

By Representatives Spratt, Bowen, Alexander, Byrd,
 Dockery, Ryan, Flanagan, Attkisson, Kyle, Machek, Harrington,
 Kendrick, Pickens, Stansel, Gibson and Bense

1 A bill to be entitled
 2 An act relating to tax on sales, use, and other
 3 transactions; amending s. 212.08, F.S.;
 4 providing a full exemption for self-propelled,
 5 power-drawn, or power-driven farm equipment
 6 used exclusively on a farm or in a forest in
 7 specified activities; revising application of
 8 the exemption for items in agricultural use
 9 with respect to certain protective materials
 10 and certain baling materials; amending s.
 11 212.12, F.S., relating to promulgation of tax
 12 brackets by the Department of Revenue, to
 13 conform; providing an effective date.

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

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 17 Section 1. Subsection (3) and paragraph (a) of
 18 subsection (5) of section 212.08, Florida Statutes, are
 19 amended to read:

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

26 (3) EXEMPTIONS, ~~PARTIAL~~; CERTAIN FARM
 27 EQUIPMENT.--~~There shall be taxable at the rate of 2.5 percent~~
 28 The sale, rental, lease, use, consumption, or storage for use
 29 in this state of self-propelled, power-drawn, or power-driven
 30 farm equipment used exclusively on a farm or in a forest in
 31 the agricultural production of crops or products as produced

1 by those agricultural industries included in s. 570.02(1), or
2 for fire prevention and suppression work with respect to such
3 crops or products, is exempt from the tax imposed by this
4 chapter. Harvesting may not be construed to include processing
5 activities. This exemption is not forfeited by moving farm
6 equipment between farms or forests. However, this exemption
7 shall not be allowed unless the purchaser, renter, or lessee
8 signs a certificate stating that the farm equipment is to be
9 used exclusively on a farm or in a forest for agricultural
10 production or for fire prevention and suppression, as required
11 by this subsection. Possession by a seller, lessor, or other
12 dealer of a written certification by the purchaser, renter, or
13 lessee certifying the purchaser's, renter's, or lessee's
14 entitlement to an exemption permitted by this subsection
15 relieves the seller from the responsibility of collecting the
16 tax on the nontaxable amounts, and the department shall look
17 solely to the purchaser for recovery of such tax if it
18 determines that the purchaser was not entitled to the
19 exemption.

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

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

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

17 Section 2. Subsection (11) of section 212.12, Florida
18 Statutes, is amended to read:

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

23 (11) The department is authorized to provide by rule
24 the tax amounts and brackets applicable to all taxable
25 transactions that occur in counties that have a surtax at a
26 rate other than 1 percent which transactions would otherwise
27 have been transactions taxable at the rate of 6 percent.
28 Likewise, the department is authorized to promulgate by rule
29 the tax amounts and brackets applicable to ~~transactions~~
30 ~~taxable at 2.5 or 3 percent pursuant to s. 212.08(3),~~
31 transactions taxable at 7 percent pursuant to s. 212.05(1)(e)7

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

3 Section 3. This act shall take effect January 1, 2002.

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HOUSE SUMMARY

Provides a full, rather than partial, sales tax exemption for self-propelled, power-drawn, or power-driven farm equipment used exclusively on a farm or in a forest in specified activities. Revises application of the sales tax exemption for items in agricultural use with respect to certain protective materials and certain baling materials.