

1
2 An act relating to taxation; creating s.
3 196.2002, F.S., providing an exemption for
4 not-for-profit water and wastewater
5 corporations; amending s. 95.091, F.S.;
6 specifying the time period within which the
7 Department of Revenue and Department of
8 Business and Professional Regulation may
9 determine and assess the amount of certain
10 taxes, penalties, or interest due beginning
11 July 1, 2002; correcting a reference; amending
12 s. 106.265, F.S.; providing that the Florida
13 Elections Commission, rather than the
14 Department of Revenue, shall have
15 responsibility for collecting civil penalties
16 for violation of chapter 104 or chapter 106,
17 F.S.; amending s. 120.80, F.S.; providing for
18 the award of reasonable attorney's fees and
19 costs of an appeal to a prevailing appellant on
20 an appeal of an assessment imposed or refund
21 denied under chapter 212, F.S., under specified
22 circumstances; amending s. 166.231(1), F.S., to
23 allow a municipality to levy tax on water
24 service outside municipal boundaries if an
25 agreement is reached by specific date; amending
26 ss. 175.111 and 185.09, F.S.; removing a
27 requirement that insurers subject to a premium
28 tax for a municipal or special district
29 firefighter pension plan or a municipal police
30 pension plan file an annual premium receipt
31 report with the Division of Retirement;

1 amending s. 213.053, F.S.; authorizing the
2 Department of Revenue to share information
3 regarding such reports with the Department of
4 Management Services, and to share certain
5 identifying information with the Department of
6 Highway Safety and Motor Vehicles; creating s.
7 189.420, F.S.; providing requirements with
8 respect to special district assessments on
9 facilities regulated under ch. 513, F.S.;

10 amending s. 203.01, F.S.; authorizing the
11 department to require quarterly, semiannual, or
12 annual returns for the tax on gross receipts
13 for utility services under certain conditions;
14 amending ss. 206.09 and 206.095, F.S.;

15 authorizing the department to suspend a
16 requirement for certain reports from carriers
17 transporting, or terminal operators handling,
18 motor fuel and similar products, under certain
19 conditions; amending s. 212.051, F.S.;

20 including specialty chemicals and
21 bioaugmentation products within the sales tax
22 exemption for equipment and machinery used for
23 pollution control in connection with the
24 manufacture of items of tangible personal
25 property for sale; providing definitions;

26 amending s. 212.06, F.S.; clarifying language
27 with respect to the exemption from the indexed
28 tax on manufactured asphalt for asphalt used
29 for government public works projects;

30 specifying that the exemption includes federal
31 projects; amending s. 212.08, F.S.; revising

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

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

1 98-187, Laws of Florida, which amends s.
2 201.09, F.S., to provide liability for the
3 excise tax on documents when a renewal note
4 increases the unpaid balance or the original
5 face amount of the original contract and
6 obligation, applies retroactively to certain
7 term obligations; directing the Division of
8 Retirement to adjust a municipality's 1997 base
9 year revenue for purposes of its own pension
10 plan for firefighters or police officers based
11 on specified information; authorizing the
12 department to provide data to the division;
13 providing that, for a specified period, persons
14 classified under SIC Industry Group Number 212
15 who paid tax under ch. 212, F.S., on certain
16 charges for steam or electrical energy entitled
17 to exemption are entitled to a refund, and that
18 such persons who did not pay the tax are not
19 required to pay the tax, penalty, or interest;
20 providing that failure to timely file a
21 consolidated return for intangible personal
22 property tax for any one or more years shall
23 not prejudice a taxpayer's right to file a
24 consolidated return under certain conditions;
25 amending s. 210.20, F.S.; eliminating transfers
26 of net cigarette tax collections to the
27 Municipal Financial Assistance Trust Fund and
28 Revenue Sharing Trust Fund for Municipalities;
29 amending s. 212.20, F.S.; authorizing a
30 distribution of proceeds under ch. 212, F.S.,
31 to the Revenue Sharing Trust Fund for

1 Municipalities; amending s. 288.1169, F.S.;
2 revising a cross reference, to conform;
3 amending s. 11.45, F.S.; revising a reference,
4 to conform; repealing s. 200.132, F.S.,
5 relating to the Municipal Financial Assistance
6 Trust Fund; providing effective dates.
7

8 Be It Enacted by the Legislature of the State of Florida:
9

10 Section 1. Section 196.2002, Florida Statutes, is
11 created to read:

12 196.2002 Exemption for 501(c)(12) Not-for-Profit Water
13 and Wastewater Systems.--Property of any not-for-profit water
14 and wastewater corporation which holds a current exemption
15 from federal income tax under section 501(c)(12) of the
16 Internal Revenue Code, as amended, shall be exempt from ad
17 valorem taxation if the sole or primary function of the
18 corporation is to construct, maintain or operate a water
19 and/or wastewater system in this state.

20 Section 2. Paragraph (a) of subsection (3) of section
21 95.091, Florida Statutes, is amended to read:

22 95.091 Limitation on actions to collect taxes.--
23 (3)(a) With the exception of taxes levied under
24 chapter 198 and tax adjustments made pursuant to s. 220.23,
25 the Department of Revenue may determine and assess the amount
26 of any tax, penalty, or interest due under any tax enumerated
27 in s. 72.011 which it has authority to administer and the
28 Department of Business and Professional Regulation may
29 determine and assess the amount of any tax, penalty, or
30 interest due under any tax enumerated in s. 72.011 which it
31 has authority to administer:

- 1 1.a. For taxes due before July 1, 1999, within 5 years
2 after the date the tax is due, any return with respect to the
3 tax is due, or such return is filed, whichever occurs later;
4 and for taxes due on or after July 1, 1999, within 3 years
5 after the date the tax is due, any return with respect to the
6 tax is due, or such return is filed, whichever occurs later;
- 7 b. Effective July 1, 2002, notwithstanding
8 sub-subparagraph a., within 3 years after the date the tax is
9 due, any return with respect to the tax is due, or such return
10 is filed, whichever occurs later;
- 11 2. For taxes due before July 1, 1999, within 6 years
12 after the date the taxpayer either makes a substantial
13 underpayment of tax, or files a substantially incorrect
14 return;
- 15 3. At any time while the right to a refund or credit
16 of the tax is available to the taxpayer;
- 17 4. For taxes due before July 1, 1999, at any time
18 after the taxpayer has filed a grossly false return;
- 19 5. At any time after the taxpayer has failed to make
20 any required payment of the tax, has failed to file a required
21 return, or has filed a fraudulent return, except that for
22 taxes due on or after July 1, 1999, the limitation prescribed
23 in subparagraph 1.~~sub-subparagraph a.~~ applies if the taxpayer
24 has disclosed in writing the tax liability to the department
25 before the department has contacted the taxpayer; or
- 26 6. In any case in which there has been a refund of tax
27 erroneously made for any reason:
- 28 a. For refunds made before July 1, 1999, within 5
29 years after making such refund; and
- 30 b. For refunds made on or after July 1, 1999, within 3
31 years after making such refund,

1
2 or at any time after making such refund if it appears that any
3 part of the refund was induced by fraud or the
4 misrepresentation of a material fact.

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

7 106.265 Civil penalties.--

8 (2) If any person, political committee, committee of
9 continuous existence, or political party fails or refuses to
10 pay to the commission any civil penalties assessed pursuant to
11 the provisions of this section, the commission ~~Department of~~
12 ~~Revenue~~ shall be responsible for collecting the civil
13 penalties resulting from such action.

14 Section 4. Paragraph (b) of subsection (14) of section
15 120.80, Florida Statutes, is amended to read:

16 120.80 Exceptions and special requirements;
17 agencies.--

18 (14) DEPARTMENT OF REVENUE.--

19 (b) Taxpayer contest proceedings.--

20 1. In any administrative proceeding brought pursuant
21 to this chapter as authorized by s. 72.011(1), the taxpayer
22 shall be designated the "petitioner" and the Department of
23 Revenue shall be designated the "respondent," except that for
24 actions contesting an assessment or denial of refund under
25 chapter 207, the Department of Highway Safety and Motor
26 Vehicles shall be designated the "respondent," and for actions
27 contesting an assessment or denial of refund under chapters
28 210, 550, 561, 562, 563, 564, and 565, the Department of
29 Business and Professional Regulation shall be designated the
30 "respondent."
31

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

7 3.a. Prior to filing a petition under this chapter,
8 the taxpayer shall pay to the applicable department the amount
9 of taxes, penalties, and accrued interest assessed by that
10 department which are not being contested by the taxpayer.
11 Failure to pay the uncontested amount shall result in the
12 dismissal of the action and imposition of an additional
13 penalty of 25 percent of the amount taxed.

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

19 4. Except as provided in s. 220.719, further
20 collection and enforcement of the contested amount of an
21 assessment for nonpayment or underpayment of any tax,
22 interest, or penalty shall be stayed beginning on the date a
23 petition is filed. Upon entry of a final order, an agency may
24 resume collection and enforcement action.

25 5. The prevailing party, in a proceeding under ss.
26 120.569 and 120.57 authorized by s. 72.011(1), may recover all
27 legal costs incurred in such proceeding, including reasonable
28 attorney's fees, if the losing party fails to raise a
29 justiciable issue of law or fact in its petition or response.

30 6. Upon review pursuant to s. 120.68 of final agency
31 action concerning an assessment of tax, penalty, or interest

1 with respect to a tax imposed under chapter 212, or the denial
2 of a refund of any tax imposed under chapter 212, if the court
3 finds that the Department of Revenue improperly rejected or
4 modified a conclusion of law, the court may award reasonable
5 attorney's fees and reasonable costs of the appeal to the
6 prevailing appellant.

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

9 166.231 Municipalities; public service tax.--

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

25 (b) The tax imposed by paragraph (a) shall not be
26 applied against any fuel adjustment charge, and such charge
27 shall be separately stated on each bill. The term "fuel
28 adjustment charge" means all increases in the cost of utility
29 services to the ultimate consumer resulting from an increase
30 in the cost of fuel to the utility subsequent to October 1,
31 1973.

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

9 Section 6. Section 175.111, Florida Statutes, is
10 amended to read:

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

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

23 Section 7. Section 185.09, Florida Statutes, is
24 amended to read:

25 185.09 Report of premiums paid; date tax payable.--For
26 any municipality, chapter plan, local law municipality, or
27 local law plan under this chapter, whenever any municipality
28 passes an ordinance establishing a chapter plan or local law
29 plan and assessing and imposing the tax authorized in s.
30 185.08, a certified copy of such ordinance shall be deposited
31 with the division; and thereafter every insurance company,

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

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

26 213.053 Confidentiality and information sharing.--

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

29 (r) Information relative to the returns required by
30 ss. 175.111 and 185.09 to the Department of Management
31 Services in the conduct of its official duties. The Department

1 of Management Services is, in turn, authorized to disclose
2 payment information to a governmental agency as necessary in
3 the administration of chapters 175 and 185.

4 (s) Names, addresses, and federal employer
5 identification numbers, or similar identifiers, to the
6 Department of Highway Safety and Motor Vehicles for use in the
7 conduct of its official duties.

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

16 Section 9. Section 189.420, Florida Statutes, is
17 created to read:

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

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

29 203.01 Tax on gross receipts for utility services.--

30 (1)(a) Every person that receives payment for any
31 utility service shall report by the last day of each month to

1 the Department of Revenue, under oath of the secretary or some
2 other officer of such person, the total amount of gross
3 receipts derived from business done within this state, or
4 between points within this state, for the preceding month and,
5 at the same time, shall pay into the State Treasury an amount
6 equal to a percentage of such gross receipts at the rate set
7 forth in paragraph (b). Such collections shall be certified
8 by the Comptroller upon the request of the State Board of
9 Education.

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

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

1 telecommunication system to conduct a telecommunication
2 service for hire or to the use of any radio system operated by
3 any county or municipality or by the state or any political
4 subdivision thereof. If a system described in this paragraph
5 is located in more than one state, the actual cost of such
6 system for purposes of this paragraph shall be the actual cost
7 of the system's equipment located in Florida. The term
8 "telecommunications carrier" specifically includes cellular
9 telephone carriers and other radio common carriers.

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

17 (e) Electricity produced by cogeneration or by small
18 power producers during the 12-month period ending June 30 of
19 each year which is in excess of nontaxable electricity
20 produced during the 12-month period ending June 30, 1990, is
21 subject to the tax imposed by this section. The tax shall be
22 applied to the cost price of such electricity as provided in
23 s. 212.02(4) and shall be paid each month, beginning with the
24 month in which total production exceeds the production of
25 nontaxable electricity for the 12-month period ending June 30,
26 1990. For purposes of this paragraph, "nontaxable
27 electricity" means electricity produced by cogeneration or by
28 small power producers which is not subject to tax under
29 paragraph (d). Taxes paid pursuant to paragraph (d) may be
30 credited against taxes due under this paragraph. Electricity
31 generated as part of an industrial manufacturing process which

1 manufactures products from phosphate rock, raw wood fiber,
2 paper, citrus or any agricultural product shall not be subject
3 to the tax imposed by this paragraph. "Industrial
4 manufacturing process" means the entire process conducted at
5 the location where the process takes place.

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

15 (g) Notwithstanding any other provision of this
16 chapter, with the exception of a telephone or
17 telecommunication system described in paragraph (c), the
18 department may require:

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

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

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

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

29 206.09 Reports from carriers transporting motor fuel
30 or similar products.--

31

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

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

13 (b) The location with street number address of such
14 person's principal office or place of business within the
15 state.

16 (c) The name, federal employer identification number
17 or, if such number is not available, the social security
18 number, and business address of the owner or the names and
19 addresses of the partners, if such person is a partnership, or
20 the principal officers, if such person is a corporation or
21 association.

22 (2) Such person or company shall report under oath to
23 the department on forms prescribed by the department all
24 deliveries of motor fuel, casinghead gasoline, natural
25 gasoline, naphtha, or diesel fuel distillate so made to points
26 within the state.

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

30 (a) 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 person to whom
2 the deliveries of motor fuel, casinghead gasoline, natural
3 gasoline, naphtha, or diesel fuel distillate have actually and
4 in fact been made;

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

12 (c) The municipality and state of origin, the
13 municipality, county, and state of delivery, the date of
14 delivery, and the number and initials of each tank car and the
15 number of gallons contained therein, if shipped by rail;

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

18 (e) The company unit number of each tank truck and the
19 number of gallons contained therein, if transported by motor
20 truck;

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

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

25 (4) The department is authorized to suspend the
26 reporting requirements of this section if substantially the
27 same data is filed with the Internal Revenue Service and
28 provided to the department through a national information
29 reporting system.

30 ~~(5)(4)~~ If any such person or company required to file
31 under this section fails to make a complete report, the

1 department shall impose, in addition to any other penalty or
2 interest due, a penalty in the amount of \$200.

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

5 206.095 Reports from terminal operators.--

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

13 (a) The name, address, and license number of the
14 terminal supplier, importer, or exporter storing or
15 transferring such product.

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

18 (c) The number of gallons and type of product which is
19 being stored.

20 (d) Such other additional information relative to
21 shipments and storage of products as the department may
22 require.

23 (2) The department is authorized to suspend the
24 reporting requirements of this section if substantially the
25 same data is filed with the Internal Revenue Service and
26 provided to the department through a national information
27 reporting system.

28 (3)~~(2)~~ If any terminal operator fails to make a
29 complete report, the department shall impose, in addition to
30 any other penalty and interest due, a penalty in the amount of
31 \$100.

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

3 212.051 Equipment, ~~or~~ machinery, and other materials
4 for pollution control; not subject to sales or use tax.--

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

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

1 allowed unless the purchaser signs a certificate stating that
2 the equipment, machinery, or materials to be exempted are
3 required to meet such law or condition. This exemption does
4 not include solid waste collection vehicles, compactors,
5 graders, or other earthmoving equipment.

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

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

14 212.06 Sales, storage, use tax; collectible from
15 dealers; "dealer" defined; dealers to collect from purchasers;
16 legislative intent as to scope of tax.--

17 (1)

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

1 calculated and published by the United States Department of
2 Labor, Bureau of Statistics, for the previous calendar year,
3 and the denominator of which is the annual average of said
4 series for calendar year 1988.

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

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

14 Section 15. (1) Effective July 1, 2000, paragraphs
15 (a) and (c) of subsection (5) and paragraph (eee) of
16 subsection (7) of section 212.08, Florida Statutes, are
17 amended, and paragraph (ggg) is added to subsection (7) of
18 said section, to read:

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

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

26 (a) Items in agricultural use and certain nets.--There
27 are exempt from the tax imposed by this chapter nets designed
28 and used exclusively by commercial fisheries; disinfectants,
29 fertilizers, insecticides, pesticides, herbicides, fungicides,
30 and weed killers used for application on crops or groves,
31 including commercial nurseries and home vegetable gardens,

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

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

24 1. The purchase of machinery and equipment for use at
25 a fixed location which machinery and equipment are necessary
26 in the production of electrical or steam energy resulting from
27 the burning of boiler fuels other than residual oil is exempt
28 from the tax imposed by this chapter. Such electrical or
29 steam energy must be primarily for use in manufacturing,
30 processing, compounding, or producing for sale items of
31 tangible personal property in this state. Use of a de minimis

1 amount of residual fuel to facilitate the burning of
2 nonresidual fuel shall not reduce the exemption otherwise
3 available under this paragraph.

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

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

27 (7) MISCELLANEOUS EXEMPTIONS.--

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

29 1. Subject to the provisions of subparagraphs 2. and
30 3., there is exempt from the tax imposed by this chapter all
31 labor charges for the repair of, and parts and materials used

1 in the repair of and incorporated into, industrial machinery
2 and equipment which is used for the manufacture, processing,
3 compounding, ~~or production,~~ or preparation for shipping of
4 items of tangible personal property at a fixed location within
5 this state.

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

14 3. This exemption shall be applied as follows:

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

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

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

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

23 (ggg) People-mover systems.--People-mover systems, and
24 parts thereof, which are purchased or manufactured by
25 contractors employed either directly by or as agents for the
26 United States Government, the state, a county, a municipality,
27 a political subdivision of the state, or the public operator
28 of a public-use airport as defined by s. 332.004(14) are
29 exempt from the tax imposed by this chapter when the systems
30 or parts go into or become part of publicly owned facilities.
31 In the case of contractors who manufacture and install such

1 systems and parts, this exemption extends to the purchase of
2 component parts and all other manufacturing and fabrication
3 costs. The department may provide a form to be used by
4 contractors to provide to suppliers of people-mover systems or
5 parts to certify the contractors' eligibility for the
6 exemption provided under this paragraph. As used in this
7 paragraph, "people-mover systems" includes wheeled passenger
8 vehicles and related control and power distribution systems
9 that are part of a transportation system for use by the
10 general public, regardless of whether such vehicles are
11 operator-controlled or driverless, self-propelled or propelled
12 by external power and control systems, or conducted on roads,
13 rails, guidebeams, or other permanent structures that are an
14 integral part of such transportation system. "Related control
15 and power distribution systems" includes any electrical or
16 electronic control or signaling equipment, but does not
17 include the embedded wiring, conduits, or cabling used to
18 transmit electrical or electronic signals among such control
19 equipment, power distribution equipment, signaling equipment,
20 and wheeled vehicles.

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

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

1 Section 16. 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 17. (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 18. 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 19. (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 20. Subsection (6) of section 213.235, Florida
8 Statutes, is repealed.

9 Section 21. 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 22. (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 23. 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 24. 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 25. 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 26. 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 27. Notwithstanding the provisions of s.
9 199.052(10), Florida Statutes, failure to timely file a
10 consolidated return for any one or more years shall not
11 prejudice the taxpayer's right to file a consolidated return
12 if the consolidated return is filed prior to July 31, 2000,
13 and the affiliated group of corporations of which the taxpayer
14 is a member has previously filed consolidated returns for
15 corporate income tax purposes under s. 220.131, Florida
16 Statutes.

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

20 210.20 Employees and assistants; distribution of
21 funds.--

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

26 (a) The division shall from month to month certify to
27 the Comptroller the amount derived from the cigarette tax
28 imposed by s. 210.02, less the service charges provided for in
29 s. 215.20 and less 0.9 percent of the amount derived from the
30 cigarette tax imposed by s. 210.02, which shall be deposited
31 into the Alcoholic Beverage and Tobacco Trust Fund, specifying

1 the amounts to be transferred from the Cigarette Tax
2 Collection Trust Fund and credited on the basis of ~~5.8 percent~~
3 ~~of the net collections to the Municipal Financial Assistance~~
4 ~~Trust Fund, 32.4 percent of the net collections to the Revenue~~
5 ~~Sharing Trust Fund for Municipalities, 2.9 percent of the net~~
6 collections to the Revenue Sharing Trust Fund for Counties,
7 and 29.3 percent of the net collections for the funding of
8 indigent health care to the Public Medical Assistance Trust
9 Fund.

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

13 212.20 Funds collected, disposition; additional powers
14 of department; operational expense; refund of taxes
15 adjudicated unconstitutionally collected.--

16 (6) Distribution of all proceeds under this chapter
17 shall be as follows:

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

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

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

28 3. After the distribution under subparagraphs 1. and
29 2., 9.653 percent of the amount remitted by a sales tax dealer
30 located within a participating county pursuant to s. 218.61

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1 shall be transferred into the Local Government Half-cent Sales
2 Tax Clearing Trust Fund.

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

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

26 6.5. Of the remaining proceeds:

27 a. One hundred sixty-six thousand six hundred and
28 sixty-seven dollars ~~Beginning July 1, 1992, \$166,667~~ shall be
29 distributed monthly by the department to each applicant that
30 has been certified as a "facility for a new professional
31 sports franchise" or a "facility for a retained professional

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

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

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

27 7.6. All other proceeds shall remain with the General
28 Revenue Fund.

29 Section 30. Effective July 1, 2000, subsection (6) of
30 section 288.1169, Florida Statutes, is amended to read:

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1 288.1169 International Game Fish Association World
2 Center facility; department duties.--

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

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

25 11.45 Definitions; duties; audits; reports.--

26 (3)

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

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

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

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

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