natural
19 gasoline, naphtha, or diesel fuel distillate so made to points
20 within the state.

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

24 (a) The name, federal employer identification number
25 or, if such number is not available, the social security
26 number, and complete business address of the person to whom
27 the deliveries of motor fuel, casinghead gasoline, natural
28 gasoline, naphtha, or diesel fuel distillate have actually and
29 in fact been made;

30 (b) The name, federal employer identification number
31 or, if such number is not available, the social security

1 number, and complete business address of the originally named
2 consignee, if motor fuel, casinghead gasoline, natural
3 gasoline, naphtha, or diesel fuel distillate has been
4 delivered to any person other than the originally named
5 consignee;

6 (c) The municipality and state of origin, the
7 municipality, county, and state of delivery, the date of
8 delivery, and the number and initials of each tank car and the
9 number of gallons contained therein, if shipped by rail;

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

12 (e) The company unit number of each tank truck and the
13 number of gallons contained therein, if transported by motor
14 truck;

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

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

19 (4) The department is authorized to suspend the
20 reporting requirements of this section if substantially the
21 same data is filed with the Internal Revenue Service and
22 provided to the department through a national information
23 reporting system.

24 (5)~~(4)~~ If any such person or company required to file
25 under this section fails to make a complete report, the
26 department shall impose, in addition to any other penalty or
27 interest due, a penalty in the amount of \$200.

28 Section 10. Effective July 1, 2000, section 206.095,
29 Florida Statutes, is amended to read:

30 206.095 Reports from terminal operators.--
31

1 (1) Every terminal operator who stores, handles, or
2 transfers motor fuel, casinghead gasoline, natural gasoline,
3 naphtha, diesel fuel, kerosene, or other middle distillates
4 shall file a report on forms prescribed by the department.
5 The report shall be filed on a monthly basis within 20 days
6 after the close of the month covered by the report and shall
7 show:

8 (a) The name, address, and license number of the
9 terminal supplier, importer, or exporter storing or
10 transferring such product.

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

13 (c) The number of gallons and type of product which is
14 being stored.

15 (d) Such other additional information relative to
16 shipments and storage of products as the department may
17 require.

18 (2) The department is authorized to suspend the
19 reporting requirements of this section if substantially the
20 same data is filed with the Internal Revenue Service and
21 provided to the department through a national information
22 reporting system.

23 ~~(3)(2)~~ If any terminal operator fails to make a
24 complete report, the department shall impose, in addition to
25 any other penalty and interest due, a penalty in the amount of
26 \$100.

27 Section 11. Effective July 1, 2000, section 212.051,
28 Florida Statutes, is amended to read:

29 212.051 Equipment, or machinery, and other materials
30 for pollution control; not subject to sales or use tax.--
31

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

20 (2) Equipment, machinery, or materials required to
21 meet any law implemented by, or any condition of a permit
22 issued by, the Department of Environmental Protection that are
23 purchased for the monitoring, prevention, abatement, or
24 control of pollution or contaminants at privately owned or
25 operated landfills or construction and demolition debris
26 disposal facilities shall be exempt from taxation as otherwise
27 imposed by this chapter; however, such exemption shall not be
28 allowed unless the purchaser signs a certificate stating that
29 the equipment, machinery, or materials to be exempted are
30 required to meet such law or condition. This exemption does
31

1 not include solid waste collection vehicles, compactors,
2 graders, or other earthmoving equipment.

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

9 Section 12. (1) Paragraph (c) of subsection (1) of
10 section 212.06, Florida Statutes, is amended to read:

11 212.06 Sales, storage, use tax; collectible from
12 dealers; "dealer" defined; dealers to collect from purchasers;
13 legislative intent as to scope of tax.--

14 (1)

15 (c)1. Notwithstanding the provisions of paragraph (b),
16 the use tax on asphalt manufactured for one's own use shall be
17 calculated with respect to paragraph (b) only upon the cost of
18 materials which become a component part or which are an
19 ingredient of the finished asphalt and upon the cost of the
20 transportation of such components and ingredients. In
21 addition, an indexed tax of 38 cents per ton of such
22 manufactured asphalt shall be due at the same time and in the
23 same manner as taxes due pursuant to paragraph (b). Beginning
24 July 1, 1989, the indexed tax shall be adjusted each July 1 to
25 an amount, rounded to the nearest cent, equal to the product
26 of 38 cents multiplied by a fraction, the numerator of which
27 is the annual average of the "materials and components for
28 construction" series of the producer price index, as
29 calculated and published by the United States Department of
30 Labor, Bureau of Statistics, for the previous calendar year,
31

1 and the denominator of which is the annual average of said
2 series for calendar year 1988.

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

8 (2) It is the intent of the Legislature that the
9 amendment to s. 212.06(1)(c), Florida Statutes, by this
10 section is remedial in nature and merely clarifies existing
11 law.

12 Section 13. (1) Effective July 1, 2000, paragraphs
13 (a) and (c) of subsection (5) and paragraph (eee) of
14 subsection (7) of section 212.08, Florida Statutes, are
15 amended to read:

16 212.08 Sales, rental, use, consumption, distribution,
17 and storage tax; specified exemptions.--The sale at retail,
18 the rental, the use, the consumption, the distribution, and
19 the storage to be used or consumed in this state of the
20 following are hereby specifically exempt from the tax imposed
21 by this chapter.

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

23 (a) Items in agricultural use and certain nets.--There
24 are exempt from the tax imposed by this chapter nets designed
25 and used exclusively by commercial fisheries; disinfectants,
26 fertilizers, insecticides, pesticides, herbicides, fungicides,
27 and weed killers used for application on crops or groves,
28 including commercial nurseries and home vegetable gardens,
29 used in dairy barns or on poultry farms for the purpose of
30 protecting poultry or livestock, or used directly on poultry
31 or livestock; portable containers or moveable receptacles in

1 which portable containers are placed, used for processing farm
2 products; field and garden seeds, including flower seeds;
3 nursery stock, seedlings, cuttings, or other propagative
4 material purchased for growing stock; seeds, seedlings,
5 cuttings, and plants used to produce food for human
6 consumption; cloth, plastic, and other similar materials used
7 for shade, mulch, or protection from frost or insects on a
8 farm; generators used on poultry farms; and liquefied
9 petroleum gas or other fuel used to heat a structure in which
10 started pullets or broilers are raised; however, such
11 exemption shall not be allowed unless the purchaser or lessee
12 signs a certificate stating that the item to be exempted is
13 for the exclusive use designated herein. Also exempt are
14 cellophane wrappers, glue for tin and glass (apiarists),
15 mailing cases for honey, shipping cases, window cartons, and
16 baling wire and twine used for baling hay, when used by a
17 farmer to contain, produce, or process an agricultural
18 commodity.

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

21 1. The purchase of machinery and equipment for use at
22 a fixed location which machinery and equipment are necessary
23 in the production of electrical or steam energy resulting from
24 the burning of boiler fuels other than residual oil is exempt
25 from the tax imposed by this chapter. Such electrical or
26 steam energy must be primarily for use in manufacturing,
27 processing, compounding, or producing for sale items of
28 tangible personal property in this state. Use of a de minimis
29 amount of residual fuel to facilitate the burning of
30 nonresidual fuel shall not reduce the exemption otherwise
31 available under this paragraph.

1 2. In facilities where machinery and equipment are
2 necessary to burn both residual and nonresidual fuels, the
3 exemption shall be prorated. Such proration shall be based
4 upon the production of electrical or steam energy from
5 nonresidual fuels as a percentage of electrical or steam
6 energy from all fuels. If it is determined that 15 percent or
7 less of all electrical or steam energy generated was produced
8 by burning residual fuel, the full exemption shall apply.

9 Purchasers claiming a partial exemption shall obtain such
10 exemption by refund of taxes paid, or as otherwise provided in
11 the department's rules.

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

24 (7) MISCELLANEOUS EXEMPTIONS.--

25 (eee) Certain repair and labor charges.--

26 1. Subject to the provisions of subparagraphs 2. and
27 3., there is exempt from the tax imposed by this chapter all
28 labor charges for the repair of, and parts and materials used
29 in the repair of and incorporated into, industrial machinery
30 and equipment which is used for the manufacture, processing,
31 compounding, ~~or~~ production, or preparation for shipping of

1 items of tangible personal property at a fixed location within
2 this state.

3 2. This exemption applies only to industries
4 classified under SIC Industry Major Group Numbers 10, 12, 13,
5 14, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34,
6 35,36, 37, 38, and 39 and Industry Group Number 212. As used
7 in this subparagraph, "SIC" means those classifications
8 contained in the Standard Industrial Classification Manual,
9 1987, as published by the Office of Management and Budget,
10 Executive Office of the President.

11 3. This exemption shall be applied as follows:

12 a. Beginning July 1, 1999, 25 percent of such charges
13 for repair parts and labor shall be exempt.

14 b. Beginning July 1, 2000, 50 percent of such charges
15 for repair parts and labor shall be exempt.

16 c. Beginning July 1, 2001, 75 percent of such charges
17 for repair parts and labor shall be exempt.

18 d. Beginning July 1, 2002, 100 percent of such charges
19 for repair parts and labor shall be exempt.

20

21 Exemptions provided to any entity by this subsection shall not
22 inure to any transaction otherwise taxable under this chapter
23 when payment is made by a representative or employee of such
24 entity by any means, including, but not limited to, cash,
25 check, or credit card even when that representative or
26 employee is subsequently reimbursed by such entity.

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

31

1 Section 14. Effective July 1, 2000, paragraph (c) of
2 subsection (1) of section 212.11, Florida Statutes, is amended
3 to read:

4 212.11 Tax returns and regulations.--

5 (1)

6 (c) However, the department may require:

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

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

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

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

19

20 The department is authorized to allow a dealer filing returns
21 and paying tax under subparagraph 1., subparagraph 2.,
22 subparagraph 3., or subparagraph 4. to continue to use the
23 same filing frequency, even though the dealer has paid tax in
24 a filing period that is greater than the maximum amount
25 allowed for such period. The dealer must submit a written
26 request to the department to be continued on the same filing
27 frequency, and such request must be based on an explanation
28 that the tax amount submitted represents nonrecurring business
29 activity.

30 Section 15. (1) Paragraph (c) of subsection (6) of
31 section 212.12, Florida Statutes, is amended to read:

1 212.12 Dealer's credit for collecting tax; penalties
2 for noncompliance; powers of Department of Revenue in dealing
3 with delinquents; brackets applicable to taxable transactions;
4 records required.--

5 (6)

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

18 2. For the purposes of sampling pursuant to
19 subparagraph 1., the department shall project any deficiencies
20 and overpayments derived therefrom over the entire audit
21 period. In determining the dealer's compliance, the department
22 shall reduce any tax deficiency as derived from the sample by
23 the amount of any overpayment derived from the sample. In the
24 event the department determines from the sample results that
25 the dealer has a net tax overpayment, the department shall
26 provide the findings of this overpayment to the Comptroller
27 for repayment of funds paid into the State Treasury through
28 error pursuant to s. 215.26.

29 (2) It is the intent of the Legislature that this
30 section clarify rather than change existing law. Further, this
31 section shall apply to all tax periods that are still open for

1 assessment or refund when this section takes effect, including
2 tax periods that are the subject of assessment or refund
3 claims that are pending in administrative or judicial
4 proceedings when this section takes effect.

5 Section 16. Effective July 1, 2000, subsections (3)
6 and (5) of section 213.015, Florida Statutes, are amended to
7 read:

8 213.015 Taxpayer rights.--There is created a Florida
9 Taxpayer's Bill of Rights to guarantee that the rights,
10 privacy, and property of Florida taxpayers are adequately
11 safeguarded and protected during tax assessment, collection,
12 and enforcement processes administered under the revenue laws
13 of this state. The Taxpayer's Bill of Rights compiles, in one
14 document, brief but comprehensive statements which explain, in
15 simple, nontechnical terms, the rights and obligations of the
16 Department of Revenue and taxpayers. The rights afforded
17 taxpayers to assure that their privacy and property are
18 safeguarded and protected during tax assessment and collection
19 are available only insofar as they are implemented in other
20 parts of the Florida Statutes or rules of the Department of
21 Revenue. The rights so guaranteed Florida taxpayers in the
22 Florida Statutes and the departmental rules are:

23 (3) The right to be represented or advised by counsel
24 or other qualified representatives at any time in
25 administrative interactions with the department, the right to
26 procedural safeguards with respect to recording of interviews
27 during tax determination or collection processes conducted by
28 the department, the right to be treated in a professional
29 manner by department personnel, and the right to have audits,
30 inspections of records, and interviews conducted at a
31 reasonable time and place except in criminal and internal

1 investigations (see ss. 198.06, 199.218, 201.11(1), 203.02,
2 206.14, 211.125(3), 211.33(3), 212.0305(3), 212.12(5)(a),
3 (6)(a), and (13), 212.13(5), 213.05, 213.21(1)(a) and (c), and
4 213.34).

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

16 Section 17. (1) Effective July 1, 2000, subsections
17 (2) and (3) of section 213.21, Florida Statutes, are amended
18 to read:

19 213.21 Informal conferences; compromises.--

20 (2)(a) The executive director of the department or his
21 or her designee is authorized to enter into closing agreements
22 with any taxpayer settling or compromising the taxpayer's
23 liability for any tax, interest, or penalty assessed under any
24 of the chapters specified in s. 72.011(1). Such agreements
25 shall be in writing when the amount of tax, penalty, or
26 interest compromised exceeds \$30,000 or for lesser amounts
27 when the department deems it appropriate or when requested by
28 the taxpayer. When a written closing agreement has been
29 approved by the department and signed by the executive
30 director or his or her designee and the taxpayer, it shall be
31 final and conclusive; and, except upon a showing of fraud or

1 misrepresentation of material fact or except as to adjustments
2 pursuant to ss. 198.16 and 220.23, no additional assessment
3 may be made by the department against the taxpayer for the
4 tax, interest, or penalty specified in the closing agreement
5 for the time period specified in the closing agreement, and
6 the taxpayer shall not be entitled to institute any judicial
7 or administrative proceeding to recover any tax, interest, or
8 penalty paid pursuant to the closing agreement. The
9 department is authorized to delegate to the executive director
10 the authority to approve any such closing agreement resulting
11 in a tax reduction of \$250,000 or less.

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

21 (c) Notwithstanding paragraph (a), for the purpose of
22 compromising the liability of any taxpayer for tax or interest
23 on the grounds of doubt as to liability based on the
24 taxpayer's reasonable reliance on a written determination
25 issued by the department as described in paragraph (3)(b), the
26 department may compromise the amount of such tax or interest
27 liability resulting from such reasonable reliance.

28 (3)(a) A taxpayer's liability for any tax or interest
29 specified in s. 72.011(1) may be compromised by the department
30 upon the grounds of doubt as to liability for or
31 collectibility of such tax or interest. A taxpayer's liability

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

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

23 1. The audit workpapers clearly show that the same
24 issue was considered in a prior audit of the taxpayer
25 conducted by or on behalf of the department and, after
26 consideration of the issue, the department's auditor
27 determined that no assessment was appropriate in regard to
28 that issue.

29 2. The same issue was raised in a prior audit of the
30 taxpayer and during the informal protest of the proposed
31

1 assessment the department issued a notice of decision
2 withdrawing the issue from the assessment.

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

5
6 The circumstances listed in this paragraph are not intended to
7 be the only circumstances in which doubt as to liability
8 exists. Nothing contained in this section shall interfere with
9 the state's ability to structure a remedy to cure a judicially
10 determined constitutional defect in a tax law.

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

14 1. The taxpayer misrepresented material facts or did
15 not fully disclose material facts at the time the written
16 determination was issued.

17 2. The specific facts and circumstances have changed
18 in such a material manner that the written determination no
19 longer applies.

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

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

28 (d)~~(b)~~ A taxpayer's liability for the service fee
29 required by s. 215.34(2) may be settled or compromised if it
30 is determined that the dishonored check, draft, or order was
31 returned due to an error committed by the issuing financial

1 institution, and the error is substantiated by the department.
2 The department shall maintain records of all compromises, and
3 the records shall state the basis for the compromise.

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

7 Section 18. Subsection (6) of section 213.235, Florida
8 Statutes, is repealed.

9 Section 19. Subsection (9) is added to section 213.27,
10 Florida Statutes, to read:

11 213.27 Contracts with debt collection agencies and
12 certain vendors.--

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

1 the tax to the department. The department shall be responsible
2 for testing and certifying the accuracy of the system.

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

9 212.12(1). A seller of goods or services subject to sales and
10 use tax who utilizes the system for purposes of computation
11 and remittance of sales and use tax shall not be subject to
12 audit for those transactions handled through the system,
13 unless there are indicia that fraud has been committed by the
14 seller.

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

22 (d) On or before January 1 annually, the department
23 shall provide recommendations to the Speaker of the House of
24 Representatives, Minority Leader of the House of
25 Representatives, President of the Senate, and Minority Leader
26 of the Senate for provisions to be adopted for inclusion
27 within the system that will make sales and use tax collection
28 and administration simplified and uniform.

29 Section 20. (1) Paragraph (n) of subsection (1) and
30 paragraph (c) of subsection (2) of section 220.03, Florida
31 Statutes, are amended to read:

1 220.03 Definitions.--

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

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

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

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

19 (2) This section shall operate retroactively to
20 January 1, 2000.

21 Section 21. Subsection (2) of section 220.62, Florida
22 Statutes, is amended to read:

23 220.62 Definitions.--For purposes of this part:

24 (2) The term "savings association" means a savings
25 association holding company registered under the Homeowners'
26 Loan Act (HOLA) of 1933, 12 U.S.C. 1467a, as amended, or any
27 savings association, building and loan association, savings
28 and loan association, or mutual savings bank not having
29 capital stock, whether subject to the laws of this or any
30 other jurisdiction.

31

1 Section 22. Section 1 of chapter 98-187, Laws of
2 Florida, applies retroactively to the renewal of any
3 promissory note evidencing a term obligation executed on or
4 after January 1, 1990, for which the tax under s. 201.09,
5 Florida Statutes, has not been paid and which was the subject
6 of a pending protest that was initiated prior to January 1,
7 1998.

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

21 Section 24. For the period July 1, 1998, through June
22 30, 1999, every person who was classified under SIC Industry
23 Group Number 212 and who paid the tax imposed under chapter
24 212, Florida Statutes, on charges for steam or electrical
25 energy which was used in the manner described in s.
26 212.08(7)(ii), Florida Statutes, shall be entitled to receive
27 a refund of said taxes pursuant to ss. 213.255 and 215.26,
28 Florida Statutes. For the period July 1, 1998, through June
29 30, 1999, every person who was classified under SIC Industry
30 Group Number 212 and who did not pay the tax imposed under
31 chapter 212, Florida Statutes, on charges for steam or

1 electrical energy which was used in the manner described in s.
2 212.08(7)(ii), Florida Statutes, shall not be required to pay
3 the tax, penalty, or interest on those charges. As used in
4 this section, "SIC" means those classifications contained in
5 the Standard Industrial Classification Manual, 1987, as
6 published by the Office of Management and Budget, Executive
7 Office of the President.

8 Section 25. Except as otherwise provided herein, this
9 act shall take effect upon becoming a law.

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HOUSE SUMMARY

Specifies a 3-year time period within which the Department of Revenue and Department of Business and Professional Regulation may determine and assess the amount of certain taxes, penalties, or interest due, beginning July 1, 2002.

Provides that the Florida Elections Commission, rather than the Department of Revenue, shall have responsibility for collecting civil penalties for violation of ch. 104 or ch. 106, F.S.

Removes a requirement that insurers subject to a premium tax for a municipal or special district firefighter pension plan or a municipal police pension plan file an annual premium receipt report with the Division of Retirement, in addition to filing with the Department of Revenue. Authorizes the department to share information regarding such reports with the Department of Management Services, and to share certain identifying information with the Department of Highway Safety and Motor Vehicles.

Provides requirements with respect to special district assessments on facilities regulated under ch. 513, F.S.

Directs the Department of Revenue to adopt rules providing standards for valuing a utility's operating property and provides requirements with respect thereto.

Authorizes the department to require quarterly, semiannual, or annual returns for the tax on gross receipts for utility services under certain conditions.

Authorizes the department to suspend a requirement for certain reports from carriers transporting, or terminal operators handling, motor fuel and similar products, under certain conditions.

Includes specialty chemicals and bioaugmentation products within the sales tax exemption for equipment and machinery used for pollution control in connection with the manufacture of items of tangible personal property for sale.

Clarifies language with respect to the exemption from the indexed tax on manufactured asphalt for asphalt used for government public works projects, and specifies that the exemption includes federal projects.

696-163D-00

- 1 Revises application of the sales tax exemption for
2 portable containers used for processing farm products.
3 Provides conditions under which the full sales tax
4 exemption for machinery and equipment used to produce
5 electrical or steam energy will apply when both residual
6 and nonresidual fuels are used. Revises application of
7 the sales tax exemption for repair and labor charges for
8 certain industrial machinery and equipment.
- 9 Authorizes the department to allow a sales tax dealer to
10 continue to use a filing frequency when the dealer
11 exceeds the maximum tax for that frequency, under certain
12 conditions.
- 13 Revises provisions which authorize the department to
14 sample a dealer's records when such records are adequate
15 but voluminous, in order to determine the dealer's tax
16 liability. Provides that overpayments and deficiencies
17 shall be projected over the entire audit period, and the
18 tax deficiency reduced or refund made as necessary.
- 19 Specifies additional taxpayer rights with respect to
20 treatment by department personnel and explanation of the
21 reason for audit selection. Provides conditions under
22 which a taxpayer's liability may be compromised when the
23 taxpayer establishes reasonable reliance on written
24 advice issued by the department.
- 25 Repeals provisions which relate to application of the
26 annual rate of interest applicable to tax payment
27 deficiencies.
- 28 Authorizes the department to contract with public or
29 private vendors to develop and implement a voluntary
30 system for sales and use tax collection and
31 administration.
- Updates references to the Internal Revenue Code for
corporate income tax purposes. Includes savings
association holding companies registered under the
Homeowners' Loan Act within the definition of "savings
association" for purposes of the franchise tax on banks
and savings associations.
- Provides that s. 1 of ch. 98-187, Laws of Florida, which
amends s. 201.09, F.S., to provide liability for the
excise tax on documents when a renewal note increases the
unpaid balance or the original face amount of the
original contract and obligation, applies retroactively
to certain term obligations.
- Directs the Division of Retirement to adjust a
municipality's 1997 base year revenue for purposes of its
own pension plan for firefighters or police officers

1 based on specified information.

2
3 Provides that, for a specified period, persons classified
4 under SIC Industry Group Number 212 who paid tax under
5 ch. 212, F.S., on certain charges for steam or electrical
6 energy entitled to exemption are entitled to a refund,
7 and that such persons who did not pay the tax are not
8 required to pay the tax, penalty, or interest.
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