

1                                   A bill to be entitled  
2           An act relating to tax administration;  
3           repealing s. 212.084(6), F.S.; eliminating  
4           provisions for temporary exemption  
5           certificates; repealing s. 212.08(7)(ccc),  
6           F.S.; eliminating the specific sales tax  
7           exemption for organizations providing crime  
8           prevention, drunk-driving prevention, and  
9           juvenile-delinquency-prevention services;  
10          amending s. 212.08, F.S.; revising the  
11          application of the sales tax exemption for the  
12          sale of drinking water in bottles or other  
13          containers; reinstating retroactively the sales  
14          tax exemption for parent-teacher organizations  
15          and parent-teacher associations; eliminating  
16          obsolete provisions; requiring a purchaser to  
17          file an affidavit stating the exempt nature of  
18          a purchase with the selling vendor instead of  
19          the Department of Revenue; providing for  
20          retroactive application; replacing the  
21          definition of the term "section 38 property"  
22          with an express definition of the terms  
23          "industrial machinery and equipment" and  
24          "motion picture and video equipment"; providing  
25          intent and purpose; imposing certain  
26          requirements, for purposes of taxation, on the  
27          removal of a motor vehicle from this state;  
28          providing residency requirements of corporate  
29          officers, corporate stockholders, and partners  
30          in a partnership relating to the taxable status  
31          of sales of motor vehicles; amending s. 212.06,

1 F.S.; clarifying the definition of the term  
2 "fixtures"; eliminating reference to the term  
3 "trade fixture"; amending s. 212.08, F.S.;  
4 replacing the Interstate Commerce Commission  
5 with the Surface Transportation Board as the  
6 entity that licenses certain railroads as  
7 common carriers; providing that, for a vessel,  
8 railroad, or motor carrier engaged in  
9 interstate or foreign commerce, sales tax  
10 applies to taxable purchases in this state and  
11 applies even if the vessel, railroad, or motor  
12 carrier has operated for less than a fiscal  
13 year; amending s. 212.11, F.S.; requiring a  
14 dealer that claims certain tax credits by  
15 reason of engaging in specified activities to  
16 submit reports to the Department of Revenue;  
17 providing requirements for such reports;  
18 authorizing the department to adopt rules;  
19 providing for the disallowance of any credit  
20 not supported by a report; amending s. 212.20,  
21 F.S.; providing that newly incorporated  
22 municipalities meeting certain criteria are  
23 eligible to receive revenue sharing pursuant to  
24 s. 218.245, F.S.; amending s. 218.21, F.S.;  
25 providing a formula for revenue sharing  
26 distributions made for a specified fiscal year;  
27 amending s. 220.22, F.S.; eliminating the  
28 initial year's information return for certain  
29 corporations; repealing s. 624.509(10), F.S.,  
30 which provides for an exemption from the  
31 insurance premium tax for insurers who write

1 monoline flood insurance policies; repealing s.  
2 213.27(9), F.S., which authorizes the  
3 Department of Revenue to contract with certain  
4 vendors to develop and implement a voluntary  
5 system for sales and use tax collection and  
6 administration; creating s. 213.256, F.S., the  
7 Simplified Sales and Use Tax Administration  
8 Act; defining terms; authorizing the  
9 department's participation in the Streamlined  
10 Sales and Use Tax Agreement; providing that  
11 each state that is a party to the agreement  
12 must abide by certain requirements in order for  
13 the department to enter into the agreement;  
14 ensuring that when this state complies with the  
15 agreement, the agreement cannot be used to  
16 challenge existing state laws and statutes;  
17 providing for the collection and remittance of  
18 the sales and use tax under the agreement;  
19 providing for maintenance of confidentiality of  
20 certain information; providing a penalty;  
21 requiring the department to make annual  
22 recommendations to the Legislature concerning  
23 provisions that need to be adopted in order to  
24 bring this state's system into compliance with  
25 the Streamlined Sales and Use Tax Agreement;  
26 amending s. 213.285, F.S.; delaying the future  
27 repeal of the certified audit project; amending  
28 ss. 213.053, 213.21, F.S.; conforming repeal  
29 dates; amending s. 213.30, F.S.; clarifying  
30 that the rewards program is the only available  
31 means of obtaining compensation for information

1 regarding another person's failure to comply  
2 with the state's tax laws; amending s. 11, ch.  
3 2000-165, Laws of Florida; clarifying which  
4 provisions of ch. 213, F.S., apply to the  
5 collection of unemployment contributions;  
6 amending s. 45.031, F.S.; requiring the clerk  
7 of court to give notice to the Department of  
8 Revenue if there is a surplus resulting from  
9 the foreclosure of an unemployment compensation  
10 tax lien; amending s. 69.041, F.S.; permitting  
11 the department to participate in the  
12 disbursement of unemployment compensation tax  
13 lien foreclosure funds; amending s. 213.053,  
14 F.S.; providing for confidentiality and  
15 information sharing; abrogating the expiration  
16 of s. 215.20(3), F.S., relating to service  
17 charges against certain trust funds,  
18 notwithstanding s. 10, ch. 90-110, Laws of  
19 Florida; repealing s. 4 of ch. 96-395, Laws of  
20 Florida, which provides for the repeal of  
21 exemptions provided for certain citizen support  
22 organizations and the Florida Folk Festival;  
23 providing for retroactive applicability;  
24 amending s. 201.02, F.S., relating to the tax  
25 on deeds and other instruments; exempting deeds  
26 and other instruments from the tax if property  
27 is conveyed from an electric utility to a  
28 regional transmission organization; amending s.  
29 212.02, F.S.; excluding from the definition of  
30 "lease," "let," "rental," or "license" certain  
31 payments made by a regional transmission

1 organization to an electric utility; amending  
2 s. 212.031, F.S.; exempting property occupied  
3 or used by certain regional transmission  
4 organizations from the tax on the lease or  
5 rental of or license in real property; amending  
6 s. 201.08, F.S.; providing a limit on the  
7 amount of the tax on promissory or  
8 nonnegotiable notes, written obligations to pay  
9 money, and assignments of wages or other  
10 compensation and on certain promissory or  
11 nonnegotiable notes, written obligations to pay  
12 money, or other compensation made in connection  
13 with sales made under retail charge account  
14 services; creating s. 443.1315, F.S.; providing  
15 definitions; providing for treatment of Indian  
16 tribes under the Unemployment Compensation Law;  
17 providing that Indian tribes or tribal units  
18 may elect to make payments in lieu of  
19 contributions and providing requirements with  
20 respect thereto; providing that such Indian  
21 tribe or tribal unit may be required to file a  
22 bond or deposit security at the discretion of  
23 the director of the Agency for Workforce  
24 Innovation; providing effect of failure of such  
25 tribe or unit to make required payments;  
26 providing requirements for notices; providing  
27 responsibility for certain extended benefits;  
28 providing for rules; providing for retroactive  
29 application; amending s. 443.131, F.S. ;  
30 reducing the Unemployment Compensation Trust  
31 Fund balance thresholds used in computing

1 unemployment compensation contribution rate  
2 adjustment factors; amending s. 561.501, F.S.;  
3 providing an exemption from the surcharge on  
4 alcoholic beverages for specified nonprofit  
5 organizations; amending s. 236.25, F.S.;  
6 allowing certain school districts to levy, by  
7 referendum, additional district school taxes;  
8 providing limitations on the uses of the  
9 resulting revenues; amending s. 236.31, F.S.;  
10 providing for millage elections pursuant to s.  
11 236.25, F.S.; amending s. 236.32, F.S.;  
12 revising the procedures for conducting school  
13 district millage elections; providing effective  
14 dates.

15

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

17

18 Section 1. Subsection (6) of section 212.084, Florida  
19 Statutes, is repealed.

20

21 Section 2. Effective July 1, 2001, paragraph (a) of  
22 subsection (4) and subsection (7) of section 212.08, Florida  
23 Statutes, are amended to read:

24

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

31

(4) EXEMPTIONS; ITEMS BEARING OTHER EXCISE TAXES,  
ETC.--

31

(a) Also exempt are:

1           1. Water delivered to the purchaser through pipes or  
2 conduits or delivered for irrigation purposes. The sale of  
3 drinking water in bottles, cans, or other containers,  
4 including water that contains minerals or carbonation in its  
5 natural state or water to which minerals have been added at a  
6 water treatment facility regulated by the Department of  
7 Environmental Protection or the Department of Health, is  
8 exempt. This exemption does not apply to the sale of drinking  
9 water in bottles, cans, or other containers if carbonation  
10 ~~minerals~~, or flavorings, except those added at a water  
11 treatment facility, have been added. Water that has been  
12 enhanced by the addition of minerals and that does not contain  
13 any added carbonation or flavorings is also exempt.

14           2. All fuels used by a public or private utility,  
15 including any municipal corporation or rural electric  
16 cooperative association, in the generation of electric power  
17 or energy for sale. Fuel other than motor fuel and diesel  
18 fuel is taxable as provided in this chapter with the exception  
19 of fuel expressly exempt herein. Motor fuels and diesel fuels  
20 are taxable as provided in chapter 206, with the exception of  
21 those motor fuels and diesel fuels used by railroad  
22 locomotives or vessels to transport persons or property in  
23 interstate or foreign commerce, which are taxable under this  
24 chapter only to the extent provided herein. The basis of the  
25 tax shall be the ratio of intrastate mileage to interstate or  
26 foreign mileage traveled by the carrier's railroad locomotives  
27 or vessels that were used in interstate or foreign commerce  
28 and that had at least some Florida mileage during the previous  
29 fiscal year of the carrier, such ratio to be determined at the  
30 close of the fiscal year of the carrier. This ratio shall be  
31 applied each month to the total Florida purchases made in this

1 state of motor and diesel fuels to establish that portion of  
2 the total used and consumed in intrastate movement and subject  
3 to tax under this chapter. The basis for imposition of any  
4 discretionary surtax shall be set forth in s. 212.054. Fuels  
5 used exclusively in intrastate commerce do not qualify for the  
6 proration of tax.

7 3. The transmission or wheeling of electricity.

8 (7) MISCELLANEOUS EXEMPTIONS.--Exemptions provided to  
9 any entity by this chapter do not inure to any transaction  
10 that is otherwise taxable under this chapter when payment is  
11 made by a representative or employee of the entity by any  
12 means, including, but not limited to, cash, check, or credit  
13 card, even when that representative or employee is  
14 subsequently reimbursed by the entity. In addition, exemptions  
15 provided to any entity by this subsection do not inure to any  
16 transaction that is otherwise taxable under this chapter  
17 unless the entity has obtained a sales tax exemption  
18 certificate from the department or the entity obtains or  
19 provides other documentation as required by the department.  
20 Eligible purchases or leases made with such a certificate must  
21 be in strict compliance with this subsection and departmental  
22 rules, and any person who makes an exempt purchase with a  
23 certificate that is not in strict compliance with this  
24 subsection and the rules is liable for and must pay the tax.  
25 The department may adopt rules to administer this subsection.

26 (a) Artificial commemorative flowers.--Exempt from the  
27 tax imposed by this chapter is the sale of artificial  
28 commemorative flowers by bona fide nationally chartered  
29 veterans' organizations.

30 (b) Boiler fuels.--When purchased for use as a  
31 combustible fuel, purchases of natural gas, residual oil,



1 recycled oil, waste oil, solid waste material, coal, sulfur,  
2 wood, wood residues or wood bark used in an industrial  
3 manufacturing, processing, compounding, or production process  
4 at a fixed location in this state are exempt from the taxes  
5 imposed by this chapter; however, such exemption shall not be  
6 allowed unless the purchaser signs a certificate stating that  
7 the fuel to be exempted is for the exclusive use designated  
8 herein. This exemption does not apply to the use of boiler  
9 fuels that are not used in manufacturing, processing,  
10 compounding, or producing items of tangible personal property  
11 for sale, or to the use of boiler fuels used by any firm  
12 subject to regulation by the Division of Hotels and  
13 Restaurants of the Department of Business and Professional  
14 Regulation.

15 (c) Crustacea bait.--Also exempt from the tax imposed  
16 by this chapter is the purchase by commercial fishers of bait  
17 intended solely for use in the entrapment of *Callinectes*  
18 *sapidus* and *Menippe mercenaria*.

19 (d) Feeds.--Feeds for poultry, ostriches, and  
20 livestock, including racehorses and dairy cows, are exempt.

21 (e) Film rentals.--Film rentals are exempt when an  
22 admission is charged for viewing such film, and license fees  
23 and direct charges for films, videotapes, and transcriptions  
24 used by television or radio stations or networks are exempt.

25 (f) Flags.--Also exempt are sales of the flag of the  
26 United States and the official state flag of Florida.

27 (g) Florida Retired Educators Association and its  
28 local chapters.--Also exempt from payment of the tax imposed  
29 by this chapter are purchases of office supplies, equipment,  
30 and publications made by the Florida Retired Educators  
31 Association and its local chapters.

1 (h) Guide dogs for the blind.--Also exempt are the  
2 sale or rental of guide dogs for the blind, commonly referred  
3 to as "seeing-eye dogs," and the sale of food or other items  
4 for such guide dogs.

5 1. The department shall issue a consumer's certificate  
6 of exemption to any blind person who holds an identification  
7 card as provided for in s. 413.091 and who either owns or  
8 rents, or contemplates the ownership or rental of, a guide dog  
9 for the blind. The consumer's certificate of exemption shall  
10 be issued without charge and shall be of such size as to be  
11 capable of being carried in a wallet or billfold.

12 2. The department shall make such rules concerning  
13 items exempt from tax under the provisions of this paragraph  
14 as may be necessary to provide that any person authorized to  
15 have a consumer's certificate of exemption need only present  
16 such a certificate at the time of paying for exempt goods and  
17 shall not be required to pay any tax thereon.

18 (i) Hospital meals and rooms.--Also exempt from  
19 payment of the tax imposed by this chapter on rentals and  
20 meals are patients and inmates of any hospital or other  
21 physical plant or facility designed and operated primarily for  
22 the care of persons who are ill, aged, infirm, mentally or  
23 physically incapacitated, or otherwise dependent on special  
24 care or attention. Residents of a home for the aged are exempt  
25 from payment of taxes on meals provided through the facility.  
26 A home for the aged is defined as a facility that is licensed  
27 or certified in part or in whole under chapter 400 or chapter  
28 651, or that is financed by a mortgage loan made or insured by  
29 the United States Department of Housing and Urban Development  
30 under s. 202, s. 202 with a s. 8 subsidy, s. 221(d)(3) or (4),  
31 s. 232, or s. 236 of the National Housing Act, or other such

1 similar facility designed and operated primarily for the care  
2 of the aged.

3 (j) Household fuels.--Also exempt from payment of the  
4 tax imposed by this chapter are sales of utilities to  
5 residential households or owners of residential models in this  
6 state by utility companies who pay the gross receipts tax  
7 imposed under s. 203.01, and sales of fuel to residential  
8 households or owners of residential models, including oil,  
9 kerosene, liquefied petroleum gas, coal, wood, and other fuel  
10 products used in the household or residential model for the  
11 purposes of heating, cooking, lighting, and refrigeration,  
12 regardless of whether such sales of utilities and fuels are  
13 separately metered and billed direct to the residents or are  
14 metered and billed to the landlord. If any part of the utility  
15 or fuel is used for a nonexempt purpose, the entire sale is  
16 taxable. The landlord shall provide a separate meter for  
17 nonexempt utility or fuel consumption. For the purposes of  
18 this paragraph, licensed family day care homes shall also be  
19 exempt.

20 (k) Meals provided by certain nonprofit  
21 organizations.--There is exempt from the tax imposed by this  
22 chapter the sale of prepared meals by a nonprofit volunteer  
23 organization to handicapped, elderly, or indigent persons when  
24 such meals are delivered as a charitable function by the  
25 organization to such persons at their places of residence.

26 (l) Organizations providing special educational,  
27 cultural, recreational, and social benefits to minors.--Also  
28 exempt from the tax imposed by this chapter are sales or  
29 leases to and sales of donated property by nonprofit  
30 organizations which are incorporated pursuant to chapter 617  
31 the primary purpose of which is providing activities that

1 contribute to the development of good character or good  
2 sportsmanship, or to the educational or cultural development,  
3 of minors. This exemption is extended only to that level of  
4 the organization that has a salaried executive officer or an  
5 elected nonsalaried executive officer. For the purpose of this  
6 paragraph, the term "donated property" means any property  
7 transferred to such nonprofit organization for less than 50  
8 percent of its fair market value.

9 (m) Religious institutions.--

10 1. There are exempt from the tax imposed by this  
11 chapter transactions involving sales or leases directly to  
12 religious institutions when used in carrying on their  
13 customary nonprofit religious activities or sales or leases of  
14 tangible personal property by religious institutions having an  
15 established physical place for worship at which nonprofit  
16 religious services and activities are regularly conducted and  
17 carried on.

18 2. As used in this paragraph, the term "religious  
19 institutions" means churches, synagogues, and established  
20 physical places for worship at which nonprofit religious  
21 services and activities are regularly conducted and carried  
22 on. The term "religious institutions" includes nonprofit  
23 corporations the sole purpose of which is to provide free  
24 transportation services to church members, their families, and  
25 other church attendees. The term "religious institutions" also  
26 includes nonprofit state, nonprofit district, or other  
27 nonprofit governing or administrative offices the function of  
28 which is to assist or regulate the customary activities of  
29 religious institutions. The term "religious institutions" also  
30 includes any nonprofit corporation that is qualified as  
31 nonprofit under s. 501(c)(3) of the Internal Revenue Code of

1 1986, as amended, and that owns and operates a Florida  
2 television station, at least 90 percent of the programming of  
3 which station consists of programs of a religious nature and  
4 the financial support for which, exclusive of receipts for  
5 broadcasting from other nonprofit organizations, is  
6 predominantly from contributions from the general public. The  
7 term "religious institutions" also includes any nonprofit  
8 corporation that is qualified as nonprofit under s. 501(c)(3)  
9 of the Internal Revenue Code of 1986, as amended, the primary  
10 activity of which is making and distributing audio recordings  
11 of religious scriptures and teachings to blind or visually  
12 impaired persons at no charge. The term "religious  
13 institutions" also includes any nonprofit corporation that is  
14 qualified as nonprofit under s. 501(c)(3) of the Internal  
15 Revenue Code of 1986, as amended, the sole or primary function  
16 of which is to provide, upon invitation, nonprofit religious  
17 services, evangelistic services, religious education,  
18 administrative assistance, or missionary assistance for a  
19 church, synagogue, or established physical place of worship at  
20 which nonprofit religious services and activities are  
21 regularly conducted.

22 (n) Veterans' organizations.--

23 1. There are exempt from the tax imposed by this  
24 chapter transactions involving sales or leases to qualified  
25 veterans' organizations and their auxiliaries when used in  
26 carrying on their customary veterans' organization activities.

27 2. As used in this paragraph, the term "veterans'  
28 organizations" means nationally chartered or recognized  
29 veterans' organizations, including, but not limited to,  
30 Florida chapters of the Paralyzed Veterans of America,  
31 Catholic War Veterans of the U.S.A., Jewish War Veterans of

1 the U.S.A., and the Disabled American Veterans, Department of  
2 Florida, Inc., which hold current exemptions from federal  
3 income tax under s. 501(c)(4) or (19) of the Internal Revenue  
4 Code of 1986, as amended.

5 (o) Schools, colleges, and universities.--Also exempt  
6 from the tax imposed by this chapter are sales or leases to  
7 state tax-supported schools, colleges, or universities.

8 (p) Section 501(c)(3) organizations.--Also exempt from  
9 the tax imposed by this chapter are sales or leases to  
10 organizations determined by the Internal Revenue Service to be  
11 currently exempt from federal income tax pursuant to s.  
12 501(c)(3) of the Internal Revenue Code of 1986, as amended,  
13 when such leases or purchases are used in carrying on their  
14 customary nonprofit activities.

15 (q) Resource recovery equipment.--Also exempt is  
16 resource recovery equipment which is owned and operated by or  
17 on behalf of any county or municipality, certified by the  
18 Department of Environmental Protection under the provisions of  
19 s. 403.715.

20 (r) School books and school lunches.--This exemption  
21 applies to school books used in regularly prescribed courses  
22 of study, and to school lunches served in public, parochial,  
23 or nonprofit schools operated for and attended by pupils of  
24 grades K through 12. Yearbooks, magazines, newspapers,  
25 directories, bulletins, and similar publications distributed  
26 by such educational institutions to their students are also  
27 exempt. School books and food sold or served at community  
28 colleges and other institutions of higher learning are  
29 taxable.

30 (s) Tasting beverages.--Vinous and alcoholic beverages  
31 provided by distributors or vendors for the purpose of "wine

1 tasting" and "spirituous beverage tasting" as contemplated  
2 under the provisions of ss. 564.06 and 565.12, respectively,  
3 are exempt from the tax imposed by this chapter.

4 (t) Boats temporarily docked in state.--

5 1. Notwithstanding the provisions of chapter 328,  
6 pertaining to the registration of vessels, a boat upon which  
7 the state sales or use tax has not been paid is exempt from  
8 the use tax under this chapter if it enters and remains in  
9 this state for a period not to exceed a total of 20 days in  
10 any calendar year calculated from the date of first dockage or  
11 slippage at a facility, registered with the department, that  
12 rents dockage or slippage space in this state. If a boat  
13 brought into this state for use under this paragraph is placed  
14 in a facility, registered with the department, for repairs,  
15 alterations, refitting, or modifications and such repairs,  
16 alterations, refitting, or modifications are supported by  
17 written documentation, the 20-day period shall be tolled  
18 during the time the boat is physically in the care, custody,  
19 and control of the repair facility, including the time spent  
20 on sea trials conducted by the facility. The 20-day time  
21 period may be tolled only once within a calendar year when a  
22 boat is placed for the first time that year in the physical  
23 care, custody, and control of a registered repair facility;  
24 however, the owner may request and the department may grant an  
25 additional tolling of the 20-day period for purposes of  
26 repairs that arise from a written guarantee given by the  
27 registered repair facility, which guarantee covers only those  
28 repairs or modifications made during the first tolled period.  
29 Within 72 hours after the date upon which the registered  
30 repair facility took possession of the boat, the facility must  
31 have in its possession, on forms prescribed by the department,

1 an affidavit which states that the boat is under its care,  
2 custody, and control and that the owner does not use the boat  
3 while in the facility. Upon completion of the repairs,  
4 alterations, refitting, or modifications, the registered  
5 repair facility must, within 72 hours after the date of  
6 release, have in its possession a copy of the release form  
7 which shows the date of release and any other information the  
8 department requires. The repair facility shall maintain a log  
9 that documents all alterations, additions, repairs, and sea  
10 trials during the time the boat is under the care, custody,  
11 and control of the facility. The affidavit shall be  
12 maintained by the registered repair facility as part of its  
13 records for as long as required by s. 213.35. When, within 6  
14 months after the date of its purchase, a boat is brought into  
15 this state under this paragraph, the 6-month period provided  
16 in s. 212.05(1)(a)2. or s. 212.06(8) shall be tolled.

17 2. During the period of repairs, alterations,  
18 refitting, or modifications and during the 20-day period  
19 referred to in subparagraph 1., the boat may be listed for  
20 sale, contracted for sale, or sold exclusively by a broker or  
21 dealer registered with the department without incurring a use  
22 tax under this chapter; however, the sales tax levied under  
23 this chapter applies to such sale.

24 3. The mere storage of a boat at a registered repair  
25 facility does not qualify as a tax-exempt use in this state.

26 4. As used in this paragraph, "registered repair  
27 facility" means:

28 a. A full-service facility that:

29 (I) Is located on a navigable body of water;  
30  
31



1 (II) Has haulout capability such as a dry dock, travel  
2 lift, railway, or similar equipment to service craft under the  
3 care, custody, and control of the facility;

4 (III) Has adequate piers and storage facilities to  
5 provide safe berthing of vessels in its care, custody, and  
6 control; and

7 (IV) Has necessary shops and equipment to provide  
8 repair or warranty work on vessels under the care, custody,  
9 and control of the facility;

10 b. A marina that:

11 (I) Is located on a navigable body of water;

12 (II) Has adequate piers and storage facilities to  
13 provide safe berthing of vessels in its care, custody, and  
14 control; and

15 (III) Has necessary shops and equipment to provide  
16 repairs or warranty work on vessels; or

17 c. A shoreside facility that:

18 (I) Is located on a navigable body of water;

19 (II) Has adequate piers and storage facilities to  
20 provide safe berthing of vessels in its care, custody, and  
21 control; and

22 (III) Has necessary shops and equipment to provide  
23 repairs or warranty work.

24 (u) Volunteer fire departments.--Also exempt are  
25 firefighting and rescue service equipment and supplies  
26 purchased by volunteer fire departments, duly chartered under  
27 the Florida Statutes as corporations not for profit.

28 (v) Professional services.--

29 1. Also exempted are professional, insurance, or  
30 personal service transactions that involve sales as  
31

1 inconsequential elements for which no separate charges are  
2 made.

3           2. The personal service transactions exempted pursuant  
4 to subparagraph 1. do not exempt the sale of information  
5 services involving the furnishing of printed, mimeographed, or  
6 multigraphed matter, or matter duplicating written or printed  
7 matter in any other manner, other than professional services  
8 and services of employees, agents, or other persons acting in  
9 a representative or fiduciary capacity or information services  
10 furnished to newspapers and radio and television stations. As  
11 used in this subparagraph, the term "information services"  
12 includes the services of collecting, compiling, or analyzing  
13 information of any kind or nature and furnishing reports  
14 thereof to other persons.

15           3. This exemption does not apply to any service  
16 warranty transaction taxable under s. 212.0506.

17           4. This exemption does not apply to any service  
18 transaction taxable under s. 212.05(1)(j).

19           (w) Certain newspaper, magazine, and newsletter  
20 subscriptions, shoppers, and community newspapers.--Likewise  
21 exempt are newspaper, magazine, and newsletter subscriptions  
22 in which the product is delivered to the customer by mail.  
23 Also exempt are free, circulated publications that are  
24 published on a regular basis, the content of which is  
25 primarily advertising, and that are distributed through the  
26 mail, home delivery, or newsstands. The exemption for  
27 newspaper, magazine, and newsletter subscriptions which is  
28 provided in this paragraph applies only to subscriptions  
29 entered into after March 1, 1997.

30           (x) Sporting equipment brought into the  
31 state.--Sporting equipment brought into Florida, for a period

1 of not more than 4 months in any calendar year, used by an  
2 athletic team or an individual athlete in a sporting event is  
3 exempt from the use tax if such equipment is removed from the  
4 state within 7 days after the completion of the event.

5 (y) Charter fishing vessels.--The charge for  
6 chartering any boat or vessel, with the crew furnished, solely  
7 for the purpose of fishing is exempt from the tax imposed  
8 under s. 212.04 or s. 212.05. This exemption does not apply  
9 to any charge to enter or stay upon any "head-boat," party  
10 boat, or other boat or vessel. Nothing in this paragraph  
11 shall be construed to exempt any boat from sales or use tax  
12 upon the purchase thereof except as provided in paragraph (t)  
13 and s. 212.05.

14 (z) Vending machines sponsored by nonprofit or  
15 charitable organizations.--Also exempt are food or drinks for  
16 human consumption sold for 25 cents or less through a  
17 coin-operated vending machine sponsored by a nonprofit  
18 corporation qualified as nonprofit pursuant to s. 501(c)(3) or  
19 (4) of the Internal Revenue Code of 1986, as amended.

20 (aa) Certain commercial vehicles.--Also exempt is the  
21 sale, lease, or rental of a commercial motor vehicle as  
22 defined in s. 207.002(2), when the following conditions are  
23 met:

- 24 1. The sale, lease, or rental occurs between two  
25 commonly owned and controlled corporations;
- 26 2. Such vehicle was titled and registered in this  
27 state at the time of the sale, lease, or rental; and
- 28 3. Florida sales tax was paid on the acquisition of  
29 such vehicle by the seller, lessor, or renter.

30 (bb) Community cemeteries.--Also exempt are purchases  
31 by any nonprofit corporation that has qualified under s.

1 501(c)(13) of the Internal Revenue Code of 1986, as amended,  
2 and is operated for the purpose of maintaining a cemetery that  
3 was donated to the community by deed.

4 (cc) Works of art.--

5 1. Also exempt are works of art sold to or used by an  
6 educational institution.

7 2. This exemption also applies to the sale to or use  
8 in this state of any work of art by any person if it was  
9 purchased or imported exclusively for the purpose of being  
10 donated to any educational institution, or loaned to and made  
11 available for display by any educational institution, provided  
12 that the term of the loan agreement is for at least 10 years.

13 3. The exemption provided by this paragraph for  
14 donations is allowed only if the person who purchased the work  
15 of art transfers title to the donated work of art to an  
16 educational institution. Such transfer of title shall be  
17 evidenced by an affidavit meeting requirements established by  
18 rule to document entitlement to the exemption. Nothing in this  
19 paragraph shall preclude a work of art donated to an  
20 educational institution from remaining in the possession of  
21 the donor or purchaser, as long as title to the work of art  
22 lies with the educational institution.

23 4. A work of art is presumed to have been purchased in  
24 or imported into this state exclusively for loan as provided  
25 in subparagraph 2., if it is so loaned or placed in storage in  
26 preparation for such a loan within 90 days after purchase or  
27 importation, whichever is later; but a work of art is not  
28 deemed to be placed in storage in preparation for loan for  
29 purposes of this exemption if it is displayed at any place  
30 other than an educational institution.

31

1           5. The exemptions provided by this paragraph are  
2 allowed only if the person who purchased the work of art gives  
3 to the vendor an affidavit meeting the requirements,  
4 established by rule, to document entitlement to the exemption.  
5 The person who purchased the work of art shall forward a copy  
6 of such affidavit to the Department of Revenue at the time it  
7 is issued to the vendor.

8           6. The exemption for loans provided by subparagraph 2.  
9 applies only for the period during which a work of art is in  
10 the possession of the educational institution or is in storage  
11 before transfer of possession to that institution; and when it  
12 ceases to be so possessed or held, tax based upon the sales  
13 price paid by the owner is payable, and the statute of  
14 limitations provided in s. 95.091 shall begin to run at that  
15 time. However, tax shall not become due if the work of art is  
16 donated to an educational institution after the loan ceases.

17           7. Any educational institution to which a work of art  
18 has been donated pursuant to this paragraph shall make  
19 available to the department the title to the work of art and  
20 any other relevant information. Any educational institution  
21 which has received a work of art on loan pursuant to this  
22 paragraph shall make available to the department information  
23 relating to the work of art. Any educational institution that  
24 transfers from its possession a work of art as defined by this  
25 paragraph which has been loaned to it must notify the  
26 Department of Revenue within 60 days after the transfer.

27           8. For purposes of the exemptions provided by this  
28 paragraph, the term:

29           a. "Educational institutions" includes state  
30 tax-supported, parochial, church, and nonprofit private  
31 schools, colleges, or universities that conduct regular

1 classes and courses of study required for accreditation by or  
2 membership in the Southern Association of Colleges and  
3 Schools, the Florida Council of Independent Schools, or the  
4 Florida Association of Christian Colleges and Schools, Inc.;  
5 nonprofit private schools that conduct regular classes and  
6 courses of study accepted for continuing education credit by a  
7 board of the Division of Medical Quality Assurance of the  
8 Department of Health; or nonprofit libraries, art galleries,  
9 performing arts centers that provide educational programs to  
10 school children, which programs involve performances or other  
11 educational activities at the performing arts center and serve  
12 a minimum of 50,000 school children a year, and museums open  
13 to the public.

14           b. "Work of art" includes pictorial representations,  
15 sculpture, jewelry, antiques, stamp collections and coin  
16 collections, and other tangible personal property, the value  
17 of which is attributable predominantly to its artistic,  
18 historical, political, cultural, or social importance.

19           (dd) Taxicab leases.--The lease of or license to use a  
20 taxicab or taxicab-related equipment and services provided by  
21 a taxicab company to an independent taxicab operator are  
22 exempt, provided, however, the exemptions provided under this  
23 paragraph only apply if sales or use tax has been paid on the  
24 acquisition of the taxicab and its related equipment.

25           (ee) Aircraft repair and maintenance labor  
26 charges.--There shall be exempt from the tax imposed by this  
27 chapter all labor charges for the repair and maintenance of  
28 aircraft of more than 15,000 pounds maximum certified takeoff  
29 weight and rotary wing aircraft of more than 10,000 pounds  
30 maximum certified takeoff weight. Except as otherwise provided  
31

1 in this chapter, charges for parts and equipment furnished in  
2 connection with such labor charges are taxable.

3 (ff) Certain electricity or steam uses.--

4 1. Subject to the provisions of subparagraph 4.,  
5 charges for electricity or steam used to operate machinery and  
6 equipment at a fixed location in this state when such  
7 machinery and equipment is used to manufacture, process,  
8 compound, produce, or prepare for shipment items of tangible  
9 personal property for sale, or to operate pollution control  
10 equipment, recycling equipment, maintenance equipment, or  
11 monitoring or control equipment used in such operations are  
12 exempt to the extent provided in this paragraph. If 75 percent  
13 or more of the electricity or steam used at the fixed location  
14 is used to operate qualifying machinery or equipment, 100  
15 percent of the charges for electricity or steam used at the  
16 fixed location are exempt. If less than 75 percent but 50  
17 percent or more of the electricity or steam used at the fixed  
18 location is used to operate qualifying machinery or equipment,  
19 50 percent of the charges for electricity or steam used at the  
20 fixed location are exempt. If less than 50 percent of the  
21 electricity or steam used at the fixed location is used to  
22 operate qualifying machinery or equipment, none of the charges  
23 for electricity or steam used at the fixed location are  
24 exempt.

25 2. This exemption applies only to industries  
26 classified under SIC Industry Major Group Numbers 10, 12, 13,  
27 14, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34,  
28 35, 36, 37, 38, and 39 and Industry Group Number 212. As used  
29 in this paragraph, "SIC" means those classifications contained  
30 in the Standard Industrial Classification Manual, 1987, as  
31

1 published by the Office of Management and Budget, Executive  
2 Office of the President.

3           3. Possession by a seller of a written certification  
4 by the purchaser, certifying the purchaser's entitlement to an  
5 exemption permitted by this subsection, relieves the seller  
6 from the responsibility of collecting the tax on the  
7 nontaxable amounts, and the department shall look solely to  
8 the purchaser for recovery of such tax if it determines that  
9 the purchaser was not entitled to the exemption.

10           4. Such exemption shall be applied as follows:

11           a. Beginning July 1, 1996, 20 percent of the charges  
12 for such electricity shall be exempt.

13           b. Beginning July 1, 1997, 40 percent of the charges  
14 for such electricity shall be exempt.

15           c. Beginning July 1, 1998, 60 percent of the charges  
16 for such electricity or steam shall be exempt.

17           d. Beginning July 1, 1999, 80 percent of the charges  
18 for such electricity or steam shall be exempt.

19           e. Beginning July 1, 2000, 100 percent of the charges  
20 for such electricity or steam shall be exempt.

21           ~~5. Notwithstanding any other provision in this~~  
22 ~~paragraph to the contrary, in order to receive the exemption~~  
23 ~~provided in this paragraph a taxpayer must first register with~~  
24 ~~the WAGES Program Business Registry established by the local~~  
25 ~~WAGES coalition for the area in which the taxpayer is located.~~  
26 ~~Such registration establishes a commitment on the part of the~~  
27 ~~taxpayer to hire WAGES program participants to the maximum~~  
28 ~~extent possible consistent with the nature of their business.~~

29           5.6.a. In order to determine whether the exemption  
30 provided in this paragraph from the tax on charges for  
31 electricity or steam has an effect on retaining or attracting



1 companies to this state, the Office of Program Policy Analysis  
2 and Government Accountability shall monitor and report on the  
3 industries receiving the exemption.

4       b. The report shall be submitted no later than January  
5 1, 2001, and must be comprehensive in scope, but, at a  
6 minimum, must be conducted in such a manner as to specifically  
7 determine the number of companies within each SIC Industry  
8 Major Group receiving the exemption as of September 1, 2000,  
9 the number of individuals employed by companies within each  
10 SIC Industry Major Group receiving the exemption as of  
11 September 1, 2000, whether the change, if any, in such number  
12 of companies or employees is attributable to the exemption  
13 provided in this paragraph, whether it would be sound public  
14 policy to continue or discontinue the exemption, and the  
15 consequences of doing so.

16       c. The report shall be submitted to the President of  
17 the Senate, the Speaker of the House of Representatives, the  
18 Senate Minority Leader, and the House Minority Leader.

19       (gg) Fair associations.--Also exempt from the tax  
20 imposed by this chapter is the sale, use, lease, rental, or  
21 grant of a license to use, made directly to or by a fair  
22 association, of real or tangible personal property; any charge  
23 made by a fair association, or its agents, for parking,  
24 admissions, or for temporary parking of vehicles used for  
25 sleeping quarters; rentals, subleases, and sublicenses of real  
26 or tangible personal property between the owner of the central  
27 amusement attraction and any owner of an amusement ride, as  
28 those terms are used in ss. 616.15(1)(b) and 616.242(3)(a),  
29 for the furnishing of amusement rides at a public fair or  
30 exposition; and other transactions of a fair association which  
31 are incurred directly by the fair association in the

1 financing, construction, and operation of a fair, exposition,  
2 or other event or facility that is authorized by s. 616.08. As  
3 used in this paragraph, the terms "fair association" and  
4 "public fair or exposition" have the same meaning as those  
5 terms are defined in s. 616.001. This exemption does not apply  
6 to the sale of tangible personal property made by a fair  
7 association through an agent or independent contractor; sales  
8 of admissions and tangible personal property by a  
9 concessionaire, vendor, exhibitor, or licensee; or rentals and  
10 subleases of tangible personal property or real property  
11 between the owner of the central amusement attraction and a  
12 concessionaire, vendor, exhibitor, or licensee, except for the  
13 furnishing of amusement rides, which transactions are exempt.

14 (hh) Citizen support organizations.--Also exempt from  
15 the tax imposed by this chapter are sales or leases to  
16 nonprofit organizations that are incorporated under chapter  
17 617 and that have been designated citizen support  
18 organizations in support of state-funded environmental  
19 programs or the management of state-owned lands in accordance  
20 with s. 20.2551, or to support one or more state parks in  
21 accordance with s. 258.015.

22 (ii) Florida Folk Festival.--There shall be exempt  
23 from the tax imposed by this chapter income of a revenue  
24 nature received from admissions to the Florida Folk Festival  
25 held pursuant to s. 267.16 at the Stephen Foster State Folk  
26 Culture Center, a unit of the state park system.

27 (jj) Solar energy systems.--Also exempt are solar  
28 energy systems or any component thereof. The Florida Solar  
29 Energy Center shall from time to time certify to the  
30 department a list of equipment and requisite hardware  
31

1 considered to be a solar energy system or a component thereof.  
2 This exemption is repealed July 1, 2005.

3 (kk) Nonprofit cooperative hospital laundries.--Also  
4 exempt from the tax imposed by this chapter are sales or  
5 leases to nonprofit organizations that are incorporated under  
6 chapter 617 and which are treated, for federal income tax  
7 purposes, as cooperatives under subchapter T of the Internal  
8 Revenue Code, whose sole purpose is to offer laundry supplies  
9 and services to their members, which members must all be  
10 exempt from federal income tax pursuant to s. 501(c)(3) of the  
11 Internal Revenue Code.

12 (ll) Complimentary meals.--Also exempt from the tax  
13 imposed by this chapter are food or drinks that are furnished  
14 as part of a packaged room rate by any person offering for  
15 rent or lease any transient living accommodations as described  
16 in s. 509.013(4)(a) which are licensed under part I of chapter  
17 509 and which are subject to the tax under s. 212.03, if a  
18 separate charge or specific amount for the food or drinks is  
19 not shown. Such food or drinks are considered to be sold at  
20 retail as part of the total charge for the transient living  
21 accommodations. Moreover, the person offering the  
22 accommodations is not considered to be the consumer of items  
23 purchased in furnishing such food or drinks and may purchase  
24 those items under conditions of a sale for resale.

25 (mm) Nonprofit corporation conducting the correctional  
26 work programs.--Products sold pursuant to s. 946.515 by the  
27 corporation organized pursuant to part II of chapter 946 are  
28 exempt from the tax imposed by this chapter. This exemption  
29 applies retroactively to July 1, 1983.

30 (nn) Parent-teacher organizations, parent-teacher  
31 associations, and schools having grades K through

1 12.--Parent-teacher organizations and associations the purpose  
2 of which is to raise funds for schools teaching grades K  
3 through 12 and which are ~~qualified as educational institutions~~  
4 ~~as defined by sub-subparagraph (cc)8.a.~~associated with  
5 schools having grades K through 12, and schools having grades  
6 K through 12, may pay tax to their suppliers on the cost price  
7 of school materials and supplies purchased, rented, or leased  
8 for resale or rental to students in grades K through 12, of  
9 items sold for fundraising purposes, and of items sold through  
10 vending machines located on the school premises, in lieu of  
11 collecting the tax imposed by this chapter from the purchaser.  
12 This paragraph also applies to food or beverages sold through  
13 vending machines located in the student lunchroom or dining  
14 room of a school having kindergarten through grade 12.

15 (oo) Mobile home lot improvements.--Items purchased by  
16 developers for use in making improvements to a mobile home lot  
17 owned by the developer may be purchased tax-exempt as a sale  
18 for resale if made pursuant to a contract that requires the  
19 developer to sell a mobile home to a purchaser, place the  
20 mobile home on the lot, and make the improvements to the lot  
21 for a single lump-sum price. The developer must collect and  
22 remit sales tax on the entire lump-sum price.

23 (pp) Veterans Administration.--When a veteran of the  
24 armed forces purchases an aircraft, boat, mobile home, motor  
25 vehicle, or other vehicle from a dealer pursuant to the  
26 provisions of 38 U.S.C. s. 3902(a), or any successor provision  
27 of the United States Code, the amount that is paid directly to  
28 the dealer by the Veterans Administration is not taxable.  
29 However, any portion of the purchase price which is paid  
30 directly to the dealer by the veteran is taxable.

31

1            (qq) Complimentary items.--There is exempt from the  
2 tax imposed by this chapter:

3            1. Any food or drink, whether or not cooked or  
4 prepared on the premises, provided without charge as a sample  
5 or for the convenience of customers by a dealer that primarily  
6 sells food product items at retail.

7            2. Any item given to a customer as part of a price  
8 guarantee plan related to point-of-sale errors by a dealer  
9 that primarily sells food products at retail.

10  
11 The exemptions in this paragraph do not apply to businesses  
12 with the primary activity of serving prepared meals or  
13 alcoholic beverages for immediate consumption.

14            (rr) Donated foods or beverages.--Any food or beverage  
15 donated by a dealer that sells food products at retail to a  
16 food bank or an organization that holds a current exemption  
17 from federal corporate income tax pursuant to s. 501(c) of the  
18 Internal Revenue Code of 1986, as amended, is exempt from the  
19 tax imposed by this chapter.

20            (ss) Racing dogs.--The sale of a racing dog by its  
21 owner is exempt if the owner is also the breeder of the  
22 animal.

23            (tt) Equipment used in aircraft repair and  
24 maintenance.--There shall be exempt from the tax imposed by  
25 this chapter replacement engines, parts, and equipment used in  
26 the repair or maintenance of aircraft of more than 15,000  
27 pounds maximum certified takeoff weight and rotary wing  
28 aircraft of more than 10,300 pounds maximum certified takeoff  
29 weight, when such parts or equipment are installed on such  
30 aircraft that is being repaired or maintained in this state.

31

1           (uu) Aircraft sales or leases.--The sale or lease of  
2 an aircraft of more than 15,000 pounds maximum certified  
3 takeoff weight for use by a common carrier is exempt from the  
4 tax imposed by this chapter. As used in this paragraph,  
5 "common carrier" means an airline operating under Federal  
6 Aviation Administration regulations contained in Title 14,  
7 chapter I, part 121 or part 129 of the Code of Federal  
8 Regulations.

9           (vv) Nonprofit water systems.--Sales or leases to a  
10 not-for-profit corporation which holds a current exemption  
11 from federal income tax under s. 501(c)(4) or (12) of the  
12 Internal Revenue Code, as amended, are exempt from the tax  
13 imposed by this chapter if the sole or primary function of the  
14 corporation is to construct, maintain, or operate a water  
15 system in this state.

16           (ww) Library cooperatives.--Sales or leases to library  
17 cooperatives certified under s. 257.41(2) are exempt from the  
18 tax imposed by this chapter.

19           (xx) Advertising agencies.--

20           1. As used in this paragraph, the term "advertising  
21 agency" means any firm that is primarily engaged in the  
22 business of providing advertising materials and services to  
23 its clients.

24           2. The sale of advertising services by an advertising  
25 agency to a client is exempt from the tax imposed by this  
26 chapter. Also exempt from the tax imposed by this chapter are  
27 items of tangible personal property such as photographic  
28 negatives and positives, videos, films, galleys, mechanicals,  
29 veloxes, illustrations, digital audiotapes, analog tapes,  
30 printed advertisement copies, compact discs for the purpose of  
31

1 recording, digital equipment, and artwork and the services  
2 used to produce those items if the items are:

- 3       a. Sold to an advertising agency that is acting as an  
4 agent for its clients pursuant to contract, and are created  
5 for the performance of advertising services for the clients;  
6       b. Produced, fabricated, manufactured, or otherwise  
7 created by an advertising agency for its clients, and are used  
8 in the performance of advertising services for the clients; or  
9       c. Sold by an advertising agency to its clients in the  
10 performance of advertising services for the clients, whether  
11 or not the charges for these items are marked up or separately  
12 stated.

13  
14 The exemption provided by this subparagraph does not apply  
15 when tangible personal property such as film, paper, and  
16 videotapes is purchased to create items such as photographic  
17 negatives and positives, videos, films, galleys, mechanicals,  
18 veloxes, illustrations, and artwork that are sold to an  
19 advertising agency or produced in-house by an advertising  
20 agency on behalf of its clients.

21       3. The items exempted from tax under subparagraph 2.  
22 and the creative services used by an advertising agency to  
23 design the advertising for promotional goods such as displays,  
24 display containers, exhibits, newspaper inserts, brochures,  
25 catalogues, direct mail letters or flats, shirts, hats, pens,  
26 pencils, key chains, or other printed goods or materials are  
27 not subject to tax. However, when such promotional goods are  
28 produced or reproduced for distribution, tax applies to the  
29 sales price charged to the client for such promotional goods.

30       4. For items purchased by an advertising agency and  
31 exempt from tax under this paragraph, possession of an

1 exemption certificate from the advertising agency certifying  
2 the agency's entitlement to exemption relieves the vendor of  
3 the responsibility of collecting the tax on the sale of such  
4 items to the advertising agency, and the department shall look  
5 solely to the advertising agency for recovery of tax if it  
6 determines that the advertising agency was not entitled to the  
7 exemption.

8           5. The exemptions provided by this paragraph apply  
9 retroactively, except that all taxes that have been collected  
10 must be remitted, and taxes that have been remitted before  
11 July 1, 1999, on transactions that are subject to exemption  
12 under this paragraph are not subject to refund.

13           6. The department may adopt rules that interpret or  
14 define the provisions of these exemptions and provide examples  
15 regarding the application of these exemptions.

16           (yy) Bullion.--The sale of gold, silver, or platinum  
17 bullion, or any combination thereof, in a single transaction  
18 is exempt if the sales price exceeds \$500. The dealer must  
19 maintain proper documentation, as prescribed by rule of the  
20 department, to identify that portion of a transaction which  
21 involves the sale of gold, silver, or platinum bullion and is  
22 exempt under this paragraph.

23           (zz) Certain repair and labor charges.--

24           1. Subject to the provisions of subparagraphs 2. and  
25 3., there is exempt from the tax imposed by this chapter all  
26 labor charges for the repair of, and parts and materials used  
27 in the repair of and incorporated into, industrial machinery  
28 and equipment which is used for the manufacture, processing,  
29 compounding, production, or preparation for shipping of items  
30 of tangible personal property at a fixed location within this  
31 state.



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

9           3. This exemption shall be applied as follows:

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

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

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

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

18          (aaa) Film and other printing supplies.--Also exempt  
19 are the following materials purchased, produced, or created by  
20 businesses classified under SIC Industry Numbers 275, 276,  
21 277, 278, or 279 for use in producing graphic matter for sale:  
22 film, photographic paper, dyes used for embossing and  
23 engraving, artwork, typography, lithographic plates, and  
24 negatives. As used in this paragraph, "SIC" means those  
25 classifications contained in the Standard Industrial  
26 Classification Manual, 1987, as published by the Office of  
27 Management and Budget, Executive Office of the President.

28          (bbb) People-mover systems.--People-mover systems, and  
29 parts thereof, which are purchased or manufactured by  
30 contractors employed either directly by or as agents for the  
31 United States Government, the state, a county, a municipality,

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

26 ~~(ccc) Organizations providing crime prevention, drunk~~  
27 ~~driving prevention, or juvenile delinquency prevention~~  
28 ~~services.--Sales or leases to any nonprofit organization that~~  
29 ~~provides crime prevention services, drunk driving prevention~~  
30 ~~services, or juvenile delinquency prevention services that~~  
31 ~~benefit society as a whole are exempt from the tax imposed by~~

1 ~~this chapter, if the organization holds a current exemption~~  
2 ~~from federal income tax under s. 501(c)(3) of the Internal~~  
3 ~~Revenue Code and the organization has as its sole or primary~~  
4 ~~purpose the provision of services that contribute to the~~  
5 ~~prevention of hardships caused by crime, drunk driving, or~~  
6 ~~juvenile delinquency.~~

7 (ccc)~~(ddd)~~ Florida Fire and Emergency Services  
8 Foundation.--Sales or leases to the Florida Fire and Emergency  
9 Services Foundation are exempt from the tax imposed by this  
10 chapter.

11 (ddd)~~(eee)~~ Railroad roadway materials.--Also exempt  
12 from the tax imposed by this chapter are railroad roadway  
13 materials used in the construction, repair, or maintenance of  
14 railways. Railroad roadway materials shall include rails,  
15 ties, ballasts, communication equipment, signal equipment,  
16 power transmission equipment, and any other track materials.

17  
18 ~~Exemptions provided to any entity by this subsection shall not~~  
19 ~~inure to any transaction otherwise taxable under this chapter~~  
20 ~~when payment is made by a representative or employee of such~~  
21 ~~entity by any means, including, but not limited to, cash,~~  
22 ~~check, or credit card even when that representative or~~  
23 ~~employee is subsequently reimbursed by such entity.~~

24 Section 3. (1) The amendments to paragraphs (ff) and  
25 (nn) of subsection (7) of section 212.08, Florida Statutes,  
26 which are made by section 2 of this act apply retroactively to  
27 July 1, 2000.

28 (2) The amendments to the introductory paragraph, to  
29 paragraph (p), and to the final, flush-left passage of  
30 subsection (7) of section 212.08, Florida Statutes, which are  
31 made by section 2 of this act are made to clarify rather than

1 change existing law, and these amendments apply retroactively  
2 to January 1, 2001.

3 Section 4. Effective upon this act becoming a law and  
4 applying retroactively to July 1, 1996, paragraph (c) of  
5 subsection (5) of section 212.08, Florida Statutes, is amended  
6 to read:

7 212.08 Sales, rental, use, consumption, distribution,  
8 and storage tax; specified exemptions.--The sale at retail,  
9 the rental, the use, the consumption, the distribution, and  
10 the storage to be used or consumed in this state of the  
11 following are hereby specifically exempt from the tax imposed  
12 by this chapter.

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

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

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

27 2. In facilities where machinery and equipment are  
28 necessary to burn both residual and nonresidual fuels, the  
29 exemption shall be prorated. Such proration shall be based  
30 upon the production of electrical or steam energy from  
31 nonresidual fuels as a percentage of electrical or steam

1 energy from all fuels. If it is determined that 15 percent or  
2 less of all electrical or steam energy generated was produced  
3 by burning residual fuel, the full exemption shall apply.  
4 Purchasers claiming a partial exemption shall obtain such  
5 exemption by refund of taxes paid, or as otherwise provided in  
6 the department's rules.

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

19           Section 5. Effective July 1, 2001, paragraphs (b),  
20 (d), and (f) of subsection (5) of section 212.08, Florida  
21 Statutes, are amended to read:

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

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

29           (b) Machinery and equipment used to increase  
30 productive output.--

31

1           1. Industrial machinery and equipment purchased for  
2 exclusive use by a new business in spaceport activities as  
3 defined by s. 212.02 or for use in new businesses which  
4 manufacture, process, compound, or produce for sale items of  
5 tangible personal property at fixed locations are exempt from  
6 the tax imposed by this chapter upon an affirmative showing by  
7 the taxpayer to the satisfaction of the department that such  
8 items are used in a new business in this state. Such purchases  
9 must be made prior to the date the business first begins its  
10 productive operations, and delivery of the purchased item must  
11 be made within 12 months of that date.

12           2.a. Industrial machinery and equipment purchased for  
13 exclusive use by an expanding facility which is engaged in  
14 spaceport activities as defined by s. 212.02 or for use in  
15 expanding manufacturing facilities or plant units which  
16 manufacture, process, compound, or produce for sale items of  
17 tangible personal property at fixed locations in this state  
18 are exempt from any amount of tax imposed by this chapter in  
19 excess of \$50,000 per calendar year upon an affirmative  
20 showing by the taxpayer to the satisfaction of the department  
21 that such items are used to increase the productive output of  
22 such expanded facility or business by not less than 10  
23 percent.

24           b. Notwithstanding any other provision of this  
25 section, industrial machinery and equipment purchased for use  
26 in expanding printing manufacturing facilities or plant units  
27 that manufacture, process, compound, or produce for sale items  
28 of tangible personal property at fixed locations in this state  
29 are exempt from any amount of tax imposed by this chapter upon  
30 an affirmative showing by the taxpayer to the satisfaction of  
31 the department that such items are used to increase the

1 productive output of such an expanded business by not less  
2 than 10 percent.

3           3.a. To receive an exemption provided by subparagraph  
4 1. or subparagraph 2., a qualifying business entity shall  
5 apply to the department for a temporary tax exemption permit.  
6 The application shall state that a new business exemption or  
7 expanded business exemption is being sought. Upon a tentative  
8 affirmative determination by the department pursuant to  
9 subparagraph 1. or subparagraph 2., the department shall issue  
10 such permit.

11           b. The applicant shall be required to maintain all  
12 necessary books and records to support the exemption. Upon  
13 completion of purchases of qualified machinery and equipment  
14 pursuant to subparagraph 1. or subparagraph 2., the temporary  
15 tax permit shall be delivered to the department or returned to  
16 the department by certified or registered mail.

17           c. If, in a subsequent audit conducted by the  
18 department, it is determined that the machinery and equipment  
19 purchased as exempt under subparagraph 1. or subparagraph 2.  
20 did not meet the criteria mandated by this paragraph or if  
21 commencement of production did not occur, the amount of taxes  
22 exempted at the time of purchase shall immediately be due and  
23 payable to the department by the business entity, together  
24 with the appropriate interest and penalty, computed from the  
25 date of purchase, in the manner prescribed by this chapter.

26           d. In the event a qualifying business entity fails to  
27 apply for a temporary exemption permit or if the tentative  
28 determination by the department required to obtain a temporary  
29 exemption permit is negative, a qualifying business entity  
30 shall receive the exemption provided in subparagraph 1. or  
31 subparagraph 2. through a refund of previously paid taxes. No

1 refund may be made for such taxes unless the criteria mandated  
2 by subparagraph 1. or subparagraph 2. have been met and  
3 commencement of production has occurred.

4 4. The department shall promulgate rules governing  
5 applications for, issuance of, and the form of temporary tax  
6 exemption permits; provisions for recapture of taxes; and the  
7 manner and form of refund applications and may establish  
8 guidelines as to the requisites for an affirmative showing of  
9 increased productive output, commencement of production, and  
10 qualification for exemption.

11 5. The exemptions provided in subparagraphs 1. and 2.  
12 do not apply to machinery or equipment purchased or used by  
13 electric utility companies, communications companies, oil or  
14 gas exploration or production operations, publishing firms  
15 that do not export at least 50 percent of their finished  
16 product out of the state, any firm subject to regulation by  
17 the Division of Hotels and Restaurants of the Department of  
18 Business and Professional Regulation, or any firm which does  
19 not manufacture, process, compound, or produce for sale items  
20 of tangible personal property or which does not use such  
21 machinery and equipment in spaceport activities as required by  
22 this paragraph. The exemptions provided in subparagraphs 1.  
23 and 2. shall apply to machinery and equipment purchased for  
24 use in phosphate or other solid minerals severance, mining, or  
25 processing operations only by way of a prospective credit  
26 against taxes due under chapter 211 for taxes paid under this  
27 chapter on such machinery and equipment.

28 6. For the purposes of the exemptions provided in  
29 subparagraphs 1. and 2., these terms have the following  
30 meanings:

31



1           a. "Industrial machinery and equipment" means tangible  
2 personal property or other property that has a depreciable  
3 life of 3 years or more and that is used as an integral part  
4 in the manufacturing, processing, compounding, or production  
5 of tangible personal property for sale or is exclusively used  
6 in spaceport activities. A building and its structural  
7 components are not industrial machinery and equipment unless  
8 the building or structural component is so closely related to  
9 the industrial machinery and equipment that it houses or  
10 supports that the building or structural component can be  
11 expected to be replaced when the machinery and equipment  
12 itself is replaced. Heating and air conditioning systems are  
13 not industrial machinery and equipment, unless the sole  
14 justification for their installation is to meet the  
15 requirements of the production process, even though the system  
16 may provide incidental comfort to employees or serves, to an  
17 insubstantial degree, nonproduction activities.~~section 38~~  
18 ~~property" as defined in s. 48(a)(1)(A) and (B)(i) of the~~  
19 ~~Internal Revenue Code, provided "industrial machinery and~~  
20 ~~equipment" shall be construed by regulations adopted by the~~  
21 ~~Department of Revenue to mean tangible property used as an~~  
22 ~~integral part of spaceport activities or of the manufacturing,~~  
23 ~~processing, compounding, or producing for sale of items of~~  
24 ~~tangible personal property.~~Such term includes parts and  
25 accessories only to the extent that the exemption thereof is  
26 consistent with the provisions of this paragraph.

27           b. "Productive output" means the number of units  
28 actually produced by a single plant or operation in a single  
29 continuous 12-month period, irrespective of sales. Increases  
30 in productive output shall be measured by the output for 12  
31 continuous months immediately following the completion of

1 installation of such machinery or equipment over the output  
2 for the 12 continuous months immediately preceding such  
3 installation. However, if a different 12-month continuous  
4 period of time would more accurately reflect the increase in  
5 productive output of machinery and equipment purchased to  
6 facilitate an expansion, the increase in productive output may  
7 be measured during that 12-month continuous period of time if  
8 such time period is mutually agreed upon by the Department of  
9 Revenue and the expanding business prior to the commencement  
10 of production; provided, however, in no case may such time  
11 period begin later than 2 years following the completion of  
12 installation of the new machinery and equipment. The units  
13 used to measure productive output shall be physically  
14 comparable between the two periods, irrespective of sales.

15 (d) Machinery and equipment used under federal  
16 procurement contract.--

17 1. Industrial machinery and equipment purchased by an  
18 expanding business which manufactures tangible personal  
19 property pursuant to federal procurement regulations at fixed  
20 locations in this state are partially exempt from the tax  
21 imposed in this chapter on that portion of the tax which is in  
22 excess of \$100,000 per calendar year upon an affirmative  
23 showing by the taxpayer to the satisfaction of the department  
24 that such items are used to increase the implicit productive  
25 output of the expanded business by not less than 10 percent.  
26 The percentage of increase is measured as deflated implicit  
27 productive output for the calendar year during which the  
28 installation of the machinery or equipment is completed or  
29 during which commencement of production utilizing such items  
30 is begun divided by the implicit productive output for the  
31 preceding calendar year. In no case may the commencement of

1 production begin later than 2 years following completion of  
2 installation of the machinery or equipment.

3         2. The amount of the exemption allowed shall equal the  
4 taxes otherwise imposed by this chapter in excess of \$100,000  
5 per calendar year on qualifying industrial machinery or  
6 equipment reduced by the percentage of gross receipts from  
7 cost-reimbursement type contracts attributable to the plant or  
8 operation to total gross receipts so attributable, accrued for  
9 the year of completion or commencement.

10         3. The exemption provided by this paragraph shall  
11 inure to the taxpayer only through refund of previously paid  
12 taxes. Such refund shall be made within 30 days of formal  
13 approval by the department of the taxpayer's application,  
14 which application may be made on an annual basis following  
15 installation of the machinery or equipment.

16         4. For the purposes of this paragraph, the term:

17         a. "Cost-reimbursement type contracts" has the same  
18 meaning as in 32 C.F.R. s. 3-405.

19         b. "Deflated implicit productive output" means the  
20 product of implicit productive output times the quotient of  
21 the national defense implicit price deflator for the preceding  
22 calendar year divided by the deflator for the year of  
23 completion or commencement.

24         c. "Eligible costs" means the total direct and  
25 indirect costs, as defined in 32 C.F.R. ss. 15-202 and 15-203,  
26 excluding general and administrative costs, selling expenses,  
27 and profit, defined by the uniform cost-accounting standards  
28 adopted by the Cost-Accounting Standards Board created  
29 pursuant to 50 U.S.C. s. 2168.

30         d. "Implicit productive output" means the annual  
31 eligible costs attributable to all contracts or subcontracts

1 subject to federal procurement regulations of the single plant  
2 or operation at which the machinery or equipment is used.

3 e. "Industrial machinery and equipment" means tangible  
4 personal property, or other property, that has a depreciable  
5 life of 3 years or more, that qualifies as an eligible cost  
6 under federal procurement regulations, and that is used as an  
7 integral part of the process of production of tangible  
8 personal property. A building and its structural components  
9 are not industrial machinery and equipment unless the building  
10 or structural component is so closely related to the  
11 industrial machinery and equipment that it houses or supports  
12 that the building or structural component can be expected to  
13 be replaced when the machinery and equipment itself is  
14 replaced. Heating and air conditioning systems are not  
15 industrial machinery and equipment, unless the sole  
16 justification for their installation is to meet the  
17 requirements of the production process, even though the system  
18 may provide incidental comfort to employees or serves, to an  
19 insubstantial degree, nonproduction activities.~~section 38~~  
20 ~~property" as defined in s. 48(a)(1)(A) and (B)(i) of the~~  
21 ~~Internal Revenue Code, provided such industrial machinery and~~  
22 ~~equipment qualified as an eligible cost under federal~~  
23 ~~procurement regulations and are used as an integral part of~~  
24 ~~the tangible personal property production process.~~Such term  
25 includes parts and accessories only to the extent that the  
26 exemption of such parts and accessories is consistent with the  
27 provisions of this paragraph.

28 f. "National defense implicit price deflator" means  
29 the national defense implicit price deflator for the gross  
30 national product as determined by the Bureau of Economic  
31 Analysis of the United States Department of Commerce.

1           5. The exclusions provided in subparagraph (b)5. apply  
2 to this exemption. This exemption applies only to machinery  
3 or equipment purchased pursuant to production contracts with  
4 the United States Department of Defense and Armed Forces, the  
5 National Aeronautics and Space Administration, and other  
6 federal agencies for which the contracts are classified for  
7 national security reasons. In no event shall the provisions  
8 of this paragraph apply to any expanding business the increase  
9 in productive output of which could be measured under the  
10 provisions of sub-subparagraph (b)6.b. as physically  
11 comparable between the two periods.

12           (f) Motion picture or video equipment used in motion  
13 picture or television production activities and sound  
14 recording equipment used in the production of master tapes and  
15 master records.--

16           1. Motion picture or video equipment and sound  
17 recording equipment purchased or leased for use in this state  
18 in production activities is exempt from the tax imposed by  
19 this chapter. The exemption provided by this paragraph shall  
20 inure to the taxpayer upon presentation of the certificate of  
21 exemption issued to the taxpayer under the provisions of s.  
22 288.1258.

23           2. For the purpose of the exemption provided in  
24 subparagraph 1.:

25           a. "Motion picture or video equipment" and "sound  
26 recording equipment" includes only tangible personal property,  
27 or other property, that has a depreciable life of 3 years or  
28 more and ~~equipment meeting the definition of "section 38~~  
29 ~~property" as defined in s. 48(a)(1)(A) and (B)(i) of the~~  
30 ~~Internal Revenue Code~~ that is used by the lessee or purchaser  
31 exclusively as an integral part of production activities;

1 however, motion picture or video equipment and sound recording  
2 equipment does not include supplies, tape, records, film, or  
3 video tape used in productions or other similar items;  
4 vehicles or vessels; or general office equipment not  
5 specifically suited to production activities. In addition,  
6 the term does not include equipment purchased or leased by  
7 television or radio broadcasting or cable companies licensed  
8 by the Federal Communications Commission. Furthermore, a  
9 building and its structural components are not motion picture  
10 or video equipment and sound recording equipment unless the  
11 building or structural component is so closely related to the  
12 motion picture or video equipment and sound recording  
13 equipment that it houses or supports that the building or  
14 structural component can be expected to be replaced when the  
15 motion picture or video equipment and sound recording  
16 equipment itself is replaced. Heating and air conditioning  
17 systems are not motion picture or video equipment and sound  
18 recording equipment, unless the sole justification for their  
19 installation is to meet the requirements of the production  
20 activities, even though the system may provide incidental  
21 comfort to employees or serves, to an insubstantial degree,  
22 nonproduction activities.

23       b. "Production activities" means activities directed  
24 toward the preparation of a:  
25       (I) Master tape or master record embodying sound; or  
26       (II) Motion picture or television production which is  
27 produced for theatrical, commercial, advertising, or  
28 educational purposes and utilizes live or animated actions or  
29 a combination of live and animated actions. The motion picture  
30 or television production shall be commercially produced for  
31

1 sale or for showing on screens or broadcasting on television  
2 and may be on film or video tape.

3           Section 6. (1) It is the intent of the Legislature to  
4 provide guidance in tax matters which is current and useful.  
5 Accordingly, the continued reference to a federal regulation  
6 that no longer exists causes confusion and an undue burden on  
7 persons affected by section 212.08, Florida Statutes.

8           (2) It is the purpose of the amendment to section  
9 212.08(5)(b), (d), and (f), Florida Statutes, by this act to  
10 replace specific references therein to "section 38 property"  
11 as defined in s. 48(a)(1)(A) and (B)(i) of the Internal  
12 Revenue Code with a general description of such property, and  
13 such new description shall have the same meaning as the former  
14 federal Internal Revenue Code regulation without limitation.

15           Section 7. Effective July 1, 2001, subsection (10) of  
16 section 212.08, Florida Statutes, is amended to read:

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

23           (10) PARTIAL EXEMPTION; MOTOR VEHICLE SOLD TO RESIDENT  
24 OF ANOTHER STATE.--

25           (a) The tax collected on the sale of a new or used  
26 motor vehicle in this state to a resident of another state  
27 shall be an amount equal to the sales tax which would be  
28 imposed on such sale under the laws of the state of which the  
29 purchaser is a resident, except that such tax shall not exceed  
30 the tax that would otherwise be imposed under this chapter.  
31 At the time of the sale, the purchaser shall execute a

1 notarized statement of his or her intent to license the  
2 vehicle in the state of which the purchaser is a resident  
3 within 45 days of the sale and of the fact of the payment to  
4 the State of Florida of a sales tax in an amount equivalent to  
5 the sales tax of his or her state of residence and shall  
6 submit the statement to the appropriate sales tax collection  
7 agency in his or her state of residence. Nothing in this  
8 subsection shall be construed to require the removal of the  
9 vehicle from this state following the filing of an intent to  
10 license the vehicle in the purchaser's home state if the  
11 purchaser licenses the vehicle in his or her home state within  
12 45 days after the date of sale.

13 (b) Notwithstanding the partial exemption allowed in  
14 paragraph (a), a vehicle is subject to this state's sales tax  
15 at the applicable state sales tax rate plus authorized  
16 surtaxes when the vehicle is purchased by a nonresident  
17 corporation or partnership and:

18 1. An officer of the corporation is a resident of this  
19 state;

20 2. A stockholder of the corporation who owns at least  
21 10 percent of the corporation is a resident of this state; or

22 3. A partner in the partnership who has at least 10  
23 percent ownership is a resident of this state.

24  
25 However, if the vehicle is removed from this state within 45  
26 days after purchase and remains outside the state for a  
27 minimum of 180 days, the vehicle may qualify for the partial  
28 exemption allowed in paragraph (a) despite the residency of  
29 owners or stockholders of the purchasing entity.

30  
31



1           Section 8. Effective July 1, 2001, paragraph (b) of  
2 subsection (14) of section 212.06, Florida Statutes, is  
3 amended to read:

4           212.06 Sales, storage, use tax; collectible from  
5 dealers; "dealer" defined; dealers to collect from purchasers;  
6 legislative intent as to scope of tax.--

7           (14) For the purpose of determining whether a person  
8 is improving real property, the term:

9           (b) "Fixtures" means items that are an accessory to a  
10 building, other structure, or land and that do not lose their  
11 identity as accessories when installed but that do become  
12 permanently attached to realty. However, the term does not  
13 include the following items, whether or not such items are  
14 attached to real property in a permanent manner: ~~trade~~  
15 ~~fixtures~~; property of a type that is required to be  
16 registered, licensed, titled, or documented by this state or  
17 by the United States Government, including, but not limited  
18 to, mobile homes, except mobile homes assessed as real  
19 property; or industrial machinery or equipment. For purposes  
20 of this paragraph, industrial machinery or equipment is not  
21 limited to machinery and equipment used to manufacture,  
22 process, compound, or produce tangible personal property. For  
23 an item to be considered a fixture, it is not necessary that  
24 the owner of the item also own the real property to which it  
25 is attached.

26           Section 9. It is the intent of the Legislature that  
27 the amendment to section 212.06(14)(b), Florida Statutes,  
28 relating to industrial machinery or equipment, which is made  
29 by section 7 of this act is remedial in nature and merely  
30 clarifies existing law.

31

1           Section 10. Paragraph (a) of subsection (8) and  
2 subsection (9) of section 212.08, Florida Statutes, are  
3 amended to read:

4           212.08 Sales, rental, use, consumption, distribution,  
5 and storage tax; specified exemptions.--The sale at retail,  
6 the rental, the use, the consumption, the distribution, and  
7 the storage to be used or consumed in this state of the  
8 following are hereby specifically exempt from the tax imposed  
9 by this chapter.

10           (8) PARTIAL EXEMPTIONS; VESSELS ENGAGED IN INTERSTATE  
11 OR FOREIGN COMMERCE.--

12           (a) The sale or use of vessels and parts thereof used  
13 to transport persons or property in interstate or foreign  
14 commerce, including commercial fishing vessels, is subject to  
15 the taxes imposed in this chapter only to the extent provided  
16 herein. The basis of the tax shall be the ratio of intrastate  
17 mileage to interstate or foreign mileage traveled by the  
18 carrier's vessels which were used in interstate or foreign  
19 commerce and which had at least some Florida mileage during  
20 the previous fiscal year. The ratio would be determined at the  
21 close of the carrier's fiscal year. However, during the fiscal  
22 year in which the vessel begins its initial operations in this  
23 state, the vessel's mileage apportionment factor may be  
24 determined on the basis of an estimated ratio of anticipated  
25 miles in this state to anticipated total miles for that year,  
26 and, subsequently, additional tax must be paid on the vessel,  
27 or a refund may be applied for, on the basis of the actual  
28 ratio of the vessel's miles in this state to its total miles  
29 for that year.This ratio shall be applied each month to the  
30 total Florida purchases of such vessels and parts thereof  
31 which are used in Florida to establish that portion of the

1 total used and consumed in intrastate movement and subject to  
2 the tax at the applicable rate. The basis for imposition of  
3 any discretionary surtax shall be as set forth in s. 212.054.  
4 Items, appropriate to carry out the purposes for which a  
5 vessel is designed or equipped and used, purchased by the  
6 owner, operator, or agent of a vessel for use on board such  
7 vessel shall be deemed to be parts of the vessel upon which  
8 the same are used or consumed. Vessels and parts thereof used  
9 to transport persons or property in interstate and foreign  
10 commerce are hereby determined to be susceptible to a distinct  
11 and separate classification for taxation under the provisions  
12 of this chapter. Vessels and parts thereof used exclusively in  
13 intrastate commerce do not qualify for the proration of tax.

14 (9) PARTIAL EXEMPTIONS; RAILROADS AND MOTOR VEHICLES  
15 ENGAGED IN INTERSTATE OR FOREIGN COMMERCE.--

16 (a) Railroads which are licensed as common carriers by  
17 the Surface Transportation Board ~~Interstate Commerce~~  
18 ~~Commission~~ and parts thereof used to transport persons or  
19 property in interstate or foreign commerce are subject to tax  
20 imposed in this chapter only to the extent provided herein.  
21 The basis of the tax shall be the ratio of intrastate mileage  
22 to interstate or foreign mileage traveled by the carrier  
23 during the previous fiscal year of the carrier. Such ratio is  
24 to be determined at the close of the carrier's fiscal year.  
25 However, during the fiscal year in which the railroad begins  
26 its initial operations in this state, the railroad's mileage  
27 apportionment factor may be determined on the basis of an  
28 estimated ratio of anticipated miles in this state to  
29 anticipated total miles for that year, and, subsequently,  
30 additional tax must be paid on the railroad, or a refund may  
31 be applied for, on the basis of the actual ratio of the

1 railroad's miles in this state to its total miles for that  
2 year. This ratio shall be applied each month to the Florida  
3 total purchases of the railroad which are used in this state  
4 to establish that portion of the total used and consumed in  
5 intrastate movement and subject to tax under this chapter. The  
6 basis for imposition of any discretionary surtax is set forth  
7 in s. 212.054. Railroads which are licensed as common carriers  
8 by the Surface Transportation Board ~~Interstate Commerce~~  
9 ~~Commission~~ and parts thereof used to transport persons or  
10 property in interstate and foreign commerce are hereby  
11 determined to be susceptible to a distinct and separate  
12 classification for taxation under the provisions of this  
13 chapter.

14 (b) Motor vehicles which are engaged in interstate  
15 commerce as common carriers, and parts thereof, used to  
16 transport persons or property in interstate or foreign  
17 commerce are subject to tax imposed in this chapter only to  
18 the extent provided herein. The basis of the tax shall be the  
19 ratio of intrastate mileage to interstate or foreign mileage  
20 traveled by the carrier's motor vehicles which were used in  
21 interstate or foreign commerce and which had at least some  
22 Florida mileage during the previous fiscal year of the  
23 carrier. Such ratio is to be determined at the close of the  
24 carrier's fiscal year. However, during the fiscal year in  
25 which the carrier begins its initial operations in this state,  
26 the carrier's mileage apportionment factor may be determined  
27 on the basis of an estimated ratio of anticipated miles in  
28 this state to anticipated total miles for that year, and,  
29 subsequently, additional tax must be paid on the carrier, or a  
30 refund may be applied for, on the basis of the actual ratio of  
31 the carrier's miles in this state to its total miles for that

1 year. This ratio shall be applied each month to the Florida  
2 ~~total~~ purchases of such motor vehicles and parts thereof which  
3 are used in this state to establish that portion of the total  
4 used and consumed in intrastate movement and subject to tax  
5 under this chapter. The basis for imposition of any  
6 discretionary surtax is set forth in s. 212.054. Motor  
7 vehicles which are engaged in interstate commerce, and parts  
8 thereof, used to transport persons or property in interstate  
9 and foreign commerce are hereby determined to be susceptible  
10 to a distinct and separate classification for taxation under  
11 the provisions of this chapter. Motor vehicles and parts  
12 thereof used exclusively in intrastate commerce do not qualify  
13 for the proration of tax. For purposes of this paragraph,  
14 parts of a motor vehicle engaged in interstate commerce  
15 include a separate tank not connected to the fuel supply  
16 system of the motor vehicle into which diesel fuel is placed  
17 to operate a refrigeration unit or other equipment.

18 Section 11. Subsection (5) is added to section 212.11,  
19 Florida Statutes, to read:

20 212.11 Tax returns and regulations.--

21 (5)(a) Each dealer that claims any credits granted in  
22 this chapter against that dealer's sales and use tax  
23 liabilities, which credits are granted by reason of the  
24 dealer's hiring employees, purchasing property, improving  
25 property, paying increased ad valorem taxes, operating a  
26 business, or otherwise engaging in activity in an urban  
27 high-crime area, an enterprise zone, an empowerment zone, a  
28 Front Porch Community, a designated brownfield area, or an  
29 urban infill area, must submit to the department with the  
30 return on which such credits are claimed a report in a format  
31 prescribed by the department which provides the information

1 and documentation required to verify the dealer's entitlement  
2 to the credits. All information must be broken down by the  
3 urban high-crime area, enterprise zone, empowerment zone,  
4 Front Porch Community, designated brownfield area, or urban  
5 infill area to which it relates. In the case of any credit  
6 that is granted in the form of a refund of previously paid  
7 taxes, supporting documentation must be provided with the  
8 application for refund.

9 (b) The department may adopt rules prescribing the  
10 form in which the report required by this subsection is to be  
11 submitted, which form may include magnetic tape or other means  
12 of electronic transmission.

13 (c) The department shall disallow any credit that is  
14 not supported by the report required by this subsection.

15 Section 12. If the amendment to subsection (6) of  
16 section 212.20, Florida Statutes, by section 35 of chapter  
17 2000-260, Laws of Florida, does not take effect, paragraph (e)  
18 of subsection (6) of section 212.20, Florida Statutes, is  
19 amended to read:

20 212.20 Funds collected, disposition; additional powers  
21 of department; operational expense; refund of taxes  
22 adjudicated unconstitutionally collected.--

23 (6) Distribution of all proceeds under this chapter  
24 shall be as follows:

25 (e) The proceeds of all other taxes and fees imposed  
26 pursuant to this chapter shall be distributed as follows:

27 1. In any fiscal year, the greater of \$500 million,  
28 minus an amount equal to 4.6 percent of the proceeds of the  
29 taxes collected pursuant to chapter 201, or 5 percent of all  
30 other taxes and fees imposed pursuant to this chapter shall be  
31

1 deposited in monthly installments into the General Revenue  
2 Fund.

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

5           3. After the distribution under subparagraphs 1. and  
6 2., 9.653 percent of the amount remitted by a sales tax dealer  
7 located within a participating county pursuant to s. 218.61  
8 shall be transferred into the Local Government Half-cent Sales  
9 Tax Clearing Trust Fund.

10           4. After the distribution under subparagraphs 1., 2.,  
11 and 3., 0.065 percent shall be transferred to the Local  
12 Government Half-cent Sales Tax Clearing Trust Fund and  
13 distributed pursuant to s. 218.65.

14           5. For proceeds received after July 1, 2000, and after  
15 the distributions under subparagraphs 1., 2., 3., and 4., 2.25  
16 percent of the available proceeds pursuant to this paragraph  
17 shall be transferred monthly to the Revenue Sharing Trust Fund  
18 for Counties pursuant to s. 218.215.

19           6.a. For proceeds received after July 1, 2000, and  
20 after the distributions under subparagraphs 1., 2., 3., and  
21 4., 1.0715 percent of the available proceeds pursuant to this  
22 paragraph shall be transferred monthly to the Revenue Sharing  
23 Trust Fund for Municipalities pursuant to s. 218.215.

24           b. If the total revenue to be distributed pursuant to  
25 this subparagraph is at least as great as the amount due from  
26 the Revenue Sharing Trust Fund for Municipalities and the  
27 Municipal Financial Assistance Trust Fund in state fiscal year  
28 1999-2000, no municipality shall receive less than the amount  
29 due from the Revenue Sharing Trust Fund for Municipalities and  
30 the Municipal Financial Assistance Trust Fund in state fiscal  
31 year 1999-2000.

1           c. If the total proceeds to be distributed are less  
2 than the amount received in combination from the Revenue  
3 Sharing Trust Fund for Municipalities and the Municipal  
4 Financial Assistance Trust Fund in state fiscal year  
5 1999-2000, each municipality shall receive an amount  
6 proportionate to the amount it was due in state fiscal year  
7 1999-2000.

8           d. Each newly incorporated municipality that meets the  
9 eligibility requirements established in s. 218.23 or in the  
10 local act establishing the municipality is eligible to receive  
11 a share of revenue sharing funds under s. 218.245. If the  
12 total proceeds to be distributed are less than the amount  
13 received in combination from the Revenue Sharing Trust Fund  
14 for Municipalities and the Municipal Financial Assistance  
15 Trust Fund in the 1999-2000 fiscal year, plus the share for  
16 any new municipalities, each municipality shall receive a  
17 proportionate amount.

18           7. Of the remaining proceeds:

19           a. Beginning July 1, 2000, and in each fiscal year  
20 thereafter, the sum of \$29,915,500 shall be divided into as  
21 many equal parts as there are counties in the state, and one  
22 part shall be distributed to each county. The distribution  
23 among the several counties shall begin each fiscal year on or  
24 before January 5th and shall continue monthly for a total of 4  
25 months. If a local or special law required that any moneys  
26 accruing to a county in fiscal year 1999-2000 under the  
27 then-existing provisions of s. 550.135 be paid directly to the  
28 district school board, special district, or a municipal  
29 government, such payment shall continue until such time that  
30 the local or special law is amended or repealed. The state  
31 covenants with holders of bonds or other instruments of



1 indebtedness issued by local governments, special districts,  
2 or district school boards prior to July 1, 2000, that it is  
3 not the intent of this subparagraph to adversely affect the  
4 rights of those holders or relieve local governments, special  
5 districts, or district school boards of the duty to meet their  
6 obligations as a result of previous pledges or assignments or  
7 trusts entered into which obligated funds received from the  
8 distribution to county governments under then-existing s.  
9 550.135. This distribution specifically is in lieu of funds  
10 distributed under s. 550.135 prior to July 1, 2000.

11         b. The department shall distribute \$166,667 monthly  
12 pursuant to s. 288.1162 to each applicant that has been  
13 certified as a "facility for a new professional sports  
14 franchise" or a "facility for a retained professional sports  
15 franchise" pursuant to s. 288.1162. Up to \$41,667 shall be  
16 distributed monthly by the department to each applicant that  
17 has been certified as a "facility for a retained spring  
18 training franchise" pursuant to s. 288.1162; however, not more  
19 than \$208,335 may be distributed monthly in the aggregate to  
20 all certified facilities for a retained spring training  
21 franchise. Distributions shall begin 60 days following such  
22 certification and shall continue for not more than 30 years.  
23 Nothing contained in this paragraph shall be construed to  
24 allow an applicant certified pursuant to s. 288.1162 to  
25 receive more in distributions than actually expended by the  
26 applicant for the public purposes provided for in s.  
27 288.1162(6). However, a certified applicant is entitled to  
28 receive distributions up to the maximum amount allowable and  
29 undistributed under this section for additional renovations  
30 and improvements to the facility for the franchise without  
31 additional certification.

1 c. Beginning 30 days after notice by the Office of  
2 Tourism, Trade, and Economic Development to the Department of  
3 Revenue that an applicant has been certified as the  
4 professional golf hall of fame pursuant to s. 288.1168 and is  
5 open to the public, \$166,667 shall be distributed monthly, for  
6 up to 300 months, to the applicant.

7 d. Beginning 30 days after notice by the Office of  
8 Tourism, Trade, and Economic Development to the Department of  
9 Revenue that the applicant has been certified as the  
10 International Game Fish Association World Center facility  
11 pursuant to s. 288.1169, and the facility is open to the  
12 public, \$83,333 shall be distributed monthly, for up to 168  
13 months, to the applicant. This distribution is subject to  
14 reduction pursuant to s. 288.1169. A lump sum payment of  
15 \$999,996 shall be made, after certification and before July 1,  
16 2000.

17 8. All other proceeds shall remain with the General  
18 Revenue Fund.

19 Section 13. If the amendment to subsection (6) of  
20 section 212.20, Florida Statutes, by section 35 of chapter  
21 2000-260, Laws of Florida, does take effect, paragraph (e) of  
22 subsection (6) of section 212.20, Florida Statutes, is amended  
23 to read:

24 212.20 Funds collected, disposition; additional powers  
25 of department; operational expense; refund of taxes  
26 adjudicated unconstitutionally collected.--

27 (6) Distribution of all proceeds under this chapter  
28 and s. 202.18(1)(b) and (2)(b) shall be as follows:

29 (e) The proceeds of all other taxes and fees imposed  
30 pursuant to this chapter or remitted pursuant to s.  
31 202.18(1)(b) and (2)(b) shall be distributed as follows:

1           1. In any fiscal year, the greater of \$500 million,  
2 minus an amount equal to 4.6 percent of the proceeds of the  
3 taxes collected pursuant to chapter 201, or 5 percent of all  
4 other taxes and fees imposed pursuant to this chapter or  
5 remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be  
6 deposited in monthly installments into the General Revenue  
7 Fund.

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

10           3. After the distribution under subparagraphs 1. and  
11 2., 9.653 percent of the amount remitted by a sales tax dealer  
12 located within a participating county pursuant to s. 218.61  
13 shall be transferred into the Local Government Half-cent Sales  
14 Tax Clearing Trust Fund.

15           4. After the distribution under subparagraphs 1., 2.,  
16 and 3., 0.065 percent shall be transferred to the Local  
17 Government Half-cent Sales Tax Clearing Trust Fund and  
18 distributed pursuant to s. 218.65.

19           5. For proceeds received after July 1, 2000, and after  
20 the distributions under subparagraphs 1., 2., 3., and 4., 2.25  
21 percent of the available proceeds pursuant to this paragraph  
22 shall be transferred monthly to the Revenue Sharing Trust Fund  
23 for Counties pursuant to s. 218.215.

24           6.a. For proceeds received after July 1, 2000, and  
25 after the distributions under subparagraphs 1., 2., 3., and  
26 4., 1.0715 percent of the available proceeds pursuant to this  
27 paragraph shall be transferred monthly to the Revenue Sharing  
28 Trust Fund for Municipalities pursuant to s. 218.215.

29           b. If the total revenue to be distributed pursuant to  
30 this subparagraph is at least as great as the amount due from  
31 the Revenue Sharing Trust Fund for Municipalities and the

1 Municipal Financial Assistance Trust Fund in state fiscal year  
2 1999-2000, no municipality shall receive less than the amount  
3 due from the Revenue Sharing Trust Fund for Municipalities and  
4 the Municipal Financial Assistance Trust Fund in state fiscal  
5 year 1999-2000.

6 c. If the total proceeds to be distributed are less  
7 than the amount received in combination from the Revenue  
8 Sharing Trust Fund for Municipalities and the Municipal  
9 Financial Assistance Trust Fund in state fiscal year  
10 1999-2000, each municipality shall receive an amount  
11 proportionate to the amount it was due in state fiscal year  
12 1999-2000.

13 d. Each newly incorporated municipality that meets the  
14 eligibility requirements established in s. 218.23 or in the  
15 local act establishing the municipality is eligible to receive  
16 a share of revenue sharing funds under s. 218.245. If the  
17 total proceeds to be distributed are less than the amount  
18 received in combination from the Revenue Sharing Trust Fund  
19 for Municipalities and the Municipal Financial Assistance  
20 Trust Fund in the 1999-2000 fiscal year, plus the share for  
21 any new municipalities, each municipality shall receive a  
22 proportionate amount.

23 7. Of the remaining proceeds:

24 a. Beginning July 1, 2000, and in each fiscal year  
25 thereafter, the sum of \$29,915,500 shall be divided into as  
26 many equal parts as there are counties in the state, and one  
27 part shall be distributed to each county. The distribution  
28 among the several counties shall begin each fiscal year on or  
29 before January 5th and shall continue monthly for a total of 4  
30 months. If a local or special law required that any moneys  
31 accruing to a county in fiscal year 1999-2000 under the

1 then-existing provisions of s. 550.135 be paid directly to the  
2 district school board, special district, or a municipal  
3 government, such payment shall continue until such time that  
4 the local or special law is amended or repealed. The state  
5 covenants with holders of bonds or other instruments of  
6 indebtedness issued by local governments, special districts,  
7 or district school boards prior to July 1, 2000, that it is  
8 not the intent of this subparagraph to adversely affect the  
9 rights of those holders or relieve local governments, special  
10 districts, or district school boards of the duty to meet their  
11 obligations as a result of previous pledges or assignments or  
12 trusts entered into which obligated funds received from the  
13 distribution to county governments under then-existing s.  
14 550.135. This distribution specifically is in lieu of funds  
15 distributed under s. 550.135 prior to July 1, 2000.

16         b. The department shall distribute \$166,667 monthly  
17 pursuant to s. 288.1162 to each applicant that has been  
18 certified as a "facility for a new professional sports  
19 franchise" or a "facility for a retained professional sports  
20 franchise" pursuant to s. 288.1162. Up to \$41,667 shall be  
21 distributed monthly by the department to each applicant that  
22 has been certified as a "facility for a retained spring  
23 training franchise" pursuant to s. 288.1162; however, not more  
24 than \$208,335 may be distributed monthly in the aggregate to  
25 all certified facilities for a retained spring training  
26 franchise. Distributions shall begin 60 days following such  
27 certification and shall continue for not more than 30 years.  
28 Nothing contained in this paragraph shall be construed to  
29 allow an applicant certified pursuant to s. 288.1162 to  
30 receive more in distributions than actually expended by the  
31 applicant for the public purposes provided for in s.

1 288.1162(6). However, a certified applicant is entitled to  
2 receive distributions up to the maximum amount allowable and  
3 undistributed under this section for additional renovations  
4 and improvements to the facility for the franchise without  
5 additional certification.

6 c. Beginning 30 days after notice by the Office of  
7 Tourism, Trade, and Economic Development to the Department of  
8 Revenue that an applicant has been certified as the  
9 professional golf hall of fame pursuant to s. 288.1168 and is  
10 open to the public, \$166,667 shall be distributed monthly, for  
11 up to 300 months, to the applicant.

12 d. Beginning 30 days after notice by the Office of  
13 Tourism, Trade, and Economic Development to the Department of  
14 Revenue that the applicant has been certified as the  
15 International Game Fish Association World Center facility  
16 pursuant to s. 288.1169, and the facility is open to the  
17 public, \$83,333 shall be distributed monthly, for up to 168  
18 months, to the applicant. This distribution is subject to  
19 reduction pursuant to s. 288.1169. A lump sum payment of  
20 \$999,996 shall be made, after certification and before July 1,  
21 2000.

22 8. All other proceeds shall remain with the General  
23 Revenue Fund.

24 Section 14. Paragraph (b) of subsection (6) of section  
25 218.21, Florida Statutes, is amended to read:

26 218.21 Definitions.--As used in this part, the  
27 following words and terms shall have the meanings ascribed  
28 them in this section, except where the context clearly  
29 indicates a different meaning:  
30  
31

1           (6) "Guaranteed entitlement" means the amount of  
2 revenue which must be shared with an eligible unit of local  
3 government so that:

4           (b)1. No eligible municipality shall receive less  
5 funds from the Revenue Sharing Trust Fund for Municipalities  
6 in any fiscal year than the aggregate amount it received from  
7 the state in fiscal year 1971-1972 under the provisions of the  
8 then-existing s. 210.20(2)(a), tax on cigarettes; s.  
9 323.16(3), road tax; and s. 206.605, tax on motor fuel.

10           2. Any government exercising municipal powers under s.  
11 6(f), Art. VIII of the State Constitution may not receive less  
12 than the aggregate amount it received from the Revenue Sharing  
13 Trust Fund for Municipalities in the preceding fiscal year,  
14 plus a percentage increase in such amount equal to the  
15 percentage increase of the Revenue Sharing Trust Fund for  
16 Municipalities for the preceding fiscal year. However, for the  
17 distributions made during the 2001-2002 fiscal year, the  
18 percentage increase shall be calculated as the revenues from  
19 the Revenue Sharing Trust Fund for Municipalities for the  
20 2001-2002 fiscal year, divided by the sum of the revenues from  
21 the Revenue Sharing Trust Fund for Municipalities for the  
22 1999-2000 fiscal year and the revenues from the Municipal  
23 Financial Assistance Trust Fund for the 1999-2000 fiscal year,  
24 minus one.

25           Section 15. Effective July 1, 2001, subsection (4) of  
26 section 220.22, Florida Statutes, is amended to read:

27           220.22 Returns; filing requirement.--

28           (4) The department shall designate by rule certain  
29 not-for-profit entities and others that are not required to  
30 file a return, including an initial information return, under  
31 this code unless the entities have taxable income as defined

1 in s. 220.13(2). These entities must include subchapter S  
2 corporations, tax-exempt entities, and others that do not  
3 usually owe federal income tax.~~For the year in which an~~  
4 ~~election is made pursuant to s. 1361(b)(3) of the Internal~~  
5 ~~Revenue Code, the qualified subchapter S subsidiary shall file~~  
6 ~~an informational return with the department, which return~~  
7 ~~shall be restricted to information identifying the subsidiary,~~  
8 ~~the electing S corporation parent, and the effective date of~~  
9 ~~the election.~~

10 Section 16. Effective July 1, 2001, subsection (10) of  
11 section 624.509, Florida Statutes, is repealed.

12 Section 17. Subsection (9) of section 213.27, Florida  
13 Statutes, is repealed.

14 Section 18. Section 213.256, Florida Statutes, is  
15 created to read:

16 213.256 Simplified Sales and Use Tax Administration  
17 Act.--

18 (1) As used in this section, the term:

19 (a) "Department" means the Department of Revenue.

20 (b) "Agreement" means the Streamlined Sales and Use  
21 Tax Agreement as amended and adopted on January 27, 2001, by  
22 the Executive Committee of the National Conference of State  
23 Legislatures.

24 (c) "Certified automated system" means software  
25 certified jointly by the states that are signatories to the  
26 agreement to calculate the tax imposed by each jurisdiction on  
27 a transaction, determine the amount of tax to remit to the  
28 appropriate state, and maintain a record of the transaction.

29 (d) "Certified service provider" means an agent  
30 certified jointly by the states that are signatories to the  
31 agreement to perform all of the seller's sales tax functions.



1           (e) "Person" means an individual, trust, estate,  
2 fiduciary, partnership, limited liability company, limited  
3 liability partnership, corporation, or any other legal entity.

4           (f) "Sales tax" means the tax levied under chapter  
5 212.

6           (g) "Seller" means any person making sales, leases, or  
7 rentals of personal property or services.

8           (h) "State" means any state of the United States and  
9 the District of Columbia.

10           (i) "Use tax" means the tax levied under chapter 212.

11           (2)(a) The executive director of the department shall  
12 enter into the Streamlined Sales and Use Tax Agreement with  
13 one or more states to simplify and modernize sales and use tax  
14 administration in order to substantially reduce the burden of  
15 tax compliance for all sellers and for all types of commerce.  
16 In furtherance of the agreement, the executive director of the  
17 department or his or her designee shall act jointly with other  
18 states that are members of the agreement to establish  
19 standards for certification of a certified service provider  
20 and certified automated system and establish performance  
21 standards for multistate sellers.

22           (b) The executive director of the department or his or  
23 her designee shall take other actions reasonably required to  
24 administer this section. Other actions authorized by this  
25 section include, but are not limited to, the adoption of rules  
26 and the joint procurement, with other member states, of goods  
27 and services in furtherance of the cooperative agreement.

28           (c) The executive director of the department or his or  
29 her designee may represent this state before the other states  
30 that are signatories to the agreement.

31

1           (3) The executive director of the department may not  
2 enter into the Streamlined Sales and Use Tax Agreement unless  
3 the agreement requires each state to abide by the following  
4 requirements:

5           (a) The agreement must set restrictions to limit, over  
6 time, the number of state tax rates.

7           (b) The agreement must establish uniform standards  
8 for:

9           1. The sourcing of transactions to taxing  
10 jurisdictions.

11           2. The administration of exempt sales.

12           3. Sales and use tax returns and remittances.

13           (c) The agreement must provide a central electronic  
14 registration system that allows a seller to register to  
15 collect and remit sales and use taxes for all signatory  
16 states.

17           (d) The agreement must provide that registration with  
18 the central registration system and the collection of sales  
19 and use taxes in the signatory state will not be used as a  
20 factor in determining whether the seller has nexus with a  
21 state for any tax.

22           (e) The agreement must provide for reduction of the  
23 burdens of complying with local sales and use taxes through:

24           1. Restricting variances between the state and local  
25 tax bases.

26           2. Requiring states to administer any sales and use  
27 taxes levied by local jurisdictions within the state so that  
28 sellers who collect and remit these taxes will not have to  
29 register or file returns with, remit funds to, or be subject  
30 to independent audits from local taxing jurisdictions.

31

1           3. Restricting the frequency of changes in the local  
2 sales and use tax rates and setting effective dates for the  
3 application of local jurisdictional boundary changes to local  
4 sales and use taxes.

5           4. Providing notice of changes in local sales and use  
6 tax rates and of local changes in the boundaries of local  
7 taxing jurisdictions.

8           (f) The agreement must outline any monetary allowances  
9 that are to be provided by the states to sellers or certified  
10 service providers. The agreement must allow for a joint study  
11 by the public and private sectors, which must be completed by  
12 July 1, 2002, of the compliance cost to sellers and certified  
13 service providers of collecting sales and use taxes for state  
14 and local governments under various levels of complexity.

15           (g) The agreement must require each state to certify  
16 compliance with the terms of the agreement before joining and  
17 to maintain compliance, under the laws of the member state,  
18 with all provisions of the agreement while a member.

19           (h) The agreement must require each state to adopt a  
20 uniform policy for certified service providers which protects  
21 the privacy of consumers and maintains the confidentiality of  
22 tax information.

23           (i) The agreement must provide for the appointment of  
24 an advisory council of private-sector representatives and an  
25 advisory council of nonmember state representatives to consult  
26 within the administration of the agreement.

27           (4) For the purposes of reviewing or amending the  
28 agreement to embody the simplification requirements as set  
29 forth in subsection (3), this state shall enter into  
30 multistate discussions. For purposes of such discussions, this  
31 state shall be represented by three delegates, one appointed

1 by the President of the Senate, one appointed by the Speaker  
2 of the House of Representatives, and the executive director of  
3 the department or his or her designee.

4 (5) No provision of the agreement authorized by this  
5 section in whole or in part invalidates or amends any  
6 provision of the laws of this state. Adoption of the agreement  
7 by this state does not amend or modify any law of the state.  
8 Implementation of any condition of the agreement in this  
9 state, whether adopted before, at, or after membership of this  
10 state in the agreement, must be by the action of the state.

11 (6) The agreement authorized by this section is an  
12 accord among individual cooperating sovereigns in furtherance  
13 of their governmental functions. The agreement provides a  
14 mechanism among the member states to establish and maintain a  
15 cooperative, simplified system for the application and  
16 administration of sales and use taxes under the duly adopted  
17 law of each member state.

18 (7)(a) The agreement authorized by this act binds and  
19 inures only to the benefit of this state and the other member  
20 states. No person, other than a member state, is an intended  
21 beneficiary of the agreement. Any benefit to a person other  
22 than a state is established by the laws of this state and of  
23 other member states and not by the terms of the agreement.

24 (b) Consistent with paragraph (a), no person has any  
25 cause of action or defense under the agreement or by virtue of  
26 this state's approval of the agreement. No person may  
27 challenge, in any action brought under any provision of law,  
28 any action or inaction by any department, agency, or other  
29 instrumentality of this state, or of any political subdivision  
30 of this state, on the ground that the action or inaction is  
31 inconsistent with the agreement.

1           (c) No law of this state, or the application thereof,  
2 may be declared invalid as to any person or circumstance on  
3 the ground that the provision or application is inconsistent  
4 with the agreement.

5           (8)(a) A certified service provider is the agent of a  
6 seller with whom the certified service provider has contracted  
7 for the collection and remittance of sales and use taxes. As  
8 the seller's agent, the certified service provider is liable  
9 for sales and use tax due each member state on all sales  
10 transactions it processes for the seller except as set out in  
11 this subsection.

12           (b) A seller that contracts with a certified service  
13 provider is not liable to the state for sales or use tax due  
14 on transactions processed by the certified service provider  
15 unless the seller has misrepresented the type of items it  
16 sells or has committed fraud. In the absence of probable cause  
17 to believe that the seller has committed fraud or made a  
18 material misrepresentation, the seller is not subject to audit  
19 on the transactions processed by the certified service  
20 provider. A seller is subject to audit for transactions that  
21 have not been processed by the certified service provider. The  
22 member states acting jointly may perform a system check of the  
23 seller and review the seller's procedures to determine if the  
24 certified service provider's system is functioning properly  
25 and to determine the extent to which the seller's transactions  
26 are being processed by the certified service provider.

27           (c) A person that provides a certified automated  
28 system is responsible for the proper functioning of that  
29 system and is liable to the state for underpayments of tax  
30 attributable to errors in the functioning of the certified  
31 automated system. A seller that uses a certified automated

1 system remains responsible and is liable to the state for  
2 reporting and remitting tax.

3 (d) A seller that has a proprietary system for  
4 determining the amount of tax due on transactions and has  
5 signed an agreement establishing a performance standards for  
6 that system is liable for the failure of the system to meet  
7 the performance standard.

8 (9) Disclosure of information necessary under this  
9 section must be pursuant to a written agreement between the  
10 executive director of the department or his or her designee  
11 and the certified service provider. The certified service  
12 provider is bound by the same requirements of confidentiality  
13 as the department. Breach of confidentiality is a misdemeanor  
14 of the first degree, punishable as provided in s. 775.082 or  
15 s. 775.083.

16 (10) On or before January 1 annually, the department  
17 shall provide recommendations to the President of the Senate,  
18 the Senate Minority Leader, the Speaker of the House of  
19 Representatives, and the Minority Leader of the House of  
20 Representatives for provisions to be adopted for inclusion  
21 within the system which are necessary to bring it into  
22 compliance with the Streamlined Sales and Use Tax Agreement.

23 Section 19. Subsection (2) of section 213.285, Florida  
24 Statutes, is amended to read:

25 213.285 Certified audits.--

26 (2)(a) The department is authorized to initiate a  
27 certified audits project to further enhance tax compliance  
28 reviews performed by qualified practitioners and to encourage  
29 taxpayers to hire qualified practitioners at their own expense  
30 to review and report on their tax compliance. The nature of  
31 certified audit work performed by qualified practitioners

1 shall be agreed-upon procedures in which the department is the  
2 specified user of the resulting report.

3 (b) As an incentive for taxpayers to incur the costs  
4 of a certified audit, the department shall compromise  
5 penalties and abate interest due on any tax liabilities  
6 revealed by a certified audit as provided in s. 213.21. This  
7 authority to compromise penalties or abate interest shall not  
8 apply to any liability for taxes that were collected by the  
9 participating taxpayer but that were not remitted to the  
10 department.

11 (c) The certified audits project is repealed on July  
12 1, 2006 ~~2002~~, or upon completion of the project as determined  
13 by the department, whichever occurs first.

14 Section 20. Paragraph (n) of subsection (7) of section  
15 213.053, Florida Statutes, is amended to read:

16 213.053 Confidentiality and information sharing.--

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

19 (n) Information contained in returns, reports,  
20 accounts, or declarations to the Board of Accountancy in  
21 connection with a disciplinary proceeding conducted pursuant  
22 to chapter 473 when related to a certified public accountant  
23 participating in the certified audits project, or to the court  
24 in connection with a civil proceeding brought by the  
25 department relating to a claim for recovery of taxes due to  
26 negligence on the part of a certified public accountant  
27 participating in the certified audits project. In any  
28 judicial proceeding brought by the department, upon motion for  
29 protective order, the court shall limit disclosure of tax  
30 information when necessary to effectuate the purposes of this  
31 section. This paragraph is repealed on July 1, 2006 ~~2002~~.

1  
2 Disclosure of information under this subsection shall be  
3 pursuant to a written agreement between the executive director  
4 and the agency. Such agencies, governmental or  
5 nongovernmental, shall be bound by the same requirements of  
6 confidentiality as the Department of Revenue. Breach of  
7 confidentiality is a misdemeanor of the first degree,  
8 punishable as provided by s. 775.082 or s. 775.083.

9 Section 21. Subsection (8) of section 213.21, Florida  
10 Statutes, is amended to read:

11 213.21 Informal conferences; compromises.--

12 (8) In order to determine whether certified audits are  
13 an effective tool in the overall state tax collection effort,  
14 the executive director of the department or the executive  
15 director's designee shall settle or compromise penalty  
16 liabilities of taxpayers who participate in the certified  
17 audits project. As further incentive for participating in the  
18 program, the department shall abate the first \$25,000 of any  
19 interest liability and 25 percent of any interest due in  
20 excess of the first \$25,000. A settlement or compromise of  
21 penalties or interest pursuant to this subsection shall not be  
22 subject to the provisions of paragraph (3)(a), except for the  
23 requirement relating to confidentiality of records. The  
24 department may consider an additional compromise of tax or  
25 interest pursuant to the provisions of paragraph (3)(a). This  
26 subsection does not apply to any liability related to taxes  
27 collected but not remitted to the department. This subsection  
28 is repealed on July 1, 2006 ~~2002~~.

29 Section 22. Section 213.30, Florida Statutes, is  
30 amended to read:

31



1           213.30 Compensation for information relating to a  
2 violation of the tax laws.--

3           (1) The executive director of the department, pursuant  
4 to rules adopted by the department, is authorized to  
5 compensate persons providing information to the department  
6 leading to:

7           (a) The punishment of, or collection of taxes,  
8 penalties, or interest from, any person with respect to the  
9 taxes enumerated in s. 213.05. The amount of any payment made  
10 under this paragraph may not exceed 10 percent of any tax,  
11 penalties, or interest collected as a result of such  
12 information.

13           (b) The identification and registration of a taxpayer  
14 who is not in compliance with the registration requirements of  
15 any tax statute that is listed in s. 213.05. The amount of  
16 the payment made to any person who provides information to the  
17 department which results in the registration of a noncompliant  
18 taxpayer shall be \$100. The reward authorized in this  
19 paragraph shall be paid only if the noncompliant taxpayer:

20           1. Conducts business from a permanent, fixed location;  
21           2. Is engaged in a bona fide taxable activity; and  
22           3. Is found by the department to have an unpaid tax  
23 liability.

24           (2) Any employee of the department or of any other  
25 state or federal agency who comes into possession of  
26 information relating to a violation of a revenue law while an  
27 employee of such agency may provide information to the  
28 department of the type described in subsection (1), but the  
29 employee may not be compensated under this section. Any  
30 former employee of the department or any other state or  
31 federal agency who came into possession of information

1 relating to a violation of a revenue law while an employee of  
2 such agency may provide information to the department of the  
3 type described in subsection (1), but the former employee may  
4 not receive compensation under this section.

5 (3) Notwithstanding the provisions of any other law,  
6 this section is the sole means by which any person may obtain  
7 any moneys as the result of or in relation to the failure by  
8 another person to comply with the tax laws of this state. The  
9 use of any other law to obtain moneys for such failure is in  
10 derogation of this statute and conflicts with the state's duty  
11 to administer the tax laws.

12 Section 23. The amendment to section 213.30, Florida  
13 Statutes, made by this act does not apply to any case in  
14 litigation or under seal on the effective date of this act.

15 Section 24. Paragraph (f) of subsection (4) of section  
16 11 of chapter 2000-165, Laws of Florida, is amended to read:

17 (4) Effective October 1, 2000, the following programs  
18 and functions are transferred to the Agency for Workforce  
19 Innovation:

20 (f) The Division of Unemployment Compensation is  
21 transferred by a type two transfer, as defined in section  
22 20.06(2), Florida Statutes, from the Department of Labor and  
23 Employment Security to the Agency for Workforce Innovation.  
24 The resources, data, records, property, and unexpended  
25 balances of appropriations, allocations, and other funds  
26 within the Office of the Secretary or any other division,  
27 office, bureau, or unit within the Department of Labor and  
28 Employment Security that support the Division of Unemployment  
29 Compensation are transferred by a type two transfer, as  
30 defined in section 20.06(2), Florida Statutes, from the  
31 Department of Labor and Employment Security. By January 1,

1 2001, the Agency for Workforce Innovation shall enter into a  
2 contract with the Department of Revenue which shall provide  
3 for the Department of Revenue to provide unemployment tax  
4 collection services. The Department of Revenue, in  
5 consultation with the Department of Labor and Employment  
6 Security, shall determine the number of positions needed to  
7 provide unemployment tax collection services within the  
8 Department of Revenue. The number of unemployment tax  
9 collection service positions the Department of Revenue  
10 determines are needed shall not exceed the number of positions  
11 that, prior to the contract, were authorized to the Department  
12 of Labor and Employment Security for this purpose. Upon  
13 entering into the contract with the Agency for Workforce  
14 Innovation to provide unemployment tax collection services,  
15 the number of required positions, as determined by the  
16 Department of Revenue, shall be authorized within the  
17 Department of Revenue. Beginning January 1, 2002, the Office  
18 of Program Policy Analysis and Government Accountability shall  
19 conduct a feasibility study regarding privatization of  
20 unemployment tax collection services. A report on the  
21 conclusions of this study shall be submitted to the Governor,  
22 the President of the Senate, and the Speaker of the House of  
23 Representatives. The Department of Revenue is considered to be  
24 administering a revenue law of this state when it provides  
25 unemployment compensation tax collection services pursuant to  
26 its contract with the Agency for Workforce Innovation. The  
27 following provisions of chapter 213, Florida Statutes, apply  
28 to the collection of unemployment contributions by the  
29 Department of Revenue unless prohibited by federal law: ss.  
30 213.018, 213.025, 213.051, 213.053, 213.055, 213.071, 213.10,  
31 213.21(2), (3), (4), (5), (6), (7), and (8), 213.2201, 213.23,

1 213.24, 213.25, 213.26, 213.27, 213.28, 213.285, 213.30,  
 2 213.34, 213.37, 213.50, 213.67, 213.69, 213.73, 213.731,  
 3 213.732, 213.733, 213.74, 213.755, and 213.757.

4 Section 25. Subsection (7) of section 45.031, Florida  
 5 Statutes, is amended to read:

6 45.031 Judicial sales procedure.--In any sale of real  
 7 or personal property under an order or judgment, the following  
 8 procedure may be followed as an alternative to any other sale  
 9 procedure if so ordered by the court:

10 (7) DISBURSEMENTS OF PROCEEDS.--On filing a  
 11 certificate of title the clerk shall disburse the proceeds of  
 12 the sale in accordance with the order or final judgment, and  
 13 shall file a report of such disbursements and serve a copy of  
 14 it on each party not in default, and on the Department of  
 15 Revenue, if it was named as a defendant in the action or if  
 16 the Agency for Workforce Innovation or the Florida Department  
 17 of Labor and Employment Security was named as a defendant  
 18 while the Department of Revenue was performing unemployment  
 19 compensation tax collection services pursuant to a contract  
 20 with the Agency for Workforce Innovation, in substantially the  
 21 following form:

22  
 23 (Caption of Action)

24  
 25 CERTIFICATE OF DISBURSEMENTS

26  
 27 The undersigned clerk of the court certifies that he or  
 28 she disbursed the proceeds received from the sale of the  
 29 property as provided in the order or final judgment to the  
 30 persons and in the amounts as follows:

31 Name Amount

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31

Total

WITNESS my hand and the seal of the court on . . . . ,  
...(year)....

...(Clerk)...

By ...(Deputy Clerk)...

If no objections to the report are served within 10 days after it is filed, the disbursements by the clerk shall stand approved as reported. If timely objections to the report are served, they shall be heard by the court. Service of objections to the report does not affect or cloud the title of the purchaser of the property in any manner.

Section 26. Paragraph (a) of subsection (4) of section 69.041, Florida Statutes, is amended to read:

69.041 State named party; lien foreclosure, suit to quiet title.--

(4)(a) The Department of Revenue has the right to participate in the disbursement of funds remaining in the registry of the court after distribution pursuant to s. 45.031(7). The department shall participate in accordance with applicable procedures in any mortgage foreclosure action in which the department has a duly filed tax warrant, or interests under a lien arising from a judgment, order, or decree for child support, or interest in an unemployment compensation tax lien pursuant to a contract with the Agency for Workforce Innovation, against the subject property and with the same priority, regardless of whether a default against the department, the Agency for Workforce Innovation, or the Department of Labor and Employment Security has been

1 entered for failure to file an answer or other responsive  
2 pleading.

3 Section 27. Subsection (1) of section 213.053, Florida  
4 Statutes, is amended to read:

5 213.053 Confidentiality and information sharing.--

6 (1) The provisions of this section apply to s.  
7 125.0104, county government; s. 125.0108, tourist impact tax;  
8 chapter 175, municipal firefighters' pension trust funds;  
9 chapter 185, municipal police officers' retirement trust  
10 funds; chapter 198, estate taxes; chapter 199, intangible  
11 personal property taxes; chapter 201, excise tax on documents;  
12 chapter 203, gross receipts taxes; chapter 211, tax on  
13 severance and production of minerals; chapter 212, tax on  
14 sales, use, and other transactions; chapter 220, income tax  
15 code; chapter 221, emergency excise tax; s. 252.372, emergency  
16 management, preparedness, and assistance surcharge; s.  
17 370.07(3), Apalachicola Bay oyster surcharge; chapter 376,  
18 pollutant spill prevention and control; s. 403.718, waste tire  
19 fees; s. 403.7185, lead-acid battery fees; s. 538.09,  
20 registration of secondhand dealers; s. 538.25, registration of  
21 secondary metals recyclers; ss. 624.501 and 624.509-624.515,  
22 insurance code; s. 681.117, motor vehicle warranty  
23 enforcement; and s. 896.102, reports of financial transactions  
24 in trade or business. The provisions of this section, except  
25 paragraph (7)(f), also apply to chapter 443 while the  
26 department is performing tax collection services for the  
27 Agency for Workforce Innovation pursuant to chapter 2000-165,  
28 Laws of Florida; however, the exceptions to confidentiality  
29 contained in ss. 443.171(7) and 443.1715 remain in full force  
30 and effect.  
31

1           Section 28. Effective July 1, 2001, notwithstanding  
2 section 10 of chapter 90-110, Laws of Florida, subsection (3)  
3 of section 215.20, Florida Statutes, shall not expire on  
4 October 1, 2001, as scheduled by that law, but subsection (3)  
5 of section 215.20, Florida Statutes, is revived and readopted.

6           Section 29. Effective upon becoming a law, and  
7 applying retroactively to June 1, 2001, if this act does not  
8 become a law by that date, section 4 of chapter 96-395, Laws  
9 of Florida, is repealed.

10           Section 30. Subsection (8) is added to section 201.02,  
11 Florida Statutes, to read:

12           201.02 Tax on deeds and other instruments relating to  
13 real property or interests in real property.--

14           (8) The taxes imposed by this section do not apply to  
15 deeds, instruments, or writings whereby any lands, tenements,  
16 or other real property, or any interest therein, is granted,  
17 assigned, transferred, or otherwise conveyed from an electric  
18 utility to a regional transmission organization under the  
19 jurisdiction of the Federal Energy Regulatory Commission.

20           Section 31. Paragraph (g) of subsection (10) of  
21 section 212.02, Florida Statutes, is amended to read:

22           212.02 Definitions.--The following terms and phrases  
23 when used in this chapter have the meanings ascribed to them  
24 in this section, except where the context clearly indicates a  
25 different meaning:

26           (10) "Lease," "let," or "rental" means leasing or  
27 renting of living quarters or sleeping or housekeeping  
28 accommodations in hotels, apartment houses, roominghouses,  
29 tourist or trailer camps and real property, the same being  
30 defined as follows:

31

1 (g) "Lease," "let," or "rental" also means the leasing  
2 or rental of tangible personal property and the possession or  
3 use thereof by the lessee or rentee for a consideration,  
4 without transfer of the title of such property, except as  
5 expressly provided to the contrary herein. The term "lease,"  
6 "let," or "rental" does not mean hourly, daily, or mileage  
7 charges, to the extent that such charges are subject to the  
8 jurisdiction of the Surface Transportation Board ~~United States~~  
9 ~~Interstate Commerce Commission~~, when such charges are paid by  
10 reason of the presence of railroad cars owned by another on  
11 the tracks of the taxpayer, or charges made pursuant to car  
12 service agreements. The terms "lease," "let," "rental," or  
13 "license" do not include payments by a regional transmission  
14 organization operating under the jurisdiction of the Federal  
15 Energy Regulatory Commission which are made to an electric  
16 utility in connection with the regional transmission  
17 organization's use or control of the utility's high-voltage  
18 bulk transmission facilities. However, where two taxpayers, in  
19 connection with the interchange of facilities, rent or lease  
20 property, each to the other, for use in providing or  
21 furnishing any of the services mentioned in s. 166.231, the  
22 term "lease or rental" means only the net amount of rental  
23 involved.

24 Section 32. Paragraph (a) of subsection (1) of section  
25 212.031, Florida Statutes, is amended to read:

26 212.031 Lease or rental of or license in real  
27 property.--

28 (1)

29 (a) It is declared to be the legislative intent that  
30 every person is exercising a taxable privilege who engages in  
31 the business of renting, leasing, letting, or granting a



1 license for the use of any real property unless such property  
2 is:

- 3 1. Assessed as agricultural property under s. 193.461.
- 4 2. Used exclusively as dwelling units.
- 5 3. Property subject to tax on parking, docking, or  
6 storage spaces under s. 212.03(6).
- 7 4. Recreational property or the common elements of a  
8 condominium when subject to a lease between the developer or  
9 owner thereof and the condominium association in its own right  
10 or as agent for the owners of individual condominium units or  
11 the owners of individual condominium units. However, only the  
12 lease payments on such property shall be exempt from the tax  
13 imposed by this chapter, and any other use made by the owner  
14 or the condominium association shall be fully taxable under  
15 this chapter.
- 16 5. A public or private street or right-of-way and  
17 poles, conduits, fixtures, and similar improvements located on  
18 such streets or rights-of-way, occupied or used by a utility  
19 or franchised cable television company for utility or  
20 communications or television purposes. For purposes of this  
21 subparagraph, the term "utility" means any person providing  
22 utility services as defined in s. 203.012 and includes a  
23 regional transmission organization operating under the  
24 jurisdiction of the Federal Energy Regulatory Commission. This  
25 exception also applies to property, wherever located, on which  
26 the following are placed: towers, antennas, cables, accessory  
27 structures, or equipment, not including switching equipment,  
28 used in the provision of mobile communications services as  
29 defined in s. 202.11. For purposes of this chapter, towers  
30 used in the provision of mobile communications services, as  
31 defined in s. 202.11, are considered to be fixtures.

1           6. A public street or road which is used for  
2 transportation purposes.

3           7. Property used at an airport exclusively for the  
4 purpose of aircraft landing or aircraft taxiing or property  
5 used by an airline for the purpose of loading or unloading  
6 passengers or property onto or from aircraft or for fueling  
7 aircraft.

8           8.a. Property used at a port authority, as defined in  
9 s. 315.02(2), exclusively for the purpose of oceangoing  
10 vessels or tugs docking, or such vessels mooring on property  
11 used by a port authority for the purpose of loading or  
12 unloading passengers or cargo onto or from such a vessel, or  
13 property used at a port authority for fueling such vessels, or  
14 to the extent that the amount paid for the use of any property  
15 at the port is based on the charge for the amount of tonnage  
16 actually imported or exported through the port by a tenant.

17           b. The amount charged for the use of any property at  
18 the port in excess of the amount charged for tonnage actually  
19 imported or exported shall remain subject to tax except as  
20 provided in sub-subparagraph a.

21           9. Property used as an integral part of the  
22 performance of qualified production services. As used in this  
23 subparagraph, the term "qualified production services" means  
24 any activity or service performed directly in connection with  
25 the production of a qualified motion picture, as defined in s.  
26 212.06(1)(b), and includes:

27           a. Photography, sound and recording, casting, location  
28 managing and scouting, shooting, creation of special and  
29 optical effects, animation, adaptation (language, media,  
30 electronic, or otherwise), technological modifications,  
31 computer graphics, set and stage support (such as

1 electricians, lighting designers and operators, greensmen,  
2 prop managers and assistants, and grips), wardrobe (design,  
3 preparation, and management), hair and makeup (design,  
4 production, and application), performing (such as acting,  
5 dancing, and playing), designing and executing stunts,  
6 coaching, consulting, writing, scoring, composing,  
7 choreographing, script supervising, directing, producing,  
8 transmitting dailies, dubbing, mixing, editing, cutting,  
9 looping, printing, processing, duplicating, storing, and  
10 distributing;

11           b. The design, planning, engineering, construction,  
12 alteration, repair, and maintenance of real or personal  
13 property including stages, sets, props, models, paintings, and  
14 facilities principally required for the performance of those  
15 services listed in sub-subparagraph a.; and

16           c. Property management services directly related to  
17 property used in connection with the services described in  
18 sub-subparagraphs a. and b.

19

20 This exemption will inure to the taxpayer upon presentation of  
21 the certificate of exemption issued to the taxpayer under the  
22 provisions of s. 288.1258.

23           10. Leased, subleased, licensed, or rented to a person  
24 providing food and drink concessionaire services within the  
25 premises of a convention hall, exhibition hall, auditorium,  
26 stadium, theater, arena, civic center, performing arts center,  
27 publicly owned recreational facility, or any business operated  
28 under a permit issued pursuant to chapter 550. A person  
29 providing retail concessionaire services involving the sale of  
30 food and drink or other tangible personal property within the  
31 premises of an airport shall be subject to tax on the rental

1 of real property used for that purpose, but shall not be  
2 subject to the tax on any license to use the property. For  
3 purposes of this subparagraph, the term "sale" shall not  
4 include the leasing of tangible personal property.

5       11. Property occupied pursuant to an instrument  
6 calling for payments which the department has declared, in a  
7 Technical Assistance Advisement issued on or before March 15,  
8 1993, to be nontaxable pursuant to rule 12A-1.070(19)(c),  
9 Florida Administrative Code; provided that this subparagraph  
10 shall only apply to property occupied by the same person  
11 before and after the execution of the subject instrument and  
12 only to those payments made pursuant to such instrument,  
13 exclusive of renewals and extensions thereof occurring after  
14 March 15, 1993.

15       12. Rented, leased, subleased, or licensed to a  
16 concessionaire by a convention hall, exhibition hall,  
17 auditorium, stadium, theater, arena, civic center, performing  
18 arts center, or publicly owned recreational facility, during  
19 an event at the facility, to be used by the concessionaire to  
20 sell souvenirs, novelties, or other event-related products.  
21 This subparagraph applies only to that portion of the rental,  
22 lease, or license payment which is based on a percentage of  
23 sales and not based on a fixed price.

24       13. Property used or occupied predominantly for space  
25 flight business purposes. As used in this subparagraph, "space  
26 flight business" means the manufacturing, processing, or  
27 assembly of a space facility, space propulsion system, space  
28 vehicle, satellite, or station of any kind possessing the  
29 capacity for space flight, as defined by s. 212.02(23), or  
30 components thereof, and also means the following activities  
31 supporting space flight: vehicle launch activities, flight

1 operations, ground control or ground support, and all  
2 administrative activities directly related thereto. Property  
3 shall be deemed to be used or occupied predominantly for space  
4 flight business purposes if more than 50 percent of the  
5 property, or improvements thereon, is used for one or more  
6 space flight business purposes. Possession by a landlord,  
7 lessor, or licensor of a signed written statement from the  
8 tenant, lessee, or licensee claiming the exemption shall  
9 relieve the landlord, lessor, or licensor from the  
10 responsibility of collecting the tax, and the department shall  
11 look solely to the tenant, lessee, or licensee for recovery of  
12 such tax if it determines that the exemption was not  
13 applicable.

14 Section 33. Effective July 1, 2003, paragraph (a) of  
15 subsection (1) of section 212.031, Florida Statutes, as  
16 amended by section 3 of chapter 2000-345, Laws of Florida, is  
17 amended to read:

18 212.031 Lease or rental of or license in real  
19 property.--

20 (1)(a) It is declared to be the legislative intent  
21 that every person is exercising a taxable privilege who  
22 engages in the business of renting, leasing, letting, or  
23 granting a license for the use of any real property unless  
24 such property is:

- 25 1. Assessed as agricultural property under s. 193.461.
- 26 2. Used exclusively as dwelling units.
- 27 3. Property subject to tax on parking, docking, or  
28 storage spaces under s. 212.03(6).
- 29 4. Recreational property or the common elements of a  
30 condominium when subject to a lease between the developer or  
31 owner thereof and the condominium association in its own right

1 or as agent for the owners of individual condominium units or  
2 the owners of individual condominium units. However, only the  
3 lease payments on such property shall be exempt from the tax  
4 imposed by this chapter, and any other use made by the owner  
5 or the condominium association shall be fully taxable under  
6 this chapter.

7           5. A public or private street or right-of-way and  
8 poles, conduits, fixtures, and similar improvements located on  
9 such streets or rights-of-way, occupied or used by a utility  
10 or franchised cable television company for utility or  
11 communications or television purposes. For purposes of this  
12 subparagraph, the term "utility" means any person providing  
13 utility services as defined in s. 203.012 and includes a  
14 regional transmission organization operating under the  
15 jurisdiction of the Federal Energy Regulatory Commission. This  
16 exception also applies to property, wherever located, on which  
17 the following are placed: towers, antennas, cables, accessory  
18 structures, or equipment, not including switching equipment,  
19 used in the provision of mobile communications services as  
20 defined in s. 202.11. For purposes of this chapter, towers  
21 used in the provision of mobile communications services, as  
22 defined in s. 202.11, are considered to be fixtures.

23           6. A public street or road which is used for  
24 transportation purposes.

25           7. Property used at an airport exclusively for the  
26 purpose of aircraft landing or aircraft taxiing or property  
27 used by an airline for the purpose of loading or unloading  
28 passengers or property onto or from aircraft or for fueling  
29 aircraft.

30           8.a. Property used at a port authority, as defined in  
31 s. 315.02(2), exclusively for the purpose of oceangoing

1 vessels or tugs docking, or such vessels mooring on property  
2 used by a port authority for the purpose of loading or  
3 unloading passengers or cargo onto or from such a vessel, or  
4 property used at a port authority for fueling such vessels, or  
5 to the extent that the amount paid for the use of any property  
6 at the port is based on the charge for the amount of tonnage  
7 actually imported or exported through the port by a tenant.

8           b. The amount charged for the use of any property at  
9 the port in excess of the amount charged for tonnage actually  
10 imported or exported shall remain subject to tax except as  
11 provided in sub-subparagraph a.

12           9. Property used as an integral part of the  
13 performance of qualified production services. As used in this  
14 subparagraph, the term "qualified production services" means  
15 any activity or service performed directly in connection with  
16 the production of a qualified motion picture, as defined in s.  
17 212.06(1)(b), and includes:

18           a. Photography, sound and recording, casting, location  
19 managing and scouting, shooting, creation of special and  
20 optical effects, animation, adaptation (language, media,  
21 electronic, or otherwise), technological modifications,  
22 computer graphics, set and stage support (such as  
23 electricians, lighting designers and operators, greensmen,  
24 prop managers and assistants, and grips), wardrobe (design,  
25 preparation, and management), hair and makeup (design,  
26 production, and application), performing (such as acting,  
27 dancing, and playing), designing and executing stunts,  
28 coaching, consulting, writing, scoring, composing,  
29 choreographing, script supervising, directing, producing,  
30 transmitting dailies, dubbing, mixing, editing, cutting,

31

1 looping, printing, processing, duplicating, storing, and  
2 distributing;

3           b. The design, planning, engineering, construction,  
4 alteration, repair, and maintenance of real or personal  
5 property including stages, sets, props, models, paintings, and  
6 facilities principally required for the performance of those  
7 services listed in sub-subparagraph a.; and

8           c. Property management services directly related to  
9 property used in connection with the services described in  
10 sub-subparagraphs a. and b.

11

12 This exemption will inure to the taxpayer upon presentation of  
13 the certificate of exemption issued to the taxpayer under the  
14 provisions of s. 288.1258.

15

16           10. Leased, subleased, licensed, or rented to a person  
17 providing food and drink concessionaire services within the  
18 premises of a convention hall, exhibition hall, auditorium,  
19 stadium, theater, arena, civic center, performing arts center,  
20 publicly owned recreational facility, or any business operated  
21 under a permit issued pursuant to chapter 550. A person  
22 providing retail concessionaire services involving the sale of  
23 food and drink or other tangible personal property within the  
24 premises of an airport shall be subject to tax on the rental  
25 of real property used for that purpose, but shall not be  
26 subject to the tax on any license to use the property. For  
27 purposes of this subparagraph, the term "sale" shall not  
28 include the leasing of tangible personal property.

29           11. Property occupied pursuant to an instrument  
30 calling for payments which the department has declared, in a  
31 Technical Assistance Advisement issued on or before March 15,



1 1993, to be nontaxable pursuant to rule 12A-1.070(19)(c),  
2 Florida Administrative Code; provided that this subparagraph  
3 shall only apply to property occupied by the same person  
4 before and after the execution of the subject instrument and  
5 only to those payments made pursuant to such instrument,  
6 exclusive of renewals and extensions thereof occurring after  
7 March 15, 1993.

8           12. Property used or occupied predominantly for space  
9 flight business purposes. As used in this subparagraph, "space  
10 flight business" means the manufacturing, processing, or  
11 assembly of a space facility, space propulsion system, space  
12 vehicle, satellite, or station of any kind possessing the  
13 capacity for space flight, as defined by s. 212.02(23), or  
14 components thereof, and also means the following activities  
15 supporting space flight: vehicle launch activities, flight  
16 operations, ground control or ground support, and all  
17 administrative activities directly related thereto. Property  
18 shall be deemed to be used or occupied predominantly for space  
19 flight business purposes if more than 50 percent of the  
20 property, or improvements thereon, is used for one or more  
21 space flight business purposes. Possession by a landlord,  
22 lessor, or licensor of a signed written statement from the  
23 tenant, lessee, or licensee claiming the exemption shall  
24 relieve the landlord, lessor, or licensor from the  
25 responsibility of collecting the tax, and the department shall  
26 look solely to the tenant, lessee, or licensee for recovery of  
27 such tax if it determines that the exemption was not  
28 applicable.

29           Section 34. Subsection (1) and paragraph (a) of  
30 subsection (2) of section 201.08, Florida Statutes, are  
31 amended to read:

1           201.08 Tax on promissory or nonnegotiable notes,  
2 written obligations to pay money, or assignments of wages or  
3 other compensation; exception.--

4           (1)(a) On promissory notes, nonnegotiable notes,  
5 written obligations to pay money, or assignments of salaries,  
6 wages, or other compensation made, executed, delivered, sold,  
7 transferred, or assigned in the state, and for each renewal of  
8 the same, the tax shall be 35 cents on each \$100 or fraction  
9 thereof of the indebtedness or obligation evidenced thereby.  
10 The tax on any document described in this paragraph shall not  
11 exceed \$2,450.

12           (b) On mortgages, trust deeds, security agreements, or  
13 other evidences of indebtedness filed or recorded in this  
14 state, and for each renewal of the same, the tax shall be 35  
15 cents on each \$100 or fraction thereof of the indebtedness or  
16 obligation evidenced thereby. Mortgages, including, but not  
17 limited to, mortgages executed without the state and recorded  
18 in the state, which incorporate the certificate of  
19 indebtedness, not otherwise shown in separate instruments, are  
20 subject to the same tax at the same rate. When there is both  
21 a mortgage, trust deed, or security agreement and a note,  
22 certificate of indebtedness, or obligation, the tax shall be  
23 paid on the mortgage, trust deed, or security agreement at the  
24 time of recordation. A notation shall be made on the note,  
25 certificate of indebtedness, or obligation that the tax has  
26 been paid on the mortgage, trust deed, or security agreement.  
27 If the mortgage, trust deed, security agreement, or other  
28 evidence of indebtedness subject to the tax levied by this  
29 section secures future advances, as provided in s. 697.04, the  
30 tax shall be paid at the time of recordation on the initial  
31 debt or obligation secured, excluding future advances; at the

1 time and so often as any future advance is made, the tax shall  
2 be paid on all sums then advanced regardless of where such  
3 advance is made. Notwithstanding the aforestated general rule,  
4 any increase in the amount of original indebtedness caused by  
5 interest accruing under an adjustable rate note or mortgage  
6 having an initial interest rate adjustment interval of not  
7 less than 6 months shall be taxable as a future advance only  
8 to the extent such increase is a computable sum certain when  
9 the document is executed. Failure to pay the tax shall not  
10 affect the lien for any such future advance given by s.  
11 697.04, but any person who fails or refuses to pay such tax  
12 due by him or her is guilty of a misdemeanor of the first  
13 degree. The mortgage, trust deed, or other instrument shall  
14 not be enforceable in any court of this state as to any such  
15 advance unless and until the tax due thereon upon each advance  
16 that may have been made thereunder has been paid.

17 (2)(a) On promissory notes, nonnegotiable notes,  
18 written obligations to pay money, or other compensation, made,  
19 executed, delivered, sold, transferred, or assigned in the  
20 state, in connection with sales made under retail charge  
21 account services, incident to sales which are not conditional  
22 in character and which are not secured by mortgage or other  
23 pledge of purchaser, the tax shall be 35 cents on each \$100 or  
24 fraction thereof of the gross amount of the indebtedness  
25 evidenced by such instruments, payable quarterly on such forms  
26 and under such rules and regulations as may be promulgated by  
27 the Department of Revenue. The tax on any document described  
28 in this paragraph shall not exceed \$2,450.

29 Section 35. Effective upon this act becoming a law and  
30 applying retroactively to December 21, 2000, section 443.1315,  
31 Florida Statutes, is created to read:

1           443.1315 Treatment of Indian tribes.--  
2           (1) As used in this section, the term:  
3           (a) "Employer" includes any Indian tribe for which  
4 service in employment as defined by this chapter is performed.  
5           (b) "Employment" includes service performed in the  
6 employ of an Indian tribe, as defined by s. 3306(u) of the  
7 Federal Unemployment Tax Act, provided such service is  
8 excluded from "employment," as defined by that act, solely by  
9 reason of s. 3306(c)(7) of said act and is not otherwise  
10 excluded from "employment" under this chapter. For purposes of  
11 this section, the exclusions from employment under s.  
12 443.036(21)(d) shall be applicable to services performed in  
13 the employ of an Indian tribe.  
14           (2) Benefits based on service in employment, as  
15 defined by this section, shall be payable in the same amount,  
16 on the same terms, and subject to the same conditions as  
17 benefits payable on the basis of other service subject to this  
18 chapter.  
19           (3)(a) Indian tribes or tribal units, including  
20 subdivisions, subsidiaries, or business enterprises wholly  
21 owned by such Indian tribes, subject to this chapter shall pay  
22 contributions under the same terms and conditions as all other  
23 subject employers, unless they elect to pay into the  
24 Unemployment Compensation Trust Fund amounts equal to the  
25 amount of benefits attributable to service in the employ of  
26 the Indian tribe.  
27           (b) Indian tribes electing to make payments in lieu of  
28 contributions must make such election in the same manner and  
29 under the same conditions as provided by s. 443.131 for state  
30 and local governments and nonprofit organizations subject to  
31 this chapter. Indian tribes shall determine if reimbursement

1 for benefits paid will be elected by the tribe as a whole, by  
2 individual tribal units, or by combinations of individual  
3 tribal units.

4 (c) Indian tribes or tribal units shall be billed for  
5 the full amount of benefits attributable to service in the  
6 employ of the Indian tribe or tribal unit on the same schedule  
7 as other employing units that have elected to make payments in  
8 lieu of contributions.

9 (d) At the discretion of the director of the Agency  
10 for Workforce Innovation or his or her designee, any Indian  
11 tribe or tribal unit that elects to become liable for payments  
12 in lieu of contributions shall be required, within 90 days  
13 after the effective date of its election, to:

14 1. Execute and file with the director or his or her  
15 designee a surety bond approved by the director or his or her  
16 designee; or

17 2. Deposit with the director or his or her designee  
18 money or securities on the same basis as other employers with  
19 the same election option.

20 (4)(a)1. Failure of the Indian tribe or tribal unit to  
21 make required payments, including assessments of interest and  
22 penalty, within 90 days after receipt of the bill, will cause  
23 the Indian tribe to lose the option to make payments in lieu  
24 of contributions, as described in subsection (3), for the  
25 following tax year, unless payment in full is received before  
26 contribution rates for the next tax year are computed.

27 2. Any Indian tribe that loses the option to make  
28 payments in lieu of contributions due to late payment or  
29 nonpayment, as described in subparagraph 1., shall have such  
30 option reinstated if, after a period of 1 year, all  
31 contributions have been made timely, provided no

1 contributions, payments in lieu of contributions for benefits  
2 paid, penalties, or interest remain outstanding.

3 (b)1. Failure of the Indian tribe or any tribal unit  
4 thereof to make required payments, including assessments of  
5 interest and penalty, after all collection activities deemed  
6 necessary by the director of the Agency for Workforce  
7 Innovation or his or her designee have been exhausted, will  
8 cause services performed for such tribe to not be treated as  
9 "employment" for purposes of paragraph (1)(b).

10 2. The director or his or her designee may determine  
11 that any Indian tribe that loses coverage under subparagraph  
12 1. may have services performed for such tribe again included  
13 as "employment" for purposes of paragraph (1)(b) if all  
14 contributions, payments in lieu of contributions, penalties,  
15 and interest have been paid.

16 (c) If an Indian tribe fails to make payments required  
17 under this section, including assessments of interest and  
18 penalty, within 90 days after a final notice of delinquency,  
19 the director of the Agency for Workforce Innovation shall  
20 immediately notify the United States Internal Revenue Service  
21 and the United States Department of Labor.

22 (5) Notices of payment and reporting delinquency to  
23 Indian tribes or their tribal units shall include information  
24 that failure to make full payment within the prescribed  
25 timeframe:

26 (a) Will cause the Indian tribe to be liable for taxes  
27 under the Federal Unemployment Tax Act.

28 (b) Will cause the Indian tribe to lose the option to  
29 make payments in lieu of contributions.

30 (c) Could cause the Indian tribe to be excepted from  
31 the definition of "employer," as provided in paragraph (1)(a),

1 and services in the employ of the Indian tribe, as provided in  
2 paragraph (1)(b), to be excepted from "employment."

3 (6) Extended benefits paid that are attributable to  
4 service in the employ of an Indian tribe and not reimbursed by  
5 the Federal Government shall be financed in their entirety by  
6 such Indian tribe.

7 (7) The Agency for Workforce Innovation is authorized  
8 to adopt any rules it deems necessary to implement this  
9 section.

10 Section 36. Paragraph (e) of subsection (3) of section  
11 443.131, Florida Statutes, is amended to read:

12 443.131 Contributions.--

13 (3) CONTRIBUTION RATES BASED ON BENEFIT EXPERIENCE.--

14 (e)1. Variations from the standard rate of  
15 contributions shall be assigned with respect to each calendar  
16 year to employers eligible therefor. In determining the  
17 contribution rate, varying from the standard rate to be  
18 assigned each employer, adjustment factors provided for in  
19 sub-subparagraphs a.-c. will be added to the benefit ratio.  
20 This addition will be accomplished in two steps by adding a  
21 variable adjustment factor and a final adjustment factor as  
22 defined below. The sum of these adjustment factors provided  
23 for in sub-subparagraphs a.-c. will first be algebraically  
24 summed. The sum of these adjustment factors will then be  
25 divided by a gross benefit ratio to be determined as follows:  
26 Total benefit payments for the previous 3 years, as defined in  
27 subparagraph (b)1., charged to employers eligible to be  
28 assigned a contribution rate different from the standard rate  
29 minus excess payments for the same period divided by taxable  
30 payroll entering into the computation of individual benefit  
31 ratios for the calendar year for which the contribution rate

1 is being computed. The ratio of the sum of the adjustment  
2 factors provided for in sub-subparagraphs a.-c. to the gross  
3 benefit ratio will be multiplied by each individual benefit  
4 ratio below the maximum tax rate to obtain variable adjustment  
5 factors; except that in any instance in which the sum of an  
6 employer's individual benefit ratio and variable adjustment  
7 factor exceeds the maximum tax rate, the variable adjustment  
8 factor will be reduced so that the sum equals the maximum tax  
9 rate. The variable adjustment factor of each such employer  
10 will be multiplied by his or her taxable payroll entering into  
11 the computation of his or her benefit ratio. The sum of these  
12 products will be divided by the taxable payroll of such  
13 employers that entered into the computation of their benefit  
14 ratios. The resulting ratio will be subtracted from the sum of  
15 the adjustment factors provided for in sub-subparagraphs a.-c.  
16 to obtain the final adjustment factor. The variable adjustment  
17 factors and the final adjustment factor will be computed to  
18 five decimal places and rounded to the fourth decimal place.  
19 This final adjustment factor will be added to the variable  
20 adjustment factor and benefit ratio of each employer to obtain  
21 each employer's contribution rate; however, at no time shall  
22 an employer's contribution rate be rounded to less than 0.1  
23 percent.

24 a. An adjustment factor for noncharge benefits will be  
25 computed to the fifth decimal place, and rounded to the fourth  
26 decimal place, by dividing the amount of benefit payments  
27 noncharged in the 3 preceding years as defined in subparagraph  
28 (b)1. by the taxable payroll of employers eligible to be  
29 considered for assignment of a contribution rate different  
30 from the standard rate that have a benefit ratio for the  
31 current year less than the maximum contribution rate. The



1 taxable payroll of such employers will be the taxable payrolls  
2 for the 3 years ending June 30 of the current calendar year  
3 that had been reported to the division by September 30 of the  
4 same calendar year. Noncharge benefits for the purpose of this  
5 section shall be defined as benefit payments to an individual  
6 which were paid from the Unemployment Compensation Trust Fund  
7 but which were not charged to the unemployment record of any  
8 employer.

9       b. An excess payments adjustment factor will be  
10 computed to the fifth decimal place, and rounded to the fourth  
11 decimal place, by dividing the total excess payments during  
12 the 3 preceding years as defined in subparagraph (b)1. by the  
13 taxable payroll of employers eligible to be considered for  
14 assignment of a contribution rate different from the standard  
15 rate that have a benefit ratio for the current year less than  
16 the maximum contribution rate. The taxable payroll of such  
17 employers will be the same as used in computing the noncharge  
18 adjustment factor as described in sub-subparagraph a. The term  
19 "excess payments" for the purpose of this section is defined  
20 as the amount of benefit payments charged to the employment  
21 record of an employer during the 3 preceding years, as defined  
22 in subparagraph (b)1., less the product of the maximum  
23 contribution rate and his or her taxable payroll for the 3  
24 years ending June 30 of the current calendar year that had  
25 been reported to the division by September 30 of the same  
26 calendar year. The term "total excess payments" is defined as  
27 the sum of the individual employer excess payments for those  
28 employers that were eligible to be considered for assignment  
29 of a contribution rate different from the standard rate.

30       c. If the balance in the Unemployment Compensation  
31 Trust Fund as of June 30 of the calendar year immediately

1 preceding the calendar year for which the contribution rate is  
2 being computed is less than 3.7 ~~4~~ percent of the taxable  
3 payrolls for the year ending June 30 as reported to the  
4 division by September 30 of that calendar year, a positive  
5 adjustment factor will be computed. Such adjustment factor  
6 shall be computed annually to the fifth decimal place, and  
7 rounded to the fourth decimal place, by dividing the sum of  
8 the total taxable payrolls for the year ending June 30 of the  
9 current calendar year as reported to the division by September  
10 30 of such calendar year into a sum equal to one-fourth of the  
11 difference between the amount in the fund as of June 30 of  
12 such calendar year and the sum of 4.7 ~~5~~ percent of the total  
13 taxable payrolls for that year. Such adjustment factor will  
14 remain in effect in subsequent years until a balance in the  
15 Unemployment Compensation Trust Fund as of June 30 of the year  
16 immediately preceding the effective date of such contribution  
17 rate equals or exceeds 3.7 ~~4~~ percent of the taxable payrolls  
18 for the year ending June 30 of the current calendar year as  
19 reported to the division by September 30 of that calendar  
20 year. If the balance in the Unemployment Compensation Trust  
21 Fund as of June 30 of the year immediately preceding the  
22 calendar year for which the contribution rate is being  
23 computed exceeds 4.7 ~~5~~ percent of the taxable payrolls for the  
24 year ending June 30 of the current calendar year as reported  
25 to the division by September 30 of that calendar year, a  
26 negative adjustment factor will be computed. Such adjustment  
27 factor shall be computed annually to the fifth decimal place,  
28 and rounded to the fourth decimal place, by dividing the sum  
29 of the total taxable payrolls for the year ending June 30 of  
30 the current calendar year as reported to the division by  
31 September 30 of such calendar year into a sum equal to

1 one-fourth of the difference between the amount in the fund as  
2 of June 30 of the current calendar year and 4.7 5 percent of  
3 the total taxable payrolls of such year. Such adjustment  
4 factor will remain in effect in subsequent years until the  
5 balance in the Unemployment Compensation Trust Fund as of June  
6 30 of the year immediately preceding the effective date of  
7 such contribution rate is less than 4.7 5 percent but more  
8 than 3.7 4 percent of the taxable payrolls for the year ending  
9 June 30 of the current calendar year as reported to the  
10 division by September 30 of that calendar year.

11 d. The maximum contribution rate that can be assigned  
12 to any employer shall be 5.4 percent, except those employers  
13 participating in an approved short-time compensation plan in  
14 which case the maximum shall be 1 percent above the current  
15 maximum contribution rate, with respect to any calendar year  
16 in which short-time compensation benefits are in the  
17 employer's employment record.

18 2. In the event of the transfer of employment records  
19 to an employing unit pursuant to paragraph (g) which, prior to  
20 such transfer, was an employer, the division shall recompute a  
21 benefit ratio for the successor employer on the basis of the  
22 combined employment records and reassign an appropriate  
23 contribution rate to such successor employer as of the  
24 beginning of the calendar quarter immediately following the  
25 effective date of such transfer of employment records.

26 Section 37. Subsection (1) of section 561.501, Florida  
27 Statutes, is amended to read:

28 561.501 Surcharge on sale of alcoholic beverages for  
29 consumption on the premises; penalty.--

30 (1) Notwithstanding s. 561.50 or any other provision  
31 of the Beverage Law, a surcharge of 3.34 cents is imposed upon

1 each ounce of liquor and each 4 ounces of wine, a surcharge of  
2 2 cents is imposed on each 12 ounces of cider, and a surcharge  
3 of 1.34 cents is imposed on each 12 ounces of beer sold at  
4 retail for consumption on premises licensed by the division as  
5 an alcoholic beverage vendor. However, the surcharges imposed  
6 under this subsection need not be paid upon such beverages  
7 when they are sold by a nonprofit ~~an~~ organization that is  
8 licensed by the division ~~under s. 561.422 or s. 565.02(4)~~ as  
9 an alcoholic beverage vendor and that is determined by the  
10 Internal Revenue Service to be currently exempt from federal  
11 income tax under s. 501(c)(2), (3), (4), (5), (6), (7), (8),  
12 (10), or (19) of the Internal Revenue Code of 1986, as  
13 amended.

14 Section 38. Effective July 1, 2001, subsection (6) is  
15 added to section 236.25, Florida Statutes, to read:

16 236.25 District school tax.--

17 (6) In addition to the maximum millage levied under  
18 this section and the General Appropriations Act, a school  
19 district may levy, by local referendum or in a general  
20 election, additional millage for school operational purposes  
21 up to an amount that, when combined with nonvoted millage  
22 levied under this section, does not exceed the 10-mill limit  
23 established in s. 9(b), Art. VII of the State Constitution.  
24 Any such levy shall be for a maximum of 4 years and shall be  
25 counted as part of the 10-mill limit established in s. 9(b),  
26 Art. VII of the State Constitution. Millage elections  
27 conducted under the authority granted pursuant to this section  
28 are subject to ss. 236.31 and 236.32. Funds generated by such  
29 additional millage do not become a part of the calculation of  
30 the Florida Education Finance Program total potential funds in  
31 2001-2002 or any subsequent year and must not be incorporated

1 in the calculation of any hold-harmless or other component of  
2 the Florida Education Finance Program formula in any year.

3 Section 39. Effective July 1, 2001, section 236.31,  
4 Florida Statutes, is amended to read:

5 236.31 District millage elections.--

6 (1) The school board, pursuant to resolution adopted  
7 at a regular meeting, shall direct the county commissioners to  
8 call an election at which the electors within the school  
9 districts may approve an ad valorem tax millage as authorized  
10 in s. 9, Art. VII of the State Constitution. Such election may  
11 be held at any time, except that not more than one such  
12 election shall be held during any 12-month period. Any  
13 millage so authorized shall be levied for a period not in  
14 excess of 2 years or until changed by another millage  
15 election, whichever is the earlier. In the event any such  
16 election is invalidated by a court of competent jurisdiction,  
17 such invalidated election shall be considered not to have been  
18 held.

19 (2) The school board, pursuant to resolution adopted  
20 at a regular meeting, shall direct the county commissioners to  
21 call an election at which the electors within the school  
22 district may approve an ad valorem tax millage as authorized  
23 under s. 236.25(6). Such election may be held at any time,  
24 except that not more than one such election shall be held  
25 during any 12-month period. Any millage so authorized shall be  
26 levied for a period not in excess of 4 years or until changed  
27 by another millage election, whichever is earlier. If any such  
28 election is invalidated by a court of competent jurisdiction,  
29 such invalidated election shall be considered not to have been  
30 held.

31

1           Section 40. Effective July 1, 2001, section 236.32,  
2 Florida Statutes, is amended to read:

3           (Substantial rewording of section. See  
4           s. 236.32, F.S., for present text.)

5           236.32 Procedures for holding and conducting school  
6 district millage elections.--

7           (1) HOLDING ELECTIONS.--All school district millage  
8 elections shall be held and conducted in the manner prescribed  
9 by law for holding general elections, except as provided in  
10 this chapter.

11           (2) FORM OF BALLOT.--

12           (a) The school board may propose a single millage or  
13 two millages, with one for operating expenses and another for  
14 a local capital improvement reserve fund. When two millage  
15 figures are proposed, each millage must be voted on  
16 separately.

17           (b) The school board shall provide the wording of the  
18 substance of the measure and the ballot title in the  
19 resolution calling for the election. The wording of the  
20 ballot must conform to the provisions of s. 101.161.

21           (3) QUALIFICATION OF ELECTORS.--All qualified electors  
22 of the school district are entitled to vote in the election to  
23 set the school tax district millage levy.

24           (4) RESULTS OF ELECTION.--When the school board  
25 proposes one tax levy for operating expenses and another for  
26 the local capital improvement reserve fund, the results shall  
27 be considered separately. The tax levy shall be levied only  
28 in case a majority of the electors participating in the  
29 election vote in favor of the proposed special millage.

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1           (5) EXPENSES OF ELECTION.--The cost of the publication  
2 of the notice of the election and all expenses of the election  
3 in the school district shall be paid by the school board.

4           Section 41. Except as otherwise expressly provided in  
5 this act, this act shall take effect upon becoming a law.

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