

By the Committee on Fiscal Policy & Resources and  
Representative Wallace

1                                   A bill to be entitled  
2           An act relating to taxation; amending s.  
3           45.031, F.S.; requiring the clerk of court to  
4           give notice to the Department of Revenue if  
5           there is a surplus resulting from the  
6           foreclosure of an unemployment compensation tax  
7           lien; amending s. 55.202, F.S.; enabling a  
8           designee of the Department of Revenue to enter  
9           lien information into the Secretary of State's  
10          database without incurring a fee; amending s.  
11          69.041, F.S.; permitting the department to  
12          participate in the disbursement of unemployment  
13          compensation tax lien foreclosure funds;  
14          creating ss. 175.1015 and 185.085, F.S.;  
15          authorizing the Department of Revenue to create  
16          and maintain databases for use by insurers;  
17          providing procedures, requirements, and  
18          limitations for insurance companies to remit  
19          premium tax on property unable to be assigned  
20          to specific local taxing jurisdictions;  
21          imposing on municipalities and special fire  
22          control districts premium tax expenditure  
23          requirements and limitations; providing  
24          exceptions; providing insurers with incentives  
25          for using the databases; providing penalties  
26          for failure to use the databases; requiring  
27          local governments to provide information to the  
28          department; appropriating funds to the  
29          department for the administration of the  
30          databases; requiring the department to adopt  
31          rules; amending s. 199.052, F.S.; eliminating

1 the requirement that a corporation file an  
2 intangibles tax return when no tax is due;  
3 amending s. 199.218, F.S.; eliminating the  
4 requirement that a corporation maintain records  
5 relating to certain information; amending s.  
6 199.282, F.S.; eliminating the penalty imposed  
7 upon a corporation for failure to file a  
8 certain required notice; amending s. 201.02,  
9 F.S.; specifying nonapplication of the tax on  
10 deeds and other instruments relating to real  
11 property to contracts to sell certain  
12 residences under certain circumstances;  
13 amending s. 201.08, F.S.; specifying a maximum  
14 tax on unsecured obligations; specifying  
15 payment of tax on certain excess aggregate  
16 amounts; conforming cross references; amending  
17 s. 202.125, F.S.; restoring an exemption for  
18 religious or educational organizations;  
19 amending s. 211.3103, F.S.; specifying the  
20 basis for annual calculations of county  
21 distributions of the severance tax on phosphate  
22 rock; amending s. 212.02, F.S.; revising  
23 definitions; amending s. 212.05, F.S.;  
24 clarifying payment of tax on certain converted  
25 property; amending s. 212.051, F.S.; revising a  
26 definition; amending s. 212.06, F.S.; revising  
27 a definition; providing legislative intent;  
28 amending s. 212.07, F.S.; providing for dealer  
29 reliance on resale certificates without seeking  
30 certain verification; specifying vendor  
31 nonliability for certain taxes, interest, or

1 penalties under certain circumstances;  
2 requiring the Department of Revenue to impose  
3 certain mandatory, nonwaivable penalties in  
4 lieu of certain taxes, interest, and penalties  
5 under certain circumstances; authorizing the  
6 department to adopt certain rules and forms;  
7 providing legislative intent as to application;  
8 amending s. 212.08, F.S.; requiring a purchaser  
9 to file an affidavit stating the exempt nature  
10 of a purchase with the selling vendor instead  
11 of the department; providing for retroactive  
12 application; revising definitions of industrial  
13 machinery and equipment, motion picture or  
14 video equipment, and sound recording equipment;  
15 providing legislative intent; providing  
16 purposes; clarifying application of exemptions  
17 to taxable transactions; specifying  
18 requirements for eligibility for exemptions;  
19 specifying tax liability for noncompliance;  
20 authorizing the department to adopt rules;  
21 reinstating the sales tax exemption for  
22 parent-teacher organizations and parent-teacher  
23 associations; eliminating obsolete provisions;  
24 eliminating the specific sales tax exemption  
25 for organizations providing crime prevention,  
26 drunk-driving prevention, and  
27 juvenile-delinquency-prevention services;  
28 imposing certain requirements, for purposes of  
29 taxation, on the removal of a motor vehicle  
30 from this state; providing residency  
31 requirements of corporate officers, corporate

1 stockholders, and partners in a partnership  
2 relating to the taxable status of sales of  
3 motor vehicles; providing for retroactive  
4 operation of certain provisions; providing for  
5 nonliability of tax on certain transactions;  
6 providing an exception; providing requirements  
7 for a specified exemption; replacing the  
8 Interstate Commerce Commission with the Surface  
9 Transportation Board as the entity that  
10 licenses certain railroads as common carriers;  
11 providing that, for a vessel, railroad, or  
12 motor carrier engaged in interstate or foreign  
13 commerce, sales tax applies to taxable  
14 purchases in this state and applies even if the  
15 vessel, railroad, or motor carrier has operated  
16 for less than a fiscal year; amending s.  
17 212.096, F.S.; clarifying definitions;  
18 specifying a time requirement for applications  
19 for an enterprise zone jobs credit for leased  
20 employees; amending s. 212.098, F.S.;  
21 clarifying Rural Job Tax Credit Program  
22 provisions; amending s. 212.11, F.S.; requiring  
23 dealers claiming certain credits to submit  
24 certain information to the Department of  
25 Revenue; providing requirements; requiring the  
26 department to adopt rules relating to forms and  
27 documentation to verify certain credits;  
28 requiring the department to disallow any credit  
29 not supported by the required report and to  
30 impose penalties and interest; amending s.  
31 212.12, F.S.; limiting liability of dealers for

1 certain additional tax, penalty, and interest  
2 under certain circumstances; amending ss.  
3 212.18 and 376.70, F.S.; authorizing the  
4 Department of Revenue to waive registration  
5 fees for applications made using the  
6 department's Internet registration process;  
7 amending s. 213.015, F.S.; specifying  
8 additional taxpayer rights; amending s.  
9 213.053, F.S.; authorizing the Department of  
10 Revenue and the Department of Management  
11 Services to release certain unemployment tax  
12 rate information under certain circumstances;  
13 amending s. 213.0535, F.S.; providing for  
14 additional disclosures of certain tax  
15 information under the Registration Information  
16 Sharing and Exchange Program; requiring  
17 maintenance of confidentiality of certain  
18 information under certain circumstances;  
19 amending s. 213.21, F.S.; providing for de novo  
20 review of certain facts and circumstances in  
21 certain proceedings; extending a future repeal  
22 of department authority to settle or compromise  
23 certain penalty liabilities; specifying  
24 additional circumstances for settling or  
25 compromising certain penalties; providing  
26 requirements, criteria, and procedures;  
27 requiring the Department of Revenue to adopt  
28 rules; amending ss. 213.235 and 220.807, F.S.;  
29 providing that the interest rate on certain tax  
30 deficiencies shall be an adjusted prime rate  
31 plus two percentage points; providing

1 legislative intent; amending s. 213.24, F.S.;  
2 including automated refunds in provisions for  
3 certain billing cost limitations; amending s.  
4 213.255, F.S.; clarifying application of  
5 certain interest determination limitations;  
6 amending s. 213.285, F.S.; extending a future  
7 repeal of a certified audits project; amending  
8 s. 213.30, F.S.; specifying preemption for  
9 seeking or obtaining compensation for certain  
10 tax law violation information; amending s.  
11 213.755, F.S.; authorizing the Department of  
12 Revenue to require taxpayers to file returns  
13 electronically under certain circumstances;  
14 providing a penalty; providing a definition;  
15 providing requirements; requiring the  
16 department to adopt certain rules; amending s.  
17 220.03, F.S.; revising definitions; amending s.  
18 220.181, F.S.; clarifying eligibility for  
19 claiming an enterprise zone jobs credit;  
20 amending s. 220.22, F.S.; requiring the  
21 Department of Revenue to designate certain  
22 entities not required to file certain returns;  
23 amending s. 220.23, F.S.; specifying  
24 determination of interest on deficiencies;  
25 amending s. 220.809, F.S.; providing an  
26 exception to certain determinations of interest  
27 on deficiencies; amending s. 290.00677, F.S.;  
28 correcting a cross reference; amending ss.  
29 336.021 and 336.025, F.S.; revising time  
30 limitations on imposition and rate changes of  
31 certain local option fuel taxes; amending s.

1 443.131, F.S.; providing for payment of  
2 employer contributions to the Agency for  
3 Workforce Innovation instead of the Division of  
4 Unemployment Compensation of the Department of  
5 Labor and Employment Security; revising  
6 procedures and requirements for such payments  
7 by employers of employees providing domestic  
8 services; reducing trust fund balance  
9 thresholds used in computing contribution rate  
10 adjustment factors; creating s. 443.1315, F.S.;  
11 providing definitions; providing for treatment  
12 of Indian tribes under the Unemployment  
13 Compensation Law; providing that Indian tribes  
14 or tribal units thereof may elect to make  
15 payments in lieu of contributions and providing  
16 requirements with respect thereto; providing  
17 that such Indian tribe or tribal unit may be  
18 required to file a bond or deposit security at  
19 the discretion of the director of the Agency  
20 for Workforce Innovation; providing effect of  
21 failure of such tribe or unit to make required  
22 payments; providing requirements for notices;  
23 providing responsibility for certain extended  
24 benefits; requiring the agency to adopt rules;  
25 providing for retroactive application; amending  
26 s. 443.163, F.S.; providing for filing certain  
27 reports electronically; requiring certain  
28 employers to submit certain reports  
29 electronically; authorizing the Department of  
30 Labor and Employment Security to waive  
31 electronic reporting requirements under certain

1           circumstances; amending s. 681.117, F.S.;  
2           requiring motor vehicle dealers to remit  
3           directly to the Department of Revenue the Lemon  
4           Law Fee for vehicles registered and titled  
5           outside of Florida; amending ss. 3 and 4 of ch.  
6           2000-345, Laws of Florida; extending the  
7           effective date of such sections; amending s.  
8           11(4)(f) of ch. 2000-165, Laws of Florida;  
9           revising application of certain sections to  
10          collections of unemployment compensation  
11          contributions by the Department of Revenue;  
12          repealing s. 199.062(1) and (2), F.S., relating  
13          to a requirement that a corporation file an  
14          annual information return regarding stock  
15          value; repealing s. 201.05, F.S., relating to  
16          tax on stock certificates; repealing s.  
17          212.084(6), F.S., relating to temporary  
18          exemption certificates; repealing s.  
19          624.509(10), F.S., relating to an exemption  
20          from the insurance premium tax for insurers who  
21          write monoline flood insurance policies;  
22          providing an appropriation to the Department of  
23          Revenue; providing effective dates.

24  
25   Be It Enacted by the Legislature of the State of Florida:

26  
27           Section 1. Subsection (7) of section 45.031, Florida  
28   Statutes, is amended to read:

29           45.031 Judicial sales procedure.--In any sale of real  
30   or personal property under an order or judgment, the following  
31



1 procedure may be followed as an alternative to any other sale  
2 procedure if so ordered by the court:

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

15  
16 (Caption of Action)

17  
18 CERTIFICATE OF DISBURSEMENTS

19  
20 The undersigned clerk of the court certifies that he or  
21 she disbursed the proceeds received from the sale of the  
22 property as provided in the order or final judgment to the  
23 persons and in the amounts as follows:

24 Name	Amount
25	
26 Total	
27	

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

30 . . .(Clerk) . . .  
31 By . . .(Deputy Clerk) . . .

1  
2 If no objections to the report are served within 10 days after  
3 it is filed, the disbursements by the clerk shall stand  
4 approved as reported. If timely objections to the report are  
5 served, they shall be heard by the court. Service of  
6 objections to the report does not affect or cloud the title of  
7 the purchaser of the property in any manner.

8 Section 2. Subsection (5) of section 55.202, Florida  
9 Statutes, is amended to read:

10 55.202 Judgments, orders, and decrees; lien on  
11 personal property.--

12 (5) Liens, assessments, warrants, or judgments filed  
13 pursuant to paragraph (2)(b) may be filed directly into the  
14 central database by the Department of Revenue, or its designee  
15 as determined by its executive director, through electronic or  
16 information data exchange programs approved by the Department  
17 of State. Such filings must contain the information set forth  
18 in s. 55.203(1).

19 Section 3. Paragraph (a) of subsection (4) of section  
20 69.041, Florida Statutes, is amended to read:

21 69.041 State named party; lien foreclosure, suit to  
22 quiet title.--

23 (4)(a) The Department of Revenue has the right to  
24 participate in the disbursement of funds remaining in the  
25 registry of the court after distribution pursuant to s.  
26 45.031(7). The department shall participate in accordance with  
27 applicable procedures in any mortgage foreclosure action in  
28 which the department has a duly filed tax warrant, or  
29 interests under a lien arising from a judgment, order, or  
30 decree for support, as defined in s. 409.2554, or interest in  
31 an unemployment compensation tax lien pursuant to a contract

1 with the Agency for Workforce Innovation, against the subject  
2 property and with the same priority, regardless of whether a  
3 default against the department, the Agency for Workforce  
4 Innovation, or the Department of Labor and Employment Security  
5 has been entered for failure to file an answer or other  
6 responsive pleading.

7 Section 4. Section 175.1015, Florida Statutes, is  
8 created to read:

9 175.1015 Determination of local premium tax situs.--

10 (1)(a) Any insurance company that is obligated to  
11 report and remit the excise tax on property insurance premiums  
12 imposed under s. 175.101 shall be held harmless from any  
13 liability for taxes, interest, or penalties that would  
14 otherwise be due solely as a result of an assignment of an  
15 insured property to an incorrect local taxing jurisdiction if  
16 the insurance company exercises due diligence in applying an  
17 electronic database provided by the Department of Revenue  
18 under subsection (2). Insurance companies that do not use the  
19 electronic database provided by the Department of Revenue or  
20 that do not exercise due diligence in applying the electronic  
21 database are subject to a penalty of 0.5 percent of the  
22 premium for each policy that is improperly assigned, whether  
23 assigned to an improper local taxing jurisdiction, not  
24 assigned to a local taxing jurisdiction when it should be  
25 assigned to a local taxing jurisdiction, or assigned to a  
26 local taxing jurisdiction when it should not be assigned to a  
27 local taxing jurisdiction.

28 (b) Any insurance company that is obligated to report  
29 and remit the excise tax on property insurance premiums  
30 imposed under s. 175.101 and is unable to assign an insured  
31 property to a specific local taxing jurisdiction for purposes

1 of complying with paragraph (a) shall remit the excise tax on  
2 property insurance premiums for the 2002 calendar year in a  
3 manner proportionately equal to the remittance for the 2001  
4 calendar year for the state's general revenue and the  
5 participating municipalities and special fire control  
6 districts. In calendar year 2003 and thereafter, the  
7 Department of Revenue shall remit the excise tax on property  
8 insurance premiums for such policies that an insurance company  
9 is unable to assign a specific local taxing jurisdiction by  
10 calculating the proportionate growth in assessed property  
11 value by the participating municipalities and special fire  
12 control districts in comparison to the growth in assessed  
13 property value of the remaining area of the state.

14 (c) Notwithstanding the provisions of this section,  
15 the amount of insurance premium tax allocated to the General  
16 Revenue Fund shall not be less than the amount that is  
17 allocated in 2002.

18 (d) Notwithstanding any other provision of law, no  
19 methodology, formula, or database that is adopted by rule or  
20 policy in any year subsequent to the effective date of this  
21 act may result in a distribution to a participating  
22 municipality or special fire control district of an amount of  
23 the insurance premium tax which is less than the amount that  
24 is distributed to such municipality or special fire control  
25 district in 2002.

26 (e) A municipality or special fire control district  
27 that receives an insurance premium tax distribution in excess  
28 of 200 percent of the tax distribution which such municipality  
29 or special fire control district received for the calendar  
30 year 1998 shall not be required to expend for extra pension  
31 benefits such portion of its insurance premium tax

1 distribution which exceeds 200 percent of the calendar year  
2 1998 distribution, provided such municipality or special fire  
3 control district has met all the minimum pension benefit  
4 requirements of chapter 99-1, Laws of Florida. This paragraph  
5 is effective only for calendar year 2004 and stands repealed  
6 on January 1, 2005.

7 (f) Beginning January 1, 2005, and each year  
8 thereafter, any municipality or special fire control district  
9 that received an increase in insurance premium tax revenues in  
10 the 2004 calendar year which exceeded 200 percent of the  
11 revenues it received in the 1998 calendar year shall expend  
12 any annual increase in premium tax revenues to provide extra  
13 pension benefits. This paragraph shall only apply to a  
14 municipality or special fire control district that met the  
15 provisions set forth in paragraph (b) and shall not otherwise  
16 apply to other relevant sections of the Florida Statutes.

17 (g) The requirements of paragraphs (e) and (f) shall  
18 not apply to a municipality or special fire control district  
19 that uses its insurance premium tax distribution for  
20 supplemental benefits. Furthermore, the Municipal Police and  
21 Firefighters Trust Fund Office shall determine the  
22 calculations for paragraphs (e) and (f) and shall notify the  
23 appropriate municipality or special fire control district.

24 (2)(a) The Department of Revenue shall, subject to  
25 legislative appropriation, create as soon as practical and  
26 feasible, and thereafter shall maintain, an electronic  
27 database that gives due and proper regard to any format that  
28 is approved by the American National Standards Institute's  
29 Accredited Standards Committee X12 and that designates for  
30 each street address and address range in the state, including  
31 any multiple postal street addresses applicable to one street

1 location, the local taxing jurisdiction in which the street  
2 address and address range is located and the appropriate code  
3 for each such participating local taxing jurisdiction,  
4 identified by one nationwide standard numeric code. The  
5 nationwide standard numeric code must contain the same number  
6 of numeric digits, and each digit or combination of digits  
7 must refer to the same level of taxing jurisdiction throughout  
8 the United States and must be in a format similar to FIPS 55-3  
9 or other appropriate standard approved by the Federation of  
10 Tax Administrators and the Multistate Tax Commission. Each  
11 address or address range must be provided in standard postal  
12 format, including the street number, street number range,  
13 street name, and zip code. Each year after the creation of the  
14 initial database, the Department of Revenue shall annually  
15 create and maintain a database for the current tax year. Each  
16 annual database must be calendar-year specific.

17 (b)1. Each participating local taxing jurisdiction  
18 shall furnish to the Department of Revenue all information  
19 needed to create the electronic database as soon as practical  
20 and feasible. The information furnished to the Department of  
21 Revenue must specify an effective date.

22 2. Each participating local taxing jurisdiction shall  
23 furnish to the Department of Revenue all information needed to  
24 create and update the current year's database, including  
25 changes in annexations, incorporations, and reorganizations  
26 and any other changes in jurisdictional boundaries as well as  
27 changes in eligibility to participate in the excise tax  
28 imposed under this chapter. The information must specify an  
29 effective date and must be furnished to the Department of  
30 Revenue by July 1 of the current year.

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1           3. The Department of Revenue shall create and update  
2 the current year's database in accordance with the information  
3 furnished by participating local taxing jurisdictions under  
4 subparagraph 1. or subparagraph 2., as appropriate. To the  
5 extent practicable, the Department of Revenue shall post each  
6 new annual database on a website by October 1 of each year.  
7 Each participating local taxing jurisdiction shall have access  
8 to this website and, within 45 days thereafter, shall provide  
9 any corrections to the Department of Revenue. The Department  
10 of Revenue shall finalize the current year's database and post  
11 it on a website by December 15 of the tax year. If a dispute  
12 in jurisdictional boundaries cannot be resolved so that  
13 changes in boundaries may be included, as appropriate, in the  
14 database by December 15, the changes may not be retroactively  
15 included in the current year's database and the boundaries  
16 shall remain the same as in the previous year's database. The  
17 finalized database must be used in assigning policies and  
18 premiums to the proper local taxing jurisdiction for the  
19 insurance premium tax return due on the following March 1. The  
20 Department of Revenue shall furnish the annual database on  
21 magnetic or electronic media to any insurance company or  
22 vendor that requests the database for the sole purpose of  
23 assigning insurance premiums to the proper local taxing  
24 jurisdiction for the excise tax imposed under this chapter.  
25 Information contained in the electronic database is conclusive  
26 for purposes of this chapter. The electronic database is not  
27 an order, a rule, or a policy of general applicability.  
28           4. Each annual database must identify the additions,  
29 deletions, and other changes to the preceding version of the  
30 database.  
31

1       (3)(a) As used in this section, the term "due  
2 diligence" means the care and attention that is expected from  
3 and is ordinarily exercised by a reasonable and prudent person  
4 under the circumstances.

5       (b) Notwithstanding any law to the contrary, an  
6 insurance company is exercising due diligence if the insurance  
7 company assigns an insured's premium to local taxing  
8 jurisdictions in accordance with the Department of Revenue's  
9 annual database and:

10       1. Expends reasonable resources to accurately and  
11 reliably implement such method.

12       2. Maintains adequate internal controls to correctly  
13 include in its database of policyholders the location of the  
14 property insured, in the proper address format, so that  
15 matching with the department's database is accurate.

16       3. Corrects errors in the assignment of addresses to  
17 local taxing jurisdictions within 120 days after the insurance  
18 company discovers the errors.

19       (4) There is annually appropriated from the moneys  
20 collected under this chapter and deposited in the Police and  
21 Firefighter's Premium Tax Trust Fund an amount sufficient to  
22 pay the expenses of the Department of Revenue in administering  
23 this section, but not to exceed \$50,000 annually, adjusted  
24 annually by the lesser of a 5-percent increase or the  
25 percentage of growth in the total collections.

26       (5) The Department of Revenue shall adopt rules  
27 necessary to administer this section, including rules  
28 establishing procedures and forms.

29       Section 5. Section 185.085, Florida Statutes, is  
30 created to read:

31       185.085 Determination of local premium tax situs.--



1           (1)(a) Any insurance company that is obligated to  
2 report and remit the excise tax on casualty insurance premiums  
3 imposed under s. 185.08 shall be held harmless from any  
4 liability for taxes, interest, or penalties that would  
5 otherwise be due solely as a result of an assignment of an  
6 insured property to an incorrect local taxing jurisdiction if  
7 the insurance company exercises due diligence in applying an  
8 electronic database provided by the Department of Revenue  
9 under subsection (2). Insurance companies that do not use the  
10 electronic database provided by the Department of Revenue or  
11 that do not exercise due diligence in applying the electronic  
12 database are subject to a penalty of 0.5 percent of the  
13 premium for each policy that is improperly assigned, whether  
14 assigned to an improper local taxing jurisdiction, not  
15 assigned to a local taxing jurisdiction when it should be  
16 assigned to a local taxing jurisdiction, or assigned to a  
17 local taxing jurisdiction when it should not be assigned to a  
18 local taxing jurisdiction.

19           (b) Any insurance company that is obligated to report  
20 and remit the excise tax on certain casualty insurance  
21 premiums imposed under s. 185.08 and is unable to assign an  
22 insured property to a specific local taxing jurisdiction for  
23 purposes of complying with paragraph (a) shall remit the  
24 excise tax on casualty insurance premiums for the 2002  
25 calendar year in a manner proportionately equal to the  
26 remittance for the 2001 calendar year for the state's general  
27 revenue and the participating municipalities. In calendar  
28 year 2003 and thereafter, the Department of Revenue shall  
29 remit the excise tax on casualty insurance premiums for such  
30 policies that an insurance company is unable to assign a  
31 specific local taxing jurisdiction by calculating the

1 proportionate growth in population by the participating  
2 municipalities in comparison to the growth in population of  
3 the remaining area of the state.

4 (c) Notwithstanding the provisions of this section,  
5 the amount of insurance premium tax allocated to the General  
6 Revenue Fund shall not be less than the amount that is  
7 allocated in 2002.

8 (d) Notwithstanding any other provision of law, no  
9 methodology, formula, or database that is adopted by rule or  
10 policy in any year subsequent to the effective date of this  
11 act may result in a distribution to a participating  
12 municipality of an amount of the insurance premium tax which  
13 is less than the amount that is distributed to such  
14 municipality in 2002.

15 (e) A municipality that receives an insurance premium  
16 tax distribution in excess of 200 percent of the tax  
17 distribution which such municipality received for the calendar  
18 year 1998 is not required to expend for extra pension benefits  
19 such portion of its insurance premium tax distribution which  
20 exceeds 200 percent of the calendar year 1998 distribution,  
21 provided such municipality has met all the minimum pension  
22 benefit requirements of chapter 99-1, Laws of Florida. This  
23 paragraph is effective only for calendar year 2004 and stands  
24 repealed on January 1, 2005.

25 (f) Beginning January 1, 2005, and each calendar year  
26 thereafter, any municipality that received an increase in  
27 insurance premium tax revenues in the 2004 calendar year which  
28 exceeded 200 percent of the revenues it received in the 1998  
29 calendar year must expend any annual increase in premium tax  
30 revenues to provide extra pension benefits. This paragraph  
31 shall only apply to a municipality that met the provisions set

1 forth in paragraph (b) and shall not otherwise apply to other  
2 relevant sections of the Florida Statutes.

3 (g) The requirements of paragraphs (e) and (f) shall  
4 not apply to a municipality that uses its insurance premium  
5 tax distribution for supplemental benefits. Furthermore, the  
6 Municipal Police and Firefighters Trust Fund Office shall  
7 determine the calculations for paragraphs (e) and (f) and  
8 shall notify the appropriate municipality.

9 (2)(a) The Department of Revenue shall, subject to  
10 legislative appropriation, create as soon as practical and  
11 feasible, and thereafter shall maintain, an electronic  
12 database that gives due and proper regard to any format that  
13 is approved by the American National Standards Institute's  
14 Accredited Standards Committee X12 and that designates for  
15 each street address and address range in the state, including  
16 any multiple postal street addresses applicable to one street  
17 location, the local taxing jurisdiction in which the street  
18 address and address range is located and the appropriate code  
19 for each such participating local taxing jurisdiction,  
20 identified by one nationwide standard numeric code. The  
21 nationwide standard numeric code must contain the same number  
22 of numeric digits, and each digit or combination of digits  
23 must refer to the same level of taxing jurisdiction throughout  
24 the United States and must be in a format similar to FIPS 55-3  
25 or other appropriate standard approved by the Federation of  
26 Tax Administrators and the Multistate Tax Commission. Each  
27 address or address range must be provided in standard postal  
28 format, including the street number, street number range,  
29 street name, and zip code. Each year after the creation of the  
30 initial database, the Department of Revenue shall annually

31

1 create and maintain a database for the current tax year. Each  
2 annual database must be calendar-year specific.

3 (b)1. Each participating local taxing jurisdiction  
4 shall furnish to the Department of Revenue all information  
5 needed to create the electronic database as soon as practical  
6 and feasible. The information furnished to the Department of  
7 Revenue must specify an effective date.

8 2. Each participating local taxing jurisdiction shall  
9 furnish to the Department of Revenue all information needed to  
10 create and update the current year's database, including  
11 changes in annexations, incorporations, and reorganizations  
12 and any other changes in jurisdictional boundaries as well as  
13 changes in eligibility to participate in the excise tax  
14 imposed under this chapter. The information must specify an  
15 effective date and must be furnished to the Department of  
16 Revenue by July 1 of the current year.

17 3. The Department of Revenue shall create and update  
18 the current year's database in accordance with the information  
19 furnished by participating local taxing jurisdictions under  
20 subparagraph 1. or subparagraph 2., as appropriate. To the  
21 extent practicable, the Department of Revenue shall post each  
22 new annual database on a website by October 1 of each year.  
23 Each participating local taxing jurisdiction shall have access  
24 to this website and, within 45 days thereafter, shall provide  
25 any corrections to the Department of Revenue. The Department  
26 of Revenue shall finalize the current year's database and post  
27 it on a website by December 15 of the tax year. If a dispute  
28 in jurisdictional boundaries cannot be resolved so that  
29 changes in boundaries may be included, as appropriate, in the  
30 database by December 15, the changes may not be retroactively  
31 included in the current year's database and the boundaries

1 shall remain the same as in the previous year's database. The  
2 finalized database must be used in assigning policies and  
3 premiums to the proper local taxing jurisdiction for the  
4 insurance premium tax return due on the following March 1. The  
5 Department of Revenue shall furnish the annual database on  
6 magnetic or electronic media to any insurance company or  
7 vendor that requests the database for the sole purpose of  
8 assigning insurance premiums to the proper local taxing  
9 jurisdiction for the excise tax imposed under this chapter.  
10 Information contained in the electronic database is conclusive  
11 for purposes of this chapter. The electronic database is not  
12 an order, a rule, or a policy of general applicability.

13 4. Each annual database must identify the additions,  
14 deletions, and other changes to the preceding version of the  
15 database.

16 (3)(a) As used in this section, the term "due  
17 diligence" means the care and attention that is expected from  
18 and is ordinarily exercised by a reasonable and prudent person  
19 under the circumstances.

20 (b) Notwithstanding any law to the contrary, an  
21 insurance company is exercising due diligence if the insurance  
22 company assigns an insured's premium to local taxing  
23 jurisdictions in accordance with the Department of Revenue's  
24 annual database and:

25 1. Expends reasonable resources to accurately and  
26 reliably implement such method.

27 2. Maintains adequate internal controls to correctly  
28 include in its database of policyholders the location of the  
29 property insured, in the proper address format, so that  
30 matching with the department's database is accurate.

31

1           3. Corrects errors in the assignment of addresses to  
2 local taxing jurisdictions within 120 days after the insurance  
3 company discovers the errors.

4           (4) There is annually appropriated from the moneys  
5 collected under this chapter and deposited in the Police and  
6 Firefighter's Premium Tax Trust Fund an amount sufficient to  
7 pay the expenses of the Department of Revenue in administering  
8 this section, but not to exceed \$50,000 annually, adjusted  
9 annually by the lesser of a 5-percent increase or the  
10 percentage of growth in the total collections.

11           (5) The Department of Revenue shall adopt rules  
12 necessary to administer this section, including rules  
13 establishing procedures and forms.

14           Section 6. Subsection (2) of section 199.052, Florida  
15 Statutes, is amended to read:

16           199.052 Annual tax returns; payment of annual tax.--

17           (2) No person, corporation, agent, or fiduciary shall  
18 be required to pay the annual tax in any year when the  
19 aggregate annual tax upon the ~~person's~~ intangible personal  
20 property, after exemptions but before application of any  
21 discount for early filing, would be less than \$60. In such  
22 case, an annual return is not required ~~unless the taxpayer is~~  
23 ~~a corporation or an agent or fiduciary of whom the department~~  
24 ~~requires an informational return.~~ Agents and fiduciaries shall  
25 report for each person for whom they hold intangible personal  
26 property if the aggregate annual tax on such person is \$60 or  
27 more.

28           Section 7. Subsection (2) of section 199.218, Florida  
29 Statutes, is amended to read:

30           199.218 Books and records.--

1           (2) Each ~~corporation and~~ broker subject to the  
2 provisions of s. 199.062 shall preserve all books and other  
3 records relating to the information reported under s. 199.062  
4 or otherwise required by rule of the department for a period  
5 of 3 years from the due date of the report.

6           Section 8. Paragraph (a) of subsection (6) of section  
7 199.282, Florida Statutes, is amended to read:

8           199.282 Penalties for violation of this chapter.--

9           (6) Late reporting penalties shall be imposed as  
10 follows:

11           (a) A penalty of \$100 upon any corporation that ~~which~~  
12 does not timely file a written notice required under s.  
13 199.057(2)(c) ~~or s. 199.062(2)~~.

14           Section 9. Subsection (8) is added to section 201.02,  
15 Florida Statutes, to read:

16           201.02 Tax on deeds and other instruments relating to  
17 real property or interests in real property.--

18           (8) Taxes imposed by this section do not apply to a  
19 contract to sell the residence of an employee relocating at  
20 his or her employer's direction or to documents related to the  
21 contract, which contract is between the employee and the  
22 employer or between the employee and a person in the business  
23 of providing employee relocation services. In the case of  
24 such transactions, taxes apply only to the transfer of the  
25 real property comprising the residence by deed that vests  
26 legal title in a named grantee.

27           Section 10. Subsections (1), (2), (4), and (5) of  
28 section 201.08, Florida Statutes, are amended to read:

29           201.08 Tax on promissory or nonnegotiable notes,  
30 written obligations to pay money, or assignments of wages or  
31 other compensation; exception.--

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

9           (b) On mortgages, trust deeds, security agreements, or  
10 other evidences of indebtedness filed or recorded in this  
11 state, and for each renewal of the same, the tax shall be 35  
12 cents on each \$100 or fraction thereof of the indebtedness or  
13 obligation evidenced thereby. Mortgages, including, but not  
14 limited to, mortgages executed without the state and recorded  
15 in the state, which incorporate the certificate of  
16 indebtedness, not otherwise shown in separate instruments, are  
17 subject to the same tax at the same rate. When there is both  
18 a mortgage, trust deed, or security agreement and a note,  
19 certificate of indebtedness, or obligation, the tax shall be  
20 paid on the mortgage, trust deed, or security agreement at the  
21 time of recordation. A notation shall be made on the note,  
22 certificate of indebtedness, or obligation that the tax has  
23 been paid on the mortgage, trust deed, or security agreement.  
24 Where a mortgage, trust deed, security agreement, or other  
25 evidence of indebtedness is subsequently filed or recorded in  
26 this state to evidence an indebtedness or obligation upon  
27 which tax was paid pursuant to paragraph (a) or paragraph  
28 (2)(a), tax shall be paid on the mortgage, trust deed,  
29 security agreement, or other evidence of indebtedness on the  
30 amount of the indebtedness or obligation evidenced which  
31 exceeds the aggregate amount upon which tax was previously



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

24 (2)(a) On promissory notes, nonnegotiable notes,  
25 written obligations to pay money, or other compensation, made,  
26 executed, delivered, sold, transferred, or assigned in the  
27 state, in connection with sales made under retail charge  
28 account services, incident to sales which are not conditional  
29 in character and which are not secured by mortgage or other  
30 pledge of purchaser, the tax shall be 35 cents on each \$100 or  
31 fraction thereof of the gross amount of the indebtedness

1 evidenced by such instruments, payable quarterly on such forms  
2 and under such rules and regulations as may be promulgated by  
3 the Department of Revenue. The tax on any document described  
4 in this paragraph shall not exceed \$2,450.

5 (b) Any receipt, charge slip, or other record of a  
6 transaction effected with the use of a credit card, charge  
7 card, or debit card shall be exempt from the tax imposed by  
8 this section.

9 (4) Notwithstanding paragraph (1)(b)~~subsection (1)~~, a  
10 supplement or an amendment to a mortgage, deed of trust,  
11 indenture, or security agreement, which supplement or  
12 amendment is filed or recorded in this state in connection  
13 with a new issue of bonds, shall be subject to the tax imposed  
14 by paragraph (1)(b)~~subsection (1)~~ only to the extent of the  
15 aggregate amount of the new issue of bonds or other evidence  
16 of indebtedness and not to the extent of the aggregate amount  
17 of bonds or other evidence of indebtedness previously issued  
18 under the instrument being supplemented or amended. In order  
19 to qualify for the tax treatment provided for in this  
20 subsection, the document which evidences the increase in  
21 indebtedness must show the official records book and page  
22 number in which, and the county in which, the original  
23 obligation and any prior increase in that obligation were  
24 recorded.

25 (5) For purposes of this section, a renewal shall only  
26 include modifications of an original document which change the  
27 terms of the indebtedness evidenced by the original document  
28 by adding one or more obligors, increasing the principal  
29 balance, or changing the interest rate, maturity date, or  
30 payment terms. Modifications to documents which do not modify  
31 the terms of the indebtedness evidenced such as those given or

1 recorded to correct error; modify covenants, conditions, or  
2 terms unrelated to the debt; sever a lien into separate liens;  
3 provide for additional, substitute, or further security for  
4 the indebtedness; consolidate indebtedness or collateral; add,  
5 change, or delete guarantors; or which substitute a new  
6 mortgagee or payee are not renewals and are not subject to tax  
7 pursuant to this section. If the taxable amount of a mortgage  
8 is limited by language contained in the mortgage or by the  
9 application of rules limiting the tax base when there is  
10 collateral in more than one state, then a modification which  
11 changes such limitation or tax base shall be taxable only to  
12 the extent of any increase in the limitation or tax base  
13 attributable to such modification. This subsection shall not  
14 be interpreted to exempt from taxation an original mortgage  
15 that ~~which~~ would otherwise be subject to tax pursuant to  
16 paragraph (1)(b) ~~subsection (1)~~.

17 Section 11. Subsection (4) of section 202.125, Florida  
18 Statutes, is amended to read:

19 202.125 Sales of communications services; specified  
20 exemptions.--

21 (4) The sale of communications services to a religious  
22 or educational organization that is exempt from federal income  
23 tax under s. 501(c)(3) of the Internal Revenue Code, or by a  
24 religious organization that is exempt from federal income tax  
25 under s. 501(c)(3) of the Internal Revenue Code having an  
26 established physical place for worship at which nonprofit  
27 religious services and activities are regularly conducted and  
28 carried on, is exempt from the taxes imposed or administered  
29 pursuant to ss. 202.12 and 202.19.

30  
31

1           Section 12. Paragraph (b) of subsection (2), paragraph  
2 (b) of subsection (3), and paragraph (b) of subsection (4) of  
3 section 211.3103, Florida Statutes, are amended to read:

4           211.3103 Levy of tax on severance of phosphate rock;  
5 rate, basis, and distribution of tax.--

6           (2) The proceeds of all taxes, interest, and penalties  
7 imposed under this section shall be paid into the State  
8 Treasury through June 30, 1995, as follows:

9           (b) The remaining revenues collected from the tax  
10 during that fiscal year, after the required payment under  
11 paragraph (a), shall be paid into the State Treasury as  
12 follows:

13           1. To the credit of the General Revenue Fund of the  
14 state, 60 percent. However, from this amount the amounts of  
15 \$7.4 million, \$8.2 million, and \$8.1 million, respectively,  
16 shall be transferred to the Nonmandatory Land Reclamation  
17 Trust Fund on January 1, 1993, January 1, 1994, and January 1,  
18 1995.

19           2. To the credit of the Nonmandatory Land Reclamation  
20 Trust Fund which is established for reclamation and  
21 acquisition of unreclaimed lands disturbed by phosphate mining  
22 and not subject to mandatory reclamation, 20 percent.

23           3. To the credit of the Phosphate Research Trust Fund  
24 in the Department of Education, Division of Universities, to  
25 carry out the purposes set forth in s. 378.101, 10 percent.

26           4. For payment to counties in proportion to the number  
27 of tons of phosphate rock produced from a phosphate rock  
28 matrix located within such political boundary, 10 percent. The  
29 department shall distribute this portion of the proceeds  
30 annually based on production information reported by producers  
31 on the ~~most recent~~ annual returns for the taxable ~~filed prior~~

1 ~~to the beginning of the fiscal~~ year. Any such proceeds  
2 received by a county shall be used only for phosphate-related  
3 expenses.

4 (3) Beginning July 1, 1995, the proceeds of all taxes,  
5 interest, and penalties imposed under this section shall be  
6 paid into the State Treasury as follows:

7 (b) The remaining revenues collected from the tax  
8 during that fiscal year, after the required payment under  
9 paragraph (a), shall be paid into the State Treasury as  
10 follows:

11 1. To the credit of the General Revenue Fund of the  
12 state, 58 percent.

13 2. To the credit of the Nonmandatory Land Reclamation  
14 Trust Fund for reclamation and acquisition of unreclaimed  
15 lands disturbed by phosphate mining and not subject to  
16 mandatory reclamation, 14.5 percent.

17 3. To the credit of the Phosphate Research Trust Fund  
18 in the Department of Education, Division of Universities, to  
19 carry out the purposes set forth in s. 378.101, 10 percent.

20 4. For payment to counties in proportion to the number  
21 of tons of phosphate rock produced from a phosphate rock  
22 matrix located within such political boundary, 10 percent. The  
23 department shall distribute this portion of the proceeds  
24 annually based on production information reported by producers  
25 on the ~~most recent~~ annual returns for the taxable ~~filed prior~~  
26 ~~to the beginning of the fiscal~~ year. Any such proceeds  
27 received by a county shall be used only for phosphate-related  
28 expenses.

29 5. To the credit of the Minerals Trust Fund, 7.5  
30 percent.  
31

1           (4) If the base rate is reduced pursuant to paragraph  
2 (5)(c), then the proceeds of the tax shall be paid into the  
3 State Treasury as follows:

4           (b) The remaining revenues collected from the tax  
5 during that fiscal year, after the required payment under  
6 paragraph (a), shall be paid into the State Treasury as  
7 follows:

8           1. To the credit of the General Revenue Fund of the  
9 state, 55.15 percent.

10           2. To the credit of the Phosphate Research Trust Fund  
11 in the Department of Education, Division of Universities, 12.5  
12 percent.

13           3. For payment to counties in proportion to the number  
14 of tons of phosphate rock produced from a phosphate rock  
15 matrix located within such political boundary, 18 percent. The  
16 department shall distribute this portion of the proceeds  
17 annually based on production information reported by producers  
18 ~~on the most recent annual returns for the taxable filed prior~~  
19 ~~to the beginning of the fiscal year.~~ Any such proceeds  
20 received by a county shall be used only for phosphate-related  
21 expenses.

22           4. To the credit of the Minerals Trust Fund, 14.35  
23 percent.

24           Section 13. Paragraph (g) of subsection (10) of  
25 section 212.02, Florida Statutes, is amended to read:

26           212.02 Definitions.--The following terms and phrases  
27 when used in this chapter have the meanings ascribed to them  
28 in this section, except where the context clearly indicates a  
29 different meaning:

30           (10) "Lease," "let," or "rental" means leasing or  
31 renting of living quarters or sleeping or housekeeping

1 accommodations in hotels, apartment houses, roominghouses,  
2 tourist or trailer camps and real property, the same being  
3 defined as follows:

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

26 Section 14. Paragraph (b) of subsection (1) of section  
27 212.05, Florida Statutes, is amended to read:

28 212.05 Sales, storage, use tax.--It is hereby declared  
29 to be the legislative intent that every person is exercising a  
30 taxable privilege who engages in the business of selling  
31 tangible personal property at retail in this state, including

1 the business of making mail order sales, or who rents or  
2 furnishes any of the things or services taxable under this  
3 chapter, or who stores for use or consumption in this state  
4 any item or article of tangible personal property as defined  
5 herein and who leases or rents such property within the state.

6 (1) For the exercise of such privilege, a tax is  
7 levied on each taxable transaction or incident, which tax is  
8 due and payable as follows:

9 (b) At the rate of 6 percent of the cost price of each  
10 item or article of tangible personal property when the same is  
11 not sold but is used, consumed, distributed, or stored for use  
12 or consumption in this state; however, for tangible property  
13 originally purchased exempt from tax for use exclusively for  
14 lease while in this state and which is converted to the  
15 owner's own use while in this state, tax may be paid on the  
16 fair market value of the property at the time of conversion.  
17 If the fair market value of the property cannot be determined,  
18 use tax at the time of conversion shall be based on the  
19 owner's acquisition cost. Under no circumstances may the  
20 aggregate amount of sales tax from leasing the property and  
21 use tax due at the time of conversion be less than the total  
22 sales tax that would have been due on the original acquisition  
23 cost paid by the owner.

24 Section 15. Subsection (3) of section 212.051, Florida  
25 Statutes, is amended to read:

26 212.051 Equipment, machinery, and other materials for  
27 pollution control; not subject to sales or use tax.--

28 (3) For the purposes of this section, "specialty  
29 chemicals" means those chemicals used primarily for the  
30 control or abatement of air and water pollution or  
31 contaminants. Specialty chemicals include ~~to enhance or~~



1 ~~further treat wastewater, including,~~ but are not limited to,  
2 defoamers, nutrients, and polymers, ~~and~~ "Bioaugmentation  
3 products" means the microorganisms used in waste treatment  
4 plants to break down solids and consume organic matter.

5 Section 16. Effective July 1, 2002, paragraph (b) of  
6 subsection (14) of section 212.06, Florida Statutes, is  
7 amended to read:

8 212.06 Sales, storage, use tax; collectible from  
9 dealers; "dealer" defined; dealers to collect from purchasers;  
10 legislative intent as to scope of tax.--

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

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

30 Section 17. It is the intent of the Legislature that  
31 the amendment made by this act to s. 212.06(14)(b), Florida

1 Statutes, relating to industrial machinery or equipment, is  
2 remedial in nature and merely clarifies existing law.

3 Section 18. Paragraph (b) of subsection (1) of section  
4 212.07, Florida Statutes, is amended to read:

5 212.07 Sales, storage, use tax; tax added to purchase  
6 price; dealer not to absorb; liability of purchasers who  
7 cannot prove payment of the tax; penalties; general  
8 exemptions.--

9 (1)

10 (b) A resale must be in strict compliance with s.  
11 212.18 and the rules and regulations, and any dealer who makes  
12 a sale for resale which is not in strict compliance with s.  
13 212.18 and the rules and regulations shall himself or herself  
14 be liable for and pay the tax. Any dealer who makes a sale for  
15 resale shall document the exempt nature of the transaction, as  
16 established by rules promulgated by the department, by  
17 retaining a copy of the purchaser's resale certificate. In  
18 lieu of maintaining a copy of the certificate, a dealer may  
19 document, prior to the time of sale, an authorization number  
20 provided telephonically or electronically by the department,  
21 or by such other means established by rule of the department.  
22 ~~The department shall adopt rules that provide that, for~~  
23 ~~purchasers who purchase on account from a dealer on a~~  
24 ~~continual basis,~~The dealer may rely on a resale certificate  
25 issued pursuant to s. 212.18(3)(c), valid at the time of  
26 receipt from the purchaser, without seeking annual  
27 verification of the resale certificate if the dealer makes  
28 recurring sales to a purchaser in the normal course of  
29 business on a continual basis. For purposes of this paragraph,  
30 "recurring sales to a purchaser in the normal course of  
31 business" refers to a sale in which the dealer extends credit

1 to the purchaser and records the debt as an account  
2 receivable, or in which the dealer sells to a purchaser who  
3 has an established cash or C.O.D. account, similar to an open  
4 credit account. For purposes of this paragraph, purchases are  
5 made from a selling dealer on a continual basis if the selling  
6 dealer makes, in the normal course of business, sales to the  
7 purchaser no less frequently than once in every 12-month  
8 period. A dealer may, through the informal protest provided  
9 for in s. 213.21 and the rules of the Department of Revenue,  
10 provide the department with evidence of the exempt status of a  
11 sale. Consumer certificates of exemption executed by those  
12 exempt entities that were registered with the department at  
13 the time of sale, resale certificates provided by purchasers  
14 who were active dealers at the time of sale, and verification  
15 by the department of a purchaser's active dealer status at the  
16 time of sale in lieu of a resale certificate shall be accepted  
17 by the department when submitted during the protest period,  
18 but may not be accepted in any proceeding under chapter 120 or  
19 any circuit court action instituted under chapter 72.

20 Section 19. Effective July 1, 2002, subsection (9) is  
21 added to section 212.07, Florida Statutes, to read:

22 212.07 Sales, storage, use tax; tax added to purchase  
23 price; dealer not to absorb; liability of purchasers who  
24 cannot prove payment of the tax; penalties; general  
25 exemptions.--

26 (9)(a) If a purchaser engaging in transactions taxable  
27 under this chapter did not pay tax to a vendor based on a good  
28 faith belief that the transaction was a nontaxable purchase  
29 for resale or the transaction was exempt as a purchase by an  
30 organization exempt from tax under this chapter, except as  
31 provided in paragraph (b), neither the purchaser nor the

- 1 vendor is directly liable for any tax, interest, or penalty  
2 that would otherwise be due if the following conditions are  
3 met:
- 4       1. At the time of the purchase, the purchaser was not  
5 registered as a dealer with the department or did not hold a  
6 consumer's certificate of exemption from the department.
- 7       2. At the time of the purchase, the purchaser was  
8 qualified to register with the department as a dealer or to  
9 receive a consumer's certificate of exemption from the  
10 department.
- 11       3. Before applying for treatment under this  
12 subsection, the purchaser has registered with the department  
13 as a dealer or has applied for and received a consumer's  
14 certificate of exemption from the department.
- 15       4. The purchaser establishes justifiable cause for  
16 failure to register as a dealer or to obtain a consumer's  
17 certificate of exemption before making the purchase. Whether a  
18 purchaser has established justifiable cause for failure to  
19 register depends on the facts and circumstances of each case,  
20 including, but not limited to, such factors as the complexity  
21 of the transaction, the purchaser's business experience and  
22 history, whether the purchaser sought advice on its tax  
23 obligations, whether any such advice was followed, and any  
24 remedial action taken by the purchaser.
- 25       5. The transaction would otherwise qualify as exempt  
26 under this chapter except for the fact that at the time of the  
27 purchase the purchaser was not registered as a dealer with the  
28 department or did not hold a consumer's certificate of  
29 exemption from the department.
- 30       6. Relief pursuant to this subsection is applied for:  
31

1           a. Before the department has initiated any audit or  
2 other action or inquiry in regard to the purchaser or the  
3 vendor; or

4           b. If any audit or other action or inquiry of the  
5 purchaser or the vendor has already been initiated, within 7  
6 days after being informed in writing by the department that  
7 the purchaser was required to be registered or to hold a  
8 consumer's certificate of exemption at the time the  
9 transaction occurred.

10           (b) In lieu of the tax, penalties, and interest that  
11 would otherwise have been due, the department shall impose and  
12 collect the following mandatory penalties, which the  
13 department may not waive:

14           1. If a purchaser or vendor applies for relief before  
15 the department initiates any audit or other action or inquiry,  
16 the mandatory penalty is the lesser of \$1,000 or 10 percent of  
17 the total tax due on transactions that qualify for treatment  
18 under this subsection.

19           2. If a purchaser or vendor applies for relief after  
20 an audit or other action or inquiry has already been initiated  
21 by the department, the mandatory penalty is the lesser of  
22 \$5,000 or 20 percent of the total tax due on transactions that  
23 qualify for treatment under this subsection.

24  
25 The department may impose and collect the mandatory penalties  
26 from either the purchaser or the vendor that failed to obtain  
27 proper documentation at the time of the transaction.

28           (c) The department may adopt forms and rules to  
29 administer this subsection.

30           Section 20. It is the intent of the Legislature that  
31 s. 212.07(9), Florida Statutes, created by this act, applies

1 to all pending sales and use tax audits or other actions or  
2 inquiries, including those currently under protest or in  
3 litigation. Taxpayers in such pending audits or other actions  
4 or inquiries have until the later of the date provided by s.  
5 212.07(9)(b), Florida Statutes, or 90 days after the effective  
6 date of this act to apply for the treatment provided in such  
7 paragraph. This section does not create any right to refund  
8 for taxes previously assessed and paid in regard to audits or  
9 other actions or inquires that are no longer pending.

10 Section 21. Effective upon this act becoming a law and  
11 operating retroactively to July 1, 1996, paragraph (c) of  
12 subsection (5) of section 212.08, Florida Statutes, is amended  
13 to read:

14 212.08 Sales, rental, use, consumption, distribution,  
15 and storage tax; specified exemptions.--The sale at retail,  
16 the rental, the use, the consumption, the distribution, and  
17 the storage to be used or consumed in this state of the  
18 following are hereby specifically exempt from the tax imposed  
19 by this chapter.

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

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

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

1 nonresidual fuel shall not reduce the exemption otherwise  
2 available under this paragraph.

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

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

26           Section 22. Effective July 1, 2002, paragraphs (b),  
27 (d), and (f) of subsection (5) of section 212.08, Florida  
28 Statutes, are amended to read:

29           212.08 Sales, rental, use, consumption, distribution,  
30 and storage tax; specified exemptions.--The sale at retail,  
31 the rental, the use, the consumption, the distribution, and

1 the storage to be used or consumed in this state of the  
2 following are hereby specifically exempt from the tax imposed  
3 by this chapter.

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

5 (b) Machinery and equipment used to increase  
6 productive output.--

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

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

30 b. Notwithstanding any other provision of this  
31 section, industrial machinery and equipment purchased for use



1 in expanding printing manufacturing facilities or plant units  
2 that manufacture, process, compound, or produce for sale items  
3 of tangible personal property at fixed locations in this state  
4 are exempt from any amount of tax imposed by this chapter upon  
5 an affirmative showing by the taxpayer to the satisfaction of  
6 the department that such items are used to increase the  
7 productive output of such an expanded business by not less  
8 than 10 percent.

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

17           b. The applicant shall be required to maintain all  
18 necessary books and records to support the exemption. Upon  
19 completion of purchases of qualified machinery and equipment  
20 pursuant to subparagraph 1. or subparagraph 2., the temporary  
21 tax permit shall be delivered to the department or returned to  
22 the department by certified or registered mail.

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

1           d. In the event a qualifying business entity fails to  
2 apply for a temporary exemption permit or if the tentative  
3 determination by the department required to obtain a temporary  
4 exemption permit is negative, a qualifying business entity  
5 shall receive the exemption provided in subparagraph 1. or  
6 subparagraph 2. through a refund of previously paid taxes. No  
7 refund may be made for such taxes unless the criteria mandated  
8 by subparagraph 1. or subparagraph 2. have been met and  
9 commencement of production has occurred.

10           4. The department shall adopt ~~promulgate~~ rules  
11 governing applications for, issuance of, and the form of  
12 temporary tax exemption permits; provisions for recapture of  
13 taxes; and the manner and form of refund applications and may  
14 establish guidelines as to the requisites for an affirmative  
15 showing of increased productive output, commencement of  
16 production, and qualification for exemption.

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

1 against taxes due under chapter 211 for taxes paid under this  
2 chapter on such machinery and equipment.

3           6. For the purposes of the exemptions provided in  
4 subparagraphs 1. and 2., these terms have the following  
5 meanings:

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

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

20           (d) Machinery and equipment used under federal  
21 procurement contract.--

22           1. Industrial machinery and equipment purchased by an  
23 expanding business which manufactures tangible personal  
24 property pursuant to federal procurement regulations at fixed  
25 locations in this state are partially exempt from the tax  
26 imposed in this chapter on that portion of the tax which is in  
27 excess of \$100,000 per calendar year upon an affirmative  
28 showing by the taxpayer to the satisfaction of the department  
29 that such items are used to increase the implicit productive  
30 output of the expanded business by not less than 10 percent.  
31 The percentage of increase is measured as deflated implicit

1 productive output for the calendar year during which the  
2 installation of the machinery or equipment is completed or  
3 during which commencement of production utilizing such items  
4 is begun divided by the implicit productive output for the  
5 preceding calendar year. In no case may the commencement of  
6 production begin later than 2 years following completion of  
7 installation of the machinery or equipment.

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

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

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

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

24           b. "Deflated implicit productive output" means the  
25 product of implicit productive output times the quotient of  
26 the national defense implicit price deflator for the preceding  
27 calendar year divided by the deflator for the year of  
28 completion or commencement.

29           c. "Eligible costs" means the total direct and  
30 indirect costs, as defined in 32 C.F.R. ss. 15-202 and 15-203,  
31 excluding general and administrative costs, selling expenses,

1 and profit, defined by the uniform cost-accounting standards  
2 adopted by the Cost-Accounting Standards Board created  
3 pursuant to 50 U.S.C. s. 2168.

4 d. "Implicit productive output" means the annual  
5 eligible costs attributable to all contracts or subcontracts  
6 subject to federal procurement regulations of the single plant  
7 or operation at which the machinery or equipment is used.

8 e. "Industrial machinery and equipment" means tangible  
9 personal property or other property that has a depreciable  
10 life of 3 years or more, that qualifies as an eligible cost  
11 under federal procurement regulations, and that is used as an  
12 integral part of the process of production of tangible  
13 personal property. A building and its structural components  
14 are not industrial machinery and equipment unless the building  
15 or structural component is so closely related to the  
16 industrial machinery and equipment that it houses or supports  
17 that the building or structural component can be expected to  
18 be replaced when the machinery and equipment are replaced.  
19 Heating and air conditioning systems are not industrial  
20 machinery and equipment unless the sole justification for  
21 their installation is to meet the requirements of the  
22 production process, even though the system may provide  
23 incidental comfort to employees or serve, to an insubstantial  
24 degree, nonproduction activities~~"section 38 property" as~~  
25 ~~defined in s. 48(a)(1)(A) and (B)(i) of the Internal Revenue~~  
26 ~~Code, provided such industrial machinery and equipment~~  
27 ~~qualified as an eligible cost under federal procurement~~  
28 ~~regulations and are used as an integral part of the tangible~~  
29 ~~personal property production process. The~~ Such term includes  
30 parts and accessories only to the extent that the exemption of  
31

1 such parts and accessories is consistent with the provisions  
2 of this paragraph.

3 f. "National defense implicit price deflator" means  
4 the national defense implicit price deflator for the gross  
5 national product as determined by the Bureau of Economic  
6 Analysis of the United States Department of Commerce.

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

18 (f) Motion picture or video equipment used in motion  
19 picture or television production activities and sound  
20 recording equipment used in the production of master tapes and  
21 master records.--

22 1. Motion picture or video equipment and sound  
23 recording equipment purchased or leased for use in this state  
24 in production activities is exempt from the tax imposed by  
25 this chapter. The exemption provided by this paragraph shall  
26 inure to the taxpayer upon presentation of the certificate of  
27 exemption issued to the taxpayer under the provisions of s.  
28 288.1258.

29 2. For the purpose of the exemption provided in  
30 subparagraph 1.:

31

1           a. "Motion picture or video equipment" and "sound  
2 recording equipment" includes only tangible personal property  
3 or other property that has a depreciable life of 3 years or  
4 more and ~~equipment meeting the definition of "section 38~~  
5 property" as defined in s. 48(a)(1)(A) and (B)(i) of the  
6 Internal Revenue Code that is used by the lessee or purchaser  
7 exclusively as an integral part of production activities;  
8 however, motion picture or video equipment and sound recording  
9 equipment does not include supplies, tape, records, film, or  
10 video tape used in productions or other similar items;  
11 vehicles or vessels; or general office equipment not  
12 specifically suited to production activities. In addition,  
13 the term does not include equipment purchased or leased by  
14 television or radio broadcasting or cable companies licensed  
15 by the Federal Communications Commission. Furthermore, a  
16 building and its structural components are not motion picture  
17 or video equipment and sound recording equipment unless the  
18 building or structural component is so closely related to the  
19 motion picture or video equipment and sound recording  
20 equipment that it houses or supports that the building or  
21 structural component can be expected to be replaced when the  
22 motion picture or video equipment and sound recording  
23 equipment are replaced. Heating and air conditioning systems  
24 are not motion picture or video equipment and sound recording  
25 equipment unless the sole justification for their installation  
26 is to meet the requirements of the production activities, even  
27 though the system may provide incidental comfort to employees  
28 or serve, to an insubstantial degree, nonproduction  
29 activities.

30           b. "Production activities" means activities directed  
31 toward the preparation of a:



1 (I) Master tape or master record embodying sound; or  
2 (II) Motion picture or television production which is  
3 produced for theatrical, commercial, advertising, or  
4 educational purposes and utilizes live or animated actions or  
5 a combination of live and animated actions. The motion picture  
6 or television production shall be commercially produced for  
7 sale or for showing on screens or broadcasting on television  
8 and may be on film or video tape.

9 Section 23. (1) It is the intent of the Legislature  
10 to provide guidance in tax matters which is current and  
11 useful. Accordingly, the Legislature finds that continued  
12 reference to a federal regulation that no longer exists causes  
13 confusion and an undue burden on persons affected by s.  
14 212.08, Florida Statutes.

15 (2) It is the purpose of the amendments made by this  
16 act to s. 212.08(5)(b), (d), and (f), Florida Statutes, to  
17 replace specific references in such paragraphs to "section 38  
18 property" as defined in s. 48(a)(1)(A) and (B)(i) of the  
19 Internal Revenue Code with a general description of such  
20 property, and such new description shall have the same meaning  
21 as the former federal Internal Revenue Code regulation without  
22 limitation.

23 Section 24. Effective July 1, 2002, subsections (7)  
24 and (10) of section 212.08, Florida Statutes, are amended to  
25 read:

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

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

19           (a) Artificial commemorative flowers.--Exempt from the  
20 tax imposed by this chapter is the sale of artificial  
21 commemorative flowers by bona fide nationally chartered  
22 veterans' organizations.

23           (b) Boiler fuels.--When purchased for use as a  
24 combustible fuel, purchases of natural gas, residual oil,  
25 recycled oil, waste oil, solid waste material, coal, sulfur,  
26 wood, wood residues or wood bark used in an industrial  
27 manufacturing, processing, compounding, or production process  
28 at a fixed location in this state are exempt from the taxes  
29 imposed by this chapter; however, such exemption shall not be  
30 allowed unless the purchaser signs a certificate stating that  
31 the fuel to be exempted is for the exclusive use designated

1 herein. This exemption does not apply to the use of boiler  
2 fuels that are not used in manufacturing, processing,  
3 compounding, or producing items of tangible personal property  
4 for sale, or to the use of boiler fuels used by any firm  
5 subject to regulation by the Division of Hotels and  
6 Restaurants of the Department of Business and Professional  
7 Regulation.

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

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

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

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

20 (g) Florida Retired Educators Association and its  
21 local chapters.--Also exempt from payment of the tax imposed  
22 by this chapter are purchases of office supplies, equipment,  
23 and publications made by the Florida Retired Educators  
24 Association and its local chapters.

25 (h) Guide dogs for the blind.--Also exempt are the  
26 sale or rental of guide dogs for the blind, commonly referred  
27 to as "seeing-eye dogs," and the sale of food or other items  
28 for such guide dogs.

29 1. The department shall issue a consumer's certificate  
30 of exemption to any blind person who holds an identification  
31 card as provided for in s. 413.091 and who either owns or

1 rents, or contemplates the ownership or rental of, a guide dog  
2 for the blind. The consumer's certificate of exemption shall  
3 be issued without charge and shall be of such size as to be  
4 capable of being carried in a wallet or billfold.

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

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

27         (j) Household fuels.--Also exempt from payment of the  
28 tax imposed by this chapter are sales of utilities to  
29 residential households or owners of residential models in this  
30 state by utility companies who pay the gross receipts tax  
31 imposed under s. 203.01, and sales of fuel to residential

1 households or owners of residential models, including oil,  
2 kerosene, liquefied petroleum gas, coal, wood, and other fuel  
3 products used in the household or residential model for the  
4 purposes of heating, cooking, lighting, and refrigeration,  
5 regardless of whether such sales of utilities and fuels are  
6 separately metered and billed direct to the residents or are  
7 metered and billed to the landlord. If any part of the utility  
8 or fuel is used for a nonexempt purpose, the entire sale is  
9 taxable. The landlord shall provide a separate meter for  
10 nonexempt utility or fuel consumption. For the purposes of  
11 this paragraph, licensed family day care homes shall also be  
12 exempt.

13 (k) Meals provided by certain nonprofit  
14 organizations.--There is exempt from the tax imposed by this  
15 chapter the sale of prepared meals by a nonprofit volunteer  
16 organization to handicapped, elderly, or indigent persons when  
17 such meals are delivered as a charitable function by the  
18 organization to such persons at their places of residence.

19 (l) Organizations providing special educational,  
20 cultural, recreational, and social benefits to minors.--Also  
21 exempt from the tax imposed by this chapter are sales or  
22 leases to and sales of donated property by nonprofit  
23 organizations which are incorporated pursuant to chapter 617  
24 the primary purpose of which is providing activities that  
25 contribute to the development of good character or good  
26 sportsmanship, or to the educational or cultural development,  
27 of minors. This exemption is extended only to that level of  
28 the organization that has a salaried executive officer or an  
29 elected nonsalaried executive officer. For the purpose of this  
30 paragraph, the term "donated property" means any property  
31

1 transferred to such nonprofit organization for less than 50  
2 percent of its fair market value.

3 (m) Religious institutions.--

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

12 2. As used in this paragraph, the term "religious  
13 institutions" means churches, synagogues, and established  
14 physical places for worship at which nonprofit religious  
15 services and activities are regularly conducted and carried  
16 on. The term "religious institutions" includes nonprofit  
17 corporations the sole purpose of which is to provide free  
18 transportation services to church members, their families, and  
19 other church attendees. The term "religious institutions" also  
20 includes nonprofit state, nonprofit district, or other  
21 nonprofit governing or administrative offices the function of  
22 which is to assist or regulate the customary activities of  
23 religious institutions. The term "religious institutions" also  
24 includes any nonprofit corporation that is qualified as  
25 nonprofit under s. 501(c)(3) of the Internal Revenue Code of  
26 1986, as amended, and that owns and operates a Florida  
27 television station, at least 90 percent of the programming of  
28 which station consists of programs of a religious nature and  
29 the financial support for which, exclusive of receipts for  
30 broadcasting from other nonprofit organizations, is  
31 predominantly from contributions from the general public. The

1 term "religious institutions" also includes any nonprofit  
2 corporation that is qualified as nonprofit under s. 501(c)(3)  
3 of the Internal Revenue Code of 1986, as amended, the primary  
4 activity of which is making and distributing audio recordings  
5 of religious scriptures and teachings to blind or visually  
6 impaired persons at no charge. The term "religious  
7 institutions" also includes any nonprofit corporation that is  
8 qualified as nonprofit under s. 501(c)(3) of the Internal  
9 Revenue Code of 1986, as amended, the sole or primary function  
10 of which is to provide, upon invitation, nonprofit religious  
11 services, evangelistic services, religious education,  
12 administrative assistance, or missionary assistance for a  
13 church, synagogue, or established physical place of worship at  
14 which nonprofit religious services and activities are  
15 regularly conducted.

16 (n) Veterans' organizations.--

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

21 2. As used in this paragraph, the term "veterans'  
22 organizations" means nationally chartered or recognized  
23 veterans' organizations, including, but not limited to,  
24 Florida chapters of the Paralyzed Veterans of America,  
25 Catholic War Veterans of the U.S.A., Jewish War Veterans of  
26 the U.S.A., and the Disabled American Veterans, Department of  
27 Florida, Inc., which hold current exemptions from federal  
28 income tax under s. 501(c)(4) or (19) of the Internal Revenue  
29 Code of 1986, as amended.

30  
31

- 1           (o) Schools, colleges, and universities.--Also exempt  
2 from the tax imposed by this chapter are sales or leases to  
3 state tax-supported schools, colleges, or universities.
- 4           (p) Section 501(c)(3) organizations.--Also exempt from  
5 the tax imposed by this chapter are sales or leases to  
6 organizations determined by the Internal Revenue Service to be  
7 currently exempt from federal income tax pursuant to s.  
8 501(c)(3) of the Internal Revenue Code of 1986, as amended,  
9 when such leases or purchases are used in carrying on their  
10 customary nonprofit activities.
- 11           (q) Resource recovery equipment.--Also exempt is  
12 resource recovery equipment which is owned and operated by or  
13 on behalf of any county or municipality, certified by the  
14 Department of Environmental Protection under the provisions of  
15 s. 403.715.
- 16           (r) School books and school lunches.--This exemption  
17 applies to school books used in regularly prescribed courses  
18 of study, and to school lunches served in public, parochial,  
19 or nonprofit schools operated for and attended by pupils of  
20 grades K through 12. Yearbooks, magazines, newspapers,  
21 directories, bulletins, and similar publications distributed  
22 by such educational institutions to their students are also  
23 exempt. School books and food sold or served at community  
24 colleges and other institutions of higher learning are  
25 taxable.
- 26           (s) Tasting beverages.--Vinous and alcoholic beverages  
27 provided by distributors or vendors for the purpose of "wine  
28 tasting" and "spirituous beverage tasting" as contemplated  
29 under the provisions of ss. 564.06 and 565.12, respectively,  
30 are exempt from the tax imposed by this chapter.
- 31           (t) Boats temporarily docked in state.--



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

1 repair facility must, within 72 hours after the date of  
2 release, have in its possession a copy of the release form  
3 which shows the date of release and any other information the  
4 department requires. The repair facility shall maintain a log  
5 that documents all alterations, additions, repairs, and sea  
6 trials during the time the boat is under the care, custody,  
7 and control of the facility. The affidavit shall be  
8 maintained by the registered repair facility as part of its  
9 records for as long as required by s. 213.35. When, within 6  
10 months after the date of its purchase, a boat is brought into  
11 this state under this paragraph, the 6-month period provided  
12 in s. 212.05(1)(a)2. or s. 212.06(8) shall be tolled.

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

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

22 4. As used in this paragraph, "registered repair  
23 facility" means:

24 a. A full-service facility that:

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

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

29 (III) Has adequate piers and storage facilities to  
30 provide safe berthing of vessels in its care, custody, and  
31 control; and

1           (IV) Has necessary shops and equipment to provide  
2 repair or warranty work on vessels under the care, custody,  
3 and control of the facility;  
4           b. A marina that:  
5           (I) Is located on a navigable body of water;  
6           (II) Has adequate piers and storage facilities to  
7 provide safe berthing of vessels in its care, custody, and  
8 control; and  
9           (III) Has necessary shops and equipment to provide  
10 repairs or warranty work on vessels; or  
11           c. A shoreside facility that:  
12           (I) Is located on a navigable body of water;  
13           (II) Has adequate piers and storage facilities to  
14 provide safe berthing of vessels in its care, custody, and  
15 control; and  
16           (III) Has necessary shops and equipment to provide  
17 repairs or warranty work.  
18           (u) Volunteer fire departments.--Also exempt are  
19 firefighting and rescue service equipment and supplies  
20 purchased by volunteer fire departments, duly chartered under  
21 the Florida Statutes as corporations not for profit.  
22           (v) Professional services.--  
23           1. Also exempted are professional, insurance, or  
24 personal service transactions that involve sales as  
25 inconsequential elements for which no separate charges are  
26 made.  
27           2. The personal service transactions exempted pursuant  
28 to subparagraph 1. do not exempt the sale of information  
29 services involving the furnishing of printed, mimeographed, or  
30 multigraphed matter, or matter duplicating written or printed  
31 matter in any other manner, other than professional services

1 and services of employees, agents, or other persons acting in  
2 a representative or fiduciary capacity or information services  
3 furnished to newspapers and radio and television stations. As  
4 used in this subparagraph, the term "information services"  
5 includes the services of collecting, compiling, or analyzing  
6 information of any kind or nature and furnishing reports  
7 thereof to other persons.

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

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

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

23           (x) Sporting equipment brought into the  
24 state.--Sporting equipment brought into Florida, for a period  
25 of not more than 4 months in any calendar year, used by an  
26 athletic team or an individual athlete in a sporting event is  
27 exempt from the use tax if such equipment is removed from the  
28 state within 7 days after the completion of the event.

29           (y) Charter fishing vessels.--The charge for  
30 chartering any boat or vessel, with the crew furnished, solely  
31 for the purpose of fishing is exempt from the tax imposed

1 under s. 212.04 or s. 212.05. This exemption does not apply  
2 to any charge to enter or stay upon any "head-boat," party  
3 boat, or other boat or vessel. Nothing in this paragraph  
4 shall be construed to exempt any boat from sales or use tax  
5 upon the purchase thereof except as provided in paragraph (t)  
6 and s. 212.05.

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

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

17 1. The sale, lease, or rental occurs between two  
18 commonly owned and controlled corporations;

19 2. Such vehicle was titled and registered in this  
20 state at the time of the sale, lease, or rental; and

21 3. Florida sales tax was paid on the acquisition of  
22 such vehicle by the seller, lessor, or renter.

23 (bb) Community cemeteries.--Also exempt are purchases  
24 by any nonprofit corporation that has qualified under s.  
25 501(c)(13) of the Internal Revenue Code of 1986, as amended,  
26 and is operated for the purpose of maintaining a cemetery that  
27 was donated to the community by deed.

28 (cc) Works of art.--

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

31

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

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

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

25           5. The exemptions provided by this paragraph are  
26 allowed only if the person who purchased the work of art gives  
27 to the vendor an affidavit meeting the requirements,  
28 established by rule, to document entitlement to the exemption.  
29 The person who purchased the work of art shall forward a copy  
30 of such affidavit to the Department of Revenue at the time it  
31 is issued to the vendor.

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

10           7. Any educational institution to which a work of art  
11 has been donated pursuant to this paragraph shall make  
12 available to the department the title to the work of art and  
13 any other relevant information. Any educational institution  
14 which has received a work of art on loan pursuant to this  
15 paragraph shall make available to the department information  
16 relating to the work of art. Any educational institution that  
17 transfers from its possession a work of art as defined by this  
18 paragraph which has been loaned to it must notify the  
19 Department of Revenue within 60 days after the transfer.

20           8. For purposes of the exemptions provided by this  
21 paragraph, the term:

22           a. "Educational institutions" includes state  
23 tax-supported, parochial, church, and nonprofit private  
24 schools, colleges, or universities that conduct regular  
25 classes and courses of study required for accreditation by or  
26 membership in the Southern Association of Colleges and  
27 Schools, the Florida Council of Independent Schools, or the  
28 Florida Association of Christian Colleges and Schools, Inc.;  
29 nonprofit private schools that conduct regular classes and  
30 courses of study accepted for continuing education credit by a  
31 board of the Division of Medical Quality Assurance of the

1 Department of Health; or nonprofit libraries, art galleries,  
2 performing arts centers that provide educational programs to  
3 school children, which programs involve performances or other  
4 educational activities at the performing arts center and serve  
5 a minimum of 50,000 school children a year, and museums open  
6 to the public.

7           b. "Work of art" includes pictorial representations,  
8 sculpture, jewelry, antiques, stamp collections and coin  
9 collections, and other tangible personal property, the value  
10 of which is attributable predominantly to its artistic,  
11 historical, political, cultural, or social importance.

12           (dd) Taxicab leases.--The lease of or license to use a  
13 taxicab or taxicab-related equipment and services provided by  
14 a taxicab company to an independent taxicab operator are  
15 exempt, provided, however, the exemptions provided under this  
16 paragraph only apply if sales or use tax has been paid on the  
17 acquisition of the taxicab and its related equipment.

18           (ee) Aircraft repair and maintenance labor  
19 charges.--There shall be exempt from the tax imposed by this  
20 chapter all labor charges for the repair and maintenance of  
21 aircraft of more than 15,000 pounds maximum certified takeoff  
22 weight and rotary wing aircraft of more than 10,000 pounds  
23 maximum certified takeoff weight. Except as otherwise provided  
24 in this chapter, charges for parts and equipment furnished in  
25 connection with such labor charges are taxable.

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

27           1. Subject to the provisions of subparagraph 4.,  
28 charges for electricity or steam used to operate machinery and  
29 equipment at a fixed location in this state when such  
30 machinery and equipment is used to manufacture, process,  
31 compound, produce, or prepare for shipment items of tangible



1 personal property for sale, or to operate pollution control  
2 equipment, recycling equipment, maintenance equipment, or  
3 monitoring or control equipment used in such operations are  
4 exempt to the extent provided in this paragraph. If 75 percent  
5 or more of the electricity or steam used at the fixed location  
6 is used to operate qualifying machinery or equipment, 100  
7 percent of the charges for electricity or steam used at the  
8 fixed location are exempt. If less than 75 percent but 50  
9 percent or more of the electricity or steam used at the fixed  
10 location is used to operate qualifying machinery or equipment,  
11 50 percent of the charges for electricity or steam used at the  
12 fixed location are exempt. If less than 50 percent of the  
13 electricity or steam used at the fixed location is used to  
14 operate qualifying machinery or equipment, none of the charges  
15 for electricity or steam used at the fixed location are  
16 exempt.

17         2. This exemption applies only to industries  
18 classified under SIC Industry Major Group Numbers 10, 12, 13,  
19 14, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34,  
20 35, 36, 37, 38, and 39 and Industry Group Number 212. As used  
21 in this paragraph, "SIC" means those classifications contained  
22 in the Standard Industrial Classification Manual, 1987, as  
23 published by the Office of Management and Budget, Executive  
24 Office of the President.

25         3. Possession by a seller of a written certification  
26 by the purchaser, certifying the purchaser's entitlement to an  
27 exemption permitted by this subsection, relieves the seller  
28 from the responsibility of collecting the tax on the  
29 nontaxable amounts, and the department shall look solely to  
30 the purchaser for recovery of such tax if it determines that  
31 the purchaser was not entitled to the exemption.

1           4. Such exemption shall be applied as follows:  
2 beginning July 1, 2000, 100 percent of the charges for such  
3 electricity or steam shall be exempt.

4           ~~5. Notwithstanding any other provision in this~~  
5 ~~paragraph to the contrary, in order to receive the exemption~~  
6 ~~provided in this paragraph a taxpayer must first register with~~  
7 ~~the WAGES Program Business Registry established by the local~~  
8 ~~WAGES coalition for the area in which the taxpayer is located.~~  
9 ~~Such registration establishes a commitment on the part of the~~  
10 ~~taxpayer to hire WAGES program participants to the maximum~~  
11 ~~extent possible consistent with the nature of their business.~~

12           (gg) Fair associations.--Also exempt from the tax  
13 imposed by this chapter is the sale, use, lease, rental, or  
14 grant of a license to use, made directly to or by a fair  
15 association, of real or tangible personal property; any charge  
16 made by a fair association, or its agents, for parking,  
17 admissions, or for temporary parking of vehicles used for  
18 sleeping quarters; rentals, subleases, and sublicenses of real  
19 or tangible personal property between the owner of the central  
20 amusement attraction and any owner of an amusement ride, as  
21 those terms are used in ss. 616.15(1)(b) and 616.242(3)(a),  
22 for the furnishing of amusement rides at a public fair or  
23 exposition; and other transactions of a fair association which  
24 are incurred directly by the fair association in the  
25 financing, construction, and operation of a fair, exposition,  
26 or other event or facility that is authorized by s. 616.08. As  
27 used in this paragraph, the terms "fair association" and  
28 "public fair or exposition" have the same meaning as those  
29 terms are defined in s. 616.001. This exemption does not apply  
30 to the sale of tangible personal property made by a fair  
31 association through an agent or independent contractor; sales

1 of admissions and tangible personal property by a  
2 concessionaire, vendor, exhibitor, or licensee; or rentals and  
3 subleases of tangible personal property or real property  
4 between the owner of the central amusement attraction and a  
5 concessionaire, vendor, exhibitor, or licensee, except for the  
6 furnishing of amusement rides, which transactions are exempt.

7 (hh) Citizen support organizations.--Also exempt from  
8 the tax imposed by this chapter are sales or leases to  
9 nonprofit organizations that are incorporated under chapter  
10 617 and that have been designated citizen support  
11 organizations in support of state-funded environmental  
12 programs or the management of state-owned lands in accordance  
13 with s. 20.2551, or to support one or more state parks in  
14 accordance with s. 258.015.

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

20 (jj) Solar energy systems.--Also exempt are solar  
21 energy systems or any component thereof. The Florida Solar  
22 Energy Center shall from time to time certify to the  
23 department a list of equipment and requisite hardware  
24 considered to be a solar energy system or a component thereof.  
25 This exemption is repealed July 1, 2005.

26 (kk) Nonprofit cooperative hospital laundries.--Also  
27 exempt from the tax imposed by this chapter are sales or  
28 leases to nonprofit organizations that are incorporated under  
29 chapter 617 and which are treated, for federal income tax  
30 purposes, as cooperatives under subchapter T of the Internal  
31 Revenue Code, whose sole purpose is to offer laundry supplies

1 and services to their members, which members must all be  
2 exempt from federal income tax pursuant to s. 501(c)(3) of the  
3 Internal Revenue Code.

4 (ll) Complimentary meals.--Also exempt from the tax  
5 imposed by this chapter are food or drinks that are furnished  
6 as part of a packaged room rate by any person offering for  
7 rent or lease any transient living accommodations as described  
8 in s. 509.013(4)(a) which are licensed under part I of chapter  
9 509 and which are subject to the tax under s. 212.03, if a  
10 separate charge or specific amount for the food or drinks is  
11 not shown. Such food or drinks are considered to be sold at  
12 retail as part of the total charge for the transient living  
13 accommodations. Moreover, the person offering the  
14 accommodations is not considered to be the consumer of items  
15 purchased in furnishing such food or drinks and may purchase  
16 those items under conditions of a sale for resale.

17 (mm) Nonprofit corporation conducting the correctional  
18 work programs.--Products sold pursuant to s. 946.515 by the  
19 corporation organized pursuant to part II of chapter 946 are  
20 exempt from the tax imposed by this chapter. This exemption  
21 applies retroactively to July 1, 1983.

22 (nn) Parent-teacher organizations, parent-teacher  
23 associations, and schools having grades K through 12.--

24 1. Sales or leases to parent-teacher organizations and  
25 associations the purpose of which is to raise funds for  
26 schools that teach grades K through 12 and that are associated  
27 with schools having grades K through 12 are exempt from the  
28 tax imposed by this chapter.

29 2. Parent-teacher organizations and associations  
30 described in subparagraph 1.~~qualified as educational~~  
31 ~~institutions as defined by sub-subparagraph (cc)8.a.~~

1 ~~associated with schools having grades K through 12, and~~  
2 schools having grades K through 12, may pay tax to their  
3 suppliers on the cost price of school materials and supplies  
4 purchased, rented, or leased for resale or rental to students  
5 in grades K through 12, of items sold for fundraising  
6 purposes, and of items sold through vending machines located  
7 on the school premises, in lieu of collecting the tax imposed  
8 by this chapter from the purchaser. This paragraph also  
9 applies to food or beverages sold through vending machines  
10 located in the student lunchroom or dining room of a school  
11 having kindergarten through grade 12.

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

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

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

30 1. Any food or drink, whether or not cooked or  
31 prepared on the premises, provided without charge as a sample

1 or for the convenience of customers by a dealer that primarily  
2 sells food product items at retail.

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

6

7 The exemptions in this paragraph do not apply to businesses  
8 with the primary activity of serving prepared meals or  
9 alcoholic beverages for immediate consumption.

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

16           (ss) Racing dogs.--The sale of a racing dog by its  
17 owner is exempt if the owner is also the breeder of the  
18 animal.

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

27           (uu) Aircraft sales or leases.--The sale or lease of  
28 an aircraft of more than 15,000 pounds maximum certified  
29 takeoff weight for use by a common carrier is exempt from the  
30 tax imposed by this chapter. As used in this paragraph,  
31 "common carrier" means an airline operating under Federal

1 Aviation Administration regulations contained in Title 14,  
2 chapter I, part 121 or part 129 of the Code of Federal  
3 Regulations.

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

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

14 (xx) Advertising agencies.--

15 1. As used in this paragraph, the term "advertising  
16 agency" means any firm that is primarily engaged in the  
17 business of providing advertising materials and services to  
18 its clients.

19 2. The sale of advertising services by an advertising  
20 agency to a client is exempt from the tax imposed by this  
21 chapter. Also exempt from the tax imposed by this chapter are  
22 items of tangible personal property such as photographic  
23 negatives and positives, videos, films, galleys, mechanicals,  
24 veloxes, illustrations, digital audiotapes, analog tapes,  
25 printed advertisement copies, compact discs for the purpose of  
26 recording, digital equipment, and artwork and the services  
27 used to produce those items if the items are:

28 a. Sold to an advertising agency that is acting as an  
29 agent for its clients pursuant to contract, and are created  
30 for the performance of advertising services for the clients;

31

1           b. Produced, fabricated, manufactured, or otherwise  
2 created by an advertising agency for its clients, and are used  
3 in the performance of advertising services for the clients; or

4           c. Sold by an advertising agency to its clients in the  
5 performance of advertising services for the clients, whether  
6 or not the charges for these items are marked up or separately  
7 stated.

8  
9 The exemption provided by this subparagraph does not apply  
10 when tangible personal property such as film, paper, and  
11 videotapes is purchased to create items such as photographic  
12 negatives and positives, videos, films, galleys, mechanicals,  
13 veloxes, illustrations, and artwork that are sold to an  
14 advertising agency or produced in-house by an advertising  
15 agency on behalf of its clients.

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

25           4. For items purchased by an advertising agency and  
26 exempt from tax under this paragraph, possession of an  
27 exemption certificate from the advertising agency certifying  
28 the agency's entitlement to exemption relieves the vendor of  
29 the responsibility of collecting the tax on the sale of such  
30 items to the advertising agency, and the department shall look  
31 solely to the advertising agency for recovery of tax if it



1 determines that the advertising agency was not entitled to the  
2 exemption.

3           5. The exemptions provided by this paragraph apply  
4 retroactively, except that all taxes that have been collected  
5 must be remitted, and taxes that have been remitted before  
6 July 1, 1999, on transactions that are subject to exemption  
7 under this paragraph are not subject to refund.

8           6. The department may adopt rules that interpret or  
9 define the provisions of these exemptions and provide examples  
10 regarding the application of these exemptions.

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

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

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

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

1 contained in the Standard Industrial Classification Manual,  
2 1987, as published by the Office of Management and Budget,  
3 Executive Office of the President.

4 3. This exemption shall be applied as follows:

5 a. Beginning July 1, 2000, 50 percent of such charges  
6 for repair parts and labor shall be exempt.

7 b. Beginning July 1, 2001, 75 percent of such charges  
8 for repair parts and labor shall be exempt.

9 c. Beginning July 1, 2002, 100 percent of such charges  
10 for repair parts and labor shall be exempt.

11 (aaa) Film and other printing supplies.--Also exempt  
12 are the following materials purchased, produced, or created by  
13 businesses classified under SIC Industry Numbers 275, 276,  
14 277, 278, or 279 for use in producing graphic matter for sale:  
15 film, photographic paper, dyes used for embossing and  
16 engraving, artwork, typography, lithographic plates, and  
17 negatives. As used in this paragraph, "SIC" means those  
18 classifications contained in the Standard Industrial  
19 Classification Manual, 1987, as published by the Office of  
20 Management and Budget, Executive Office of the President.

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

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

19 ~~(ccc) Organizations providing crime prevention, drunk~~  
20 ~~driving prevention, or juvenile delinquency prevention~~  
21 ~~services.--Sales or leases to any nonprofit organization that~~  
22 ~~provides crime prevention services, drunk driving prevention~~  
23 ~~services, or juvenile delinquency prevention services that~~  
24 ~~benefit society as a whole are exempt from the tax imposed by~~  
25 ~~this chapter, if the organization holds a current exemption~~  
26 ~~from federal income tax under s. 501(c)(3) of the Internal~~  
27 ~~Revenue Code and the organization has as its sole or primary~~  
28 ~~purpose the provision of services that contribute to the~~  
29 ~~prevention of hardships caused by crime, drunk driving, or~~  
30 ~~juvenile delinquency.~~

31

1           (ccc)~~(ddd)~~ Florida Fire and Emergency Services  
2 Foundation.--Sales or leases to the Florida Fire and Emergency  
3 Services Foundation are exempt from the tax imposed by this  
4 chapter.

5           (ddd)~~(eee)~~ Railroad roadway materials.--Also exempt  
6 from the tax imposed by this chapter are railroad roadway  
7 materials used in the construction, repair, or maintenance of  
8 railways. Railroad roadway materials shall include rails,  
9 ties, ballasts, communication equipment, signal equipment,  
10 power transmission equipment, and any other track materials.

11  
12 ~~Exemptions provided to any entity by this subsection shall not~~  
13 ~~inure to any transaction otherwise taxable under this chapter~~  
14 ~~when payment is made by a representative or employee of such~~  
15 ~~entity by any means, including, but not limited to, cash,~~  
16 ~~check, or credit card even when that representative or~~  
17 ~~employee is subsequently reimbursed by such entity.~~

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

20           (a) The tax collected on the sale of a new or used  
21 motor vehicle in this state to a resident of another state  
22 shall be an amount equal to the sales tax which would be  
23 imposed on such sale under the laws of the state of which the  
24 purchaser is a resident, except that such tax shall not exceed  
25 the tax that would otherwise be imposed under this chapter.  
26 At the time of the sale, the purchaser shall execute a  
27 notarized statement of his or her intent to license the  
28 vehicle in the state of which the purchaser is a resident  
29 within 45 days of the sale and of the fact of the payment to  
30 the State of Florida of a sales tax in an amount equivalent to  
31 the sales tax of his or her state of residence and shall

1 submit the statement to the appropriate sales tax collection  
2 agency in his or her state of residence. Nothing in this  
3 subsection shall be construed to require the removal of the  
4 vehicle from this state following the filing of an intent to  
5 license the vehicle in the purchaser's home state if the  
6 purchaser licenses the vehicle in his or her home state within  
7 45 days after the date of sale.

8 (b) Notwithstanding the partial exemption allowed in  
9 paragraph (a), a vehicle is subject to this state's sales tax  
10 at the applicable state sales tax rate plus authorized  
11 surtaxes when the vehicle is purchased by a nonresident  
12 corporation or partnership and:

13 1. An officer of the corporation is a resident of this  
14 state;

15 2. A stockholder of the corporation who owns at least  
16 10 percent of the corporation is a resident of this state; or

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

19  
20 However, if the vehicle is removed from this state within 45  
21 days after purchase and remains outside the state for a  
22 minimum of 180 days, the vehicle may qualify for the partial  
23 exemption allowed in paragraph (a) despite the residency of  
24 owners or stockholders of the purchasing entity.

25 (c) Nothing herein shall require the payment of tax to  
26 the State of Florida for assessments made prior to July 1,  
27 2001, if the tax imposed by this section has been paid to the  
28 state in which the vehicle was licensed and the department has  
29 assessed a like amount of tax on the same transactions. This  
30 provision shall apply retroactively to assessments that have  
31

1 | been protested prior to August 1, 1999, and have not been paid  
2 | on the date this act takes effect.

3 |       Section 25. (1) The amendments made by this act to s.  
4 | 212.08(7)(ff) and (nn), Florida Statutes, shall operate  
5 | retroactively to July 1, 2000.

6 |       (2) No tax imposed by chapter 212, Florida Statutes,  
7 | on the transactions exempted by s. 212.08(7)(nn), Florida  
8 | Statutes, by this act, and not actually paid or collected by a  
9 | taxpayer before the effective date of this act, shall be due  
10 | from such taxpayer. However, any tax actually paid or  
11 | collected shall be remitted to the Department of Revenue and  
12 | no refund shall be due. Taxpayers must obtain a sales tax  
13 | exemption certificate from the department to secure the  
14 | exemption granted by s. 212.08(7)(nn)1., Florida Statutes.

15 |       (3) The amendments made by this act to the  
16 | introductory paragraph and to the final, flush-left passage of  
17 | s. 212.08(7), Florida Statutes, are made to clarify rather  
18 | than change existing law and shall operate retroactively to  
19 | January 1, 2001.

20 |       Section 26. Paragraph (a) of subsection (8) and  
21 | subsection (9) of section 212.08, Florida Statutes, are  
22 | amended to read:

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

29 |       (8) PARTIAL EXEMPTIONS; VESSELS ENGAGED IN INTERSTATE  
30 | OR FOREIGN COMMERCE.--

31 |

1           (a) The sale or use of vessels and parts thereof used  
2 to transport persons or property in interstate or foreign  
3 commerce, including commercial fishing vessels, is subject to  
4 the taxes imposed in this chapter only to the extent provided  
5 herein. The basis of the tax shall be the ratio of intrastate  
6 mileage to interstate or foreign mileage traveled by the  
7 carrier's vessels which were used in interstate or foreign  
8 commerce and which had at least some Florida mileage during  
9 the previous fiscal year. The ratio would be determined at the  
10 close of the carrier's fiscal year. However, during the fiscal  
11 year in which the vessel begins its initial operations in this  
12 state, the vessel's mileage apportionment factor may be  
13 determined on the basis of an estimated ratio of anticipated  
14 miles in this state to anticipated total miles for that year  
15 and, subsequently, additional tax shall be paid on the vessel,  
16 or a refund may be applied for, on the basis of the actual  
17 ratio of the vessel's miles in this state to its total miles  
18 for that year.This ratio shall be applied each month to the  
19 total Florida purchases of such vessels and parts thereof  
20 which are used in Florida to establish that portion of the  
21 total used and consumed in intrastate movement and subject to  
22 the tax at the applicable rate. The basis for imposition of  
23 any discretionary surtax shall be as set forth in s. 212.054.  
24 Items, appropriate to carry out the purposes for which a  
25 vessel is designed or equipped and used, purchased by the  
26 owner, operator, or agent of a vessel for use on board such  
27 vessel shall be deemed to be parts of the vessel upon which  
28 the same are used or consumed. Vessels and parts thereof used  
29 to transport persons or property in interstate and foreign  
30 commerce are hereby determined to be susceptible to a distinct  
31 and separate classification for taxation under the provisions

1 of this chapter. Vessels and parts thereof used exclusively in  
2 intrastate commerce do not qualify for the proration of tax.

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

5 (a) Railroads that ~~which~~ are licensed as common  
6 carriers by the Surface Transportation Board Interstate  
7 ~~Commerce Commission~~ and parts thereof used to transport  
8 persons or property in interstate or foreign commerce are  
9 subject to tax imposed in this chapter only to the extent  
10 provided herein. The basis of the tax shall be the ratio of  
11 intrastate mileage to interstate or foreign mileage traveled  
12 by the carrier during the previous fiscal year of the carrier.  
13 Such ratio is to be determined at the close of the carrier's  
14 fiscal year. However, during the fiscal year in which the  
15 railroad begins its initial operations in this state, the  
16 railroad's mileage apportionment factor may be determined on  
17 the basis of an estimated ratio of anticipated miles in this  
18 state to anticipated total miles for that year and,  
19 subsequently, additional tax shall be paid on the railroad, or  
20 a refund may be applied for, on the basis of the actual ratio  
21 of the railroad's miles in this state to its total miles for  
22 that year.This ratio shall be applied each month to the ~~total~~  
23 purchases of the railroad in this state which are used in this  
24 state to establish that portion of the total used and consumed  
25 in intrastate movement and subject to tax under this chapter.  
26 The basis for imposition of any discretionary surtax is set  
27 forth in s. 212.054. Railroads that ~~which~~ are licensed as  
28 common carriers by the Surface Transportation Board Interstate  
29 ~~Commerce Commission~~ and parts thereof used to transport  
30 persons or property in interstate and foreign commerce are  
31 hereby determined to be susceptible to a distinct and separate



1 classification for taxation under the provisions of this  
2 chapter.

3 (b) Motor vehicles that ~~which~~ are engaged in  
4 interstate commerce as common carriers, and parts thereof,  
5 used to transport persons or property in interstate or foreign  
6 commerce are subject to tax imposed in this chapter only to  
7 the extent provided herein. The basis of the tax shall be the  
8 ratio of intrastate mileage to interstate or foreign mileage  
9 traveled by the carrier's motor vehicles which were used in  
10 interstate or foreign commerce and which had at least some  
11 Florida mileage during the previous fiscal year of the  
12 carrier. Such ratio is to be determined at the close of the  
13 carrier's fiscal year. However, during the fiscal year in  
14 which the carrier begins its initial operations in this state,  
15 the carrier's mileage apportionment factor may be determined  
16 on the basis of an estimated ratio of anticipated miles in  
17 this state to anticipated total miles for that year and,  
18 subsequently, additional tax shall be paid on the carrier, or  
19 a refund may be applied for, on the basis of the actual ratio  
20 of the carrier's miles in this state to its total miles for  
21 that year. This ratio shall be applied each month to the ~~total~~  
22 purchases in this state of such motor vehicles and parts  
23 thereof which are used in this state to establish that portion  
24 of the total used and consumed in intrastate movement and  
25 subject to tax under this chapter. The basis for imposition of  
26 any discretionary surtax is set forth in s. 212.054. Motor  
27 vehicles that ~~which~~ are engaged in interstate commerce, and  
28 parts thereof, used to transport persons or property in  
29 interstate and foreign commerce are hereby determined to be  
30 susceptible to a distinct and separate classification for  
31 taxation under the provisions of this chapter. Motor vehicles

1 and parts thereof used exclusively in intrastate commerce do  
2 not qualify for the proration of tax. For purposes of this  
3 paragraph, parts of a motor vehicle engaged in interstate  
4 commerce include a separate tank not connected to the fuel  
5 supply system of the motor vehicle into which diesel fuel is  
6 placed to operate a refrigeration unit or other equipment.

7 Section 27. Paragraphs (a) and (d) of subsection (1)  
8 and paragraph (i) of subsection (3) of section 212.096,  
9 Florida Statutes, are amended to read:

10 212.096 Sales, rental, storage, use tax; enterprise  
11 zone jobs credit against sales tax.--

12 (1) For the purposes of the credit provided in this  
13 section:

14 (a) "Eligible business" means any sole proprietorship,  
15 firm, partnership, corporation, bank, savings association,  
16 estate, trust, business trust, receiver, syndicate, or other  
17 group or combination, or successor business, located in an  
18 enterprise zone. The business must demonstrate to the  
19 department that the total number of full-time jobs defined  
20 under paragraph (d) has increased from the average of the  
21 previous 12 months. ~~The term "eligible business" includes~~ A  
22 business that created ~~added~~ a minimum of five new full-time  
23 jobs in an enterprise zone between July 1, 2000, and December  
24 31, 2001, is also an eligible business for purposes of the  
25 credit provided beginning January 1, 2002. An eligible  
26 business does not include any business which has claimed the  
27 credit permitted under s. 220.181 for any new business  
28 employee first beginning employment with the business after  
29 July 1, 1995.

30 (d) "Jobs" means full-time positions, as consistent  
31 with terms used by the Agency for Workforce Innovation and the

1 United States Department of Labor for purposes of unemployment  
2 compensation tax administration and employment estimation  
3 resulting directly from a business operation in this state.  
4 These terms ~~This number~~ may not include temporary construction  
5 jobs involved with the construction of facilities or any jobs  
6 that have previously been included in any application for tax  
7 credits under s. 220.181(1). The term "jobs" also includes  
8 employment of an employee leased from an employee leasing  
9 company licensed under chapter 468 if such employee has been  
10 continuously leased to the employer for an average of at least  
11 36 hours per week for more than 6 months.

12

13 A person shall be deemed to be employed if the person performs  
14 duties in connection with the operations of the business on a  
15 regular, full-time basis, provided the person is performing  
16 such duties for an average of at least 36 hours per week each  
17 month. The person must be performing such duties at a business  
18 site located in the enterprise zone.

19 (3) In order to claim this credit, an eligible  
20 business must file under oath with the governing body or  
21 enterprise zone development agency having jurisdiction over  
22 the enterprise zone where the business is located, as  
23 applicable, a statement which includes:

24 (i) All applications for a credit pursuant to this  
25 section must be submitted to the department within 6 months  
26 after the new employee is hired, except applications for  
27 credit for leased employees. Applications for credit for  
28 leased employees must be submitted to the department within 7  
29 months after the employee is leased.

30

31

1           Section 28. Subsections (2) and (3) and paragraph (d)  
2 of subsection (6) of section 212.098, Florida Statutes, are  
3 amended to read:

4           212.098 Rural Job Tax Credit Program.--

5           (2) A new eligible business may apply for a tax credit  
6 under this subsection once at any time during its first year  
7 of operation. A new eligible business in a ~~tier-one~~ qualified  
8 area that has at least 10 qualified employees on the date of  
9 application shall receive a \$1,000 tax credit for each such  
10 employee.

11           (3) An existing eligible business may apply for a tax  
12 credit under this subsection at any time it is entitled to  
13 such credit, except as restricted by this subsection. An  
14 existing eligible business with fewer than 50 employees in a  
15 qualified area that on the date of application has at least 20  
16 percent more qualified employees than it had 1 year prior to  
17 its date of application shall receive a \$1,000 tax credit for  
18 each such additional employee. An existing eligible business  
19 that has 50 employees or more in a qualified area that, on the  
20 date of application, has at least 10 more qualified employees  
21 than it had 1 year prior to its date of application shall  
22 receive a \$1,000 tax credit for each additional employee. Any  
23 existing eligible business that received a credit under  
24 subsection (2) may not apply for the credit under this  
25 subsection sooner than 12 months after the application date  
26 for the credit under subsection (2).

27           (6)

28           (d) A business may not receive more than \$500,000 of  
29 tax credits under this section during any one calendar year  
30 ~~for its efforts in creating jobs~~.

31

1           Section 29. Subsection (5) is added to section 212.11,  
2 Florida Statutes, to read:

3           212.11 Tax returns and regulations.--

4           (5)(a) Each dealer that claims any credits granted in  
5 this chapter against that dealer's sales and use tax  
6 liabilities shall submit to the department, with the return or  
7 upon request, documentation that provides all of the  
8 information required to verify the dealer's entitlement to  
9 such credits. All information shall be separately stated as  
10 prescribed by the department and shall be submitted in a  
11 manner that enables the department to verify that the credits  
12 are allowable by law. With respect to any credit that is  
13 granted in the form of a refund of previously paid taxes,  
14 supporting documentation must be provided with the application  
15 for refund and the penalty provisions of paragraph (c) shall  
16 not apply.

17           (b) The department shall adopt rules regarding the  
18 forms and documentation required to verify credits against  
19 sales and use tax liabilities and the format in which  
20 documentation is to be submitted, which format may include  
21 magnetic tape or other means of electronic transmission.

22           (c) The department shall disallow any credit that is  
23 not supported by the information required under this  
24 subsection. In addition, the disallowed credit or any part of  
25 the disallowed credit is subject to a mandatory penalty of 25  
26 percent and interest as provided for in s. 212.12. A specific  
27 penalty of 25 percent of the otherwise available credit shall  
28 be applied to any credit for which the required information  
29 report is not received within 30 days after a written request  
30 from the department.

31

1           Section 30. Subsection (14) is added to section  
2 212.12, Florida Statutes, to read:  
3           212.12 Dealer's credit for collecting tax; penalties  
4 for noncompliance; powers of Department of Revenue in dealing  
5 with delinquents; brackets applicable to taxable transactions;  
6 records required.--

7           (14) If it is determined upon audit that a dealer has  
8 collected and remitted taxes by applying the applicable tax  
9 rate to each transaction as described in subsection (9) and  
10 rounding the tax due to the nearest whole cent rather than  
11 applying the appropriate bracket system provided by law or  
12 department rule, the dealer shall not be held liable for  
13 additional tax, penalty, and interest resulting from such  
14 failure if:

15           (a) The dealer acted in a good faith belief that  
16 rounding to the nearest whole cent was the proper method of  
17 determining the amount of tax due on each taxable transaction.

18           (b) The dealer timely reported and remitted all taxes  
19 collected on each taxable transaction.

20           (c) The dealer agrees in writing to future compliance  
21 with the laws and rules concerning brackets applicable to the  
22 dealer's transactions.

23           Section 31. Paragraph (a) of subsection (3) of section  
24 212.18, Florida Statutes, is amended to read:

25           212.18 Administration of law; registration of dealers;  
26 rules.--

27           (3)(a) Every person desiring to engage in or conduct  
28 business in this state as a dealer, as defined in this  
29 chapter, or to lease, rent, or let or grant licenses in living  
30 quarters or sleeping or housekeeping accommodations in hotels,  
31 apartment houses, roominghouses, or tourist or trailer camps

1 that are subject to tax under s. 212.03, or to lease, rent, or  
2 let or grant licenses in real property, as defined in this  
3 chapter, and every person who sells or receives anything of  
4 value by way of admissions, must file with the department an  
5 application for a certificate of registration for each place  
6 of business, showing the names of the persons who have  
7 interests in such business and their residences, the address  
8 of the business, and such other data as the department may  
9 reasonably require. However, owners and operators of vending  
10 machines or newspaper rack machines are required to obtain  
11 only one certificate of registration for each county in which  
12 such machines are located. The department, by rule, may  
13 authorize a dealer that uses independent sellers to sell its  
14 merchandise to remit tax on the retail sales price charged to  
15 the ultimate consumer in lieu of having the independent seller  
16 register as a dealer and remit the tax. The department may  
17 appoint the county tax collector as the department's agent to  
18 accept applications for registrations. The application must be  
19 made to the department before the person, firm, copartnership,  
20 or corporation may engage in such business, and it must be  
21 accompanied by a registration fee of \$5. However, a  
22 registration fee is not required to accompany an application  
23 to engage in or conduct business to make mail order sales. The  
24 department may waive the registration fee for applications  
25 submitted through the department's Internet registration  
26 process.

27 Section 32. Subsections (16) and (17) are added to  
28 section 213.015, Florida Statutes, to read:

29 213.015 Taxpayer rights.--There is created a Florida  
30 Taxpayer's Bill of Rights to guarantee that the rights,  
31 privacy, and property of Florida taxpayers are adequately

1 safeguarded and protected during tax assessment, collection,  
2 and enforcement processes administered under the revenue laws  
3 of this state. The Taxpayer's Bill of Rights compiles, in one  
4 document, brief but comprehensive statements which explain, in  
5 simple, nontechnical terms, the rights and obligations of the  
6 Department of Revenue and taxpayers. The rights afforded  
7 taxpayers to assure that their privacy and property are  
8 safeguarded and protected during tax assessment and collection  
9 are available only insofar as they are implemented in other  
10 parts of the Florida Statutes or rules of the Department of  
11 Revenue. The rights so guaranteed Florida taxpayers in the  
12 Florida Statutes and the departmental rules are:

13 (16) The right to pay a reasonable fine or percentage  
14 of tax, whichever is less, to reinstate an exemption from any  
15 tax which a taxpayer would have been entitled to receive but  
16 which was lost because the taxpayer failed to properly  
17 register as a tax dealer in this state or obtain the necessary  
18 certificates entitling the taxpayer to the exemption (see s.  
19 212.12).

20 (17) The right to fair and consistent application of  
21 the tax laws of this state by the Department of Revenue.

22 Section 33. Paragraph (c) is added to subsection (1)  
23 of section 213.053, Florida Statutes, subsection (3) and  
24 paragraphs (n) and (r) of subsection (7) of said section are  
25 amended, and paragraph (w) is added to subsection (7) of said  
26 section, to read:

27 213.053 Confidentiality and information sharing.--

28 (1)

29 (c) The provisions of this section, except paragraph  
30 (7)(f), also apply to chapter 443 while the department is  
31 performing tax collection services for the Agency for



1 Workforce Innovation pursuant to chapter 2000-165, Laws of  
2 Florida; however, the exceptions to confidentiality set forth  
3 in ss. 443.171(7) and 443.1715 remain in full force and  
4 effect.

5 (3) The department shall permit a taxpayer, his or her  
6 authorized representative, or the personal representative of  
7 an estate to inspect the taxpayer's return and may furnish him  
8 or her an abstract of such return. A taxpayer may authorize  
9 the department in writing to divulge specific information  
10 concerning the taxpayer's account. The department, while  
11 performing unemployment compensation tax collection services  
12 pursuant to a contract with the Agency for Workforce  
13 Innovation, may release unemployment tax rate information to  
14 the agent of an employer, which agent provides payroll  
15 services for more than 500 employers, pursuant to the terms of  
16 a memorandum of understanding. The memorandum of  
17 understanding shall state that the agent affirms, subject to  
18 the criminal penalties contained in ss. 443.171 and 443.1715,  
19 that the agent will retain the confidentiality of the  
20 information, that the agent has in effect a power of attorney  
21 from the employer which permits the agent to obtain  
22 unemployment tax rate information, and that the agent shall  
23 provide the department with a copy of the employer's power of  
24 attorney upon request.

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

27 (n) Information contained in returns, reports,  
28 accounts, or declarations to the Board of Accountancy in  
29 connection with a disciplinary proceeding conducted pursuant  
30 to chapter 473 when related to a certified public accountant  
31 participating in the certified audits project, or to the court

1 in connection with a civil proceeding brought by the  
2 department relating to a claim for recovery of taxes due to  
3 negligence on the part of a certified public accountant  
4 participating in the certified audits project. In any  
5 judicial proceeding brought by the department, upon motion for  
6 protective order, the court shall limit disclosure of tax  
7 information when necessary to effectuate the purposes of this  
8 section. This paragraph is repealed on July 1, 2006 ~~2002~~.

9 (r) Information relative to the returns required by  
10 ss. 175.111 and 185.09 to the Department of Management  
11 Services in the conduct of its official duties. The Department  
12 of Management Services is, in turn, authorized to disclose  
13 payment information to a governmental agency or the agency's  
14 agent for purposes related to budget preparation, auditing,  
15 revenue or financial administration, or ~~as necessary in the~~  
16 administration of chapters 175 and 185.

17 (w) Tax registration information to the Agency for  
18 Workforce Innovation for use in the conduct of its official  
19 duties, which information may not be redisclosed by the Agency  
20 for Workforce Innovation.

21  
22 Disclosure of information under this subsection shall be  
23 pursuant to a written agreement between the executive director  
24 and the agency. Such agencies, governmental or  
25 nongovernmental, shall be bound by the same requirements of  
26 confidentiality as the Department of Revenue. Breach of  
27 confidentiality is a misdemeanor of the first degree,  
28 punishable as provided by s. 775.082 or s. 775.083.

29 Section 34. Effective July 1, 2002, paragraph (c) is  
30 added to subsection (4) of section 213.0535, Florida Statutes,  
31 to read:

1           213.0535 Registration Information Sharing and Exchange  
2 Program.--

3           (4) There are two levels of participation:

4           (c) A level-two participant may disclose information  
5 as provided in paragraph (b) in response to a request for such  
6 information from any other level-two participant. Information  
7 relative to specific taxpayers shall be requested or disclosed  
8 under this paragraph only to the extent necessary in the  
9 administration of a tax or licensing provision as enumerated  
10 in paragraph (a). When a disclosure made under this paragraph  
11 involves confidential information provided to the participant  
12 by the Department of Revenue, the participant who provides the  
13 information shall maintain records of the disclosures, which  
14 records shall be subject to review by the Department of  
15 Revenue for a period of 5 years after the date of the  
16 disclosure.

17           Section 35. Paragraph (a) of subsection (3) and  
18 subsection (8) of section 213.21, Florida Statutes, are  
19 amended, and subsections (9) and (10) are added to said  
20 section, to read:

21           213.21 Informal conferences; compromises.--

22           (3)(a) A taxpayer's liability for any tax or interest  
23 specified in s. 72.011(1) may be compromised by the department  
24 upon the grounds of doubt as to liability for or  
25 collectibility of such tax or interest. A taxpayer's liability  
26 for penalties under any of the chapters specified in s.  
27 72.011(1) may be settled or compromised if it is determined by  
28 the department that the noncompliance is due to reasonable  
29 cause and not to willful negligence, willful neglect, or  
30 fraud. The facts and circumstances are subject to de novo  
31 review to determine the existence of reasonable cause in any

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

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

1 collected but not remitted to the department. This subsection  
2 is repealed on July 1, 2006 ~~2002~~.

3 (9) A penalty for failing to collect a tax imposed by  
4 chapter 212 shall be settled or compromised upon payment of  
5 tax and interest if a taxpayer failed to collect the tax due  
6 to a good faith belief that tax was not due on the transaction  
7 and, because of that good faith belief, the taxpayer is now  
8 unable to charge and collect the tax from the taxpayer's  
9 purchaser. The Department of Revenue shall adopt rules  
10 necessary to implement and administer this subsection,  
11 including rules establishing procedures and forms.

12 (10)(a) Notwithstanding any other provision of law and  
13 solely for the purpose of administering the tax imposed by  
14 chapter 212, under the circumstances set forth in this  
15 subsection, the department shall settle or compromise a  
16 taxpayer's liability for penalty without requiring the  
17 taxpayer to submit a written request for compromise or  
18 settlement.

19 (b) For taxpayers who file returns and remit tax on a  
20 monthly basis:

21 1. Any penalty related to a noncompliant filing event  
22 shall be settled or compromised if the taxpayer has:

23 a. No noncompliant filing event in the immediately  
24 preceding 12-month period and no unresolved chapter 212  
25 liability resulting from a noncompliant filing event; or

26 b. One noncompliant filing event in the immediately  
27 preceding 12-month period, resolution of the current  
28 noncompliant filing event through payment of tax and interest  
29 and the filing of a return within 30 days after notification  
30 by the department, and no unresolved chapter 212 liability  
31 resulting from a noncompliant filing event.

1           2. If a taxpayer has two or more noncompliant filing  
2 events in the immediately preceding 12-month period, the  
3 taxpayer shall be liable, absent a showing by the taxpayer  
4 that the noncompliant filing event was due to extraordinary  
5 circumstances, for the penalties provided in s. 212.12,  
6 including loss of collection allowance, and shall be reported  
7 to a credit bureau.

8           (c) For taxpayers who file returns and remit tax on a  
9 quarterly basis, any penalty related to a noncompliant filing  
10 event shall be settled or compromised if the taxpayer has no  
11 noncompliant filing event in the immediately preceding  
12 12-month period and no unresolved chapter 212 liability  
13 resulting from a noncompliant filing event.

14           (d) For purposes of this subsection:

15           1. "Noncompliant filing event" means a failure to  
16 timely file a complete and accurate return required under  
17 chapter 212 or a failure to timely pay the amount of tax  
18 reported on a return required by chapter 212.

19           2. "Extraordinary circumstances" means the occurrence  
20 of events beyond the control of the taxpayer, such as, but not  
21 limited to, the death of the taxpayer, acts of war or  
22 terrorism, natural disasters, fire, or other casualty, or the  
23 nonfeasance or misfeasance of the taxpayer's employees or  
24 representatives responsible for compliance with the provisions  
25 of chapter 212. With respect to the acts of an employee or  
26 representative, the taxpayer must show that the principals of  
27 the business lacked actual knowledge of the noncompliance and  
28 that the noncompliance was resolved within 30 days after  
29 actual knowledge.

1           Section 36. Effective July 1, 2002, subsections (2)  
2 and (3) of section 213.235, Florida Statutes, are amended to  
3 read:

4           213.235 Determination of interest on deficiencies.--

5           (2) If the adjusted prime rate charged by banks,  
6 rounded to the nearest full percent, plus 2 percentage points,  
7 during either:

8           (a) The 6-month period ending on September 30 of any  
9 calendar year, or

10           (b) The 6-month period ending on March 31 of any  
11 calendar year

12  
13 differs from the interest rate in effect on either such date,  
14 the executive director of the department shall, within 20  
15 days, establish an adjusted rate of interest equal to such  
16 adjusted prime rate plus 2 percentage points.

17           (3) An adjusted rate of interest established under  
18 this section becomes effective:

19           (a) On January 1 of the succeeding year, if based upon  
20 the adjusted prime rate plus 2 percentage points for the  
21 6-month period ending on September 30; or

22           (b) On July 1 of the same calendar year, if based upon  
23 the adjusted prime rate plus 2 percentage points for the  
24 6-month period ending on March 31.

25           Section 37. It is the intent of the Legislature that  
26 the amendments made by this act to s. 213.235(2) and (3),  
27 Florida Statutes, apply to interest due on tax payment  
28 deficiencies that arise on or after July 1, 2002, and also  
29 apply to interest due on tax payment deficiencies that arose  
30 on or after January 1, 2000, but remain unpaid on July 1,  
31 2002.

1 Section 38. Subsection (2) of section 213.24, Florida  
2 Statutes, is amended to read:

3 213.24 Accrual of penalties and interest on  
4 deficiencies; deficiency billing costs.--

5 (2)(a) Billings for deficiencies or automated refunds  
6 of tax, penalty, or interest shall not be issued for any  
7 amount less than the actual costs incurred ~~by the department~~  
8 to produce a billing or automated refund.

9 (b) The cost of issuing billings or automated refunds  
10 for any tax enumerated in s. 213.05 shall be computed in a  
11 study performed by the inspector general of the department.  
12 The study shall be conducted every 3 years and at such other  
13 times as deemed necessary by the inspector general. A minimum  
14 billing and automated refund amount shall be established and  
15 adjusted in accordance with the results of such study.

16 (c) Any change in minimum billing or automated refund  
17 amounts ~~amount~~ shall be made effective on July 1 following the  
18 completion of the study.

19 Section 39. Subsection (4) of section 213.255, Florida  
20 Statutes, is amended to read:

21 213.255 Interest.--Interest shall be paid on  
22 overpayments of taxes, payment of taxes not due, or taxes paid  
23 in error, subject to the following conditions:

24 (4) Interest shall not commence until 90 days after a  
25 complete refund application has been filed and the amount of  
26 overpayment has not been refunded to the taxpayer or applied  
27 as a credit to the taxpayer's account. However, if there is a  
28 prohibition against refunding a tax overpayment before the  
29 first day of the state fiscal year, interest on the tax  
30 overpayment shall not commence until August 1 of the year the  
31 tax was due. If the department and the taxpayer mutually agree



1 that an audit or verification is necessary in order to  
2 determine the taxpayer's entitlement to the refund, interest  
3 shall not commence until the audit or verification of the  
4 claim is final.

5 Section 40. Paragraph (c) of subsection (2) of section  
6 213.285, Florida Statutes, is amended to read:

7 213.285 Certified audits.--  
8 (2)

9 (c) The certified audits project is repealed on July  
10 1, 2006 ~~2002~~, or upon completion of the project as determined  
11 by the department, whichever occurs first.

12 Section 41. Subsection (3) is added to section 213.30,  
13 Florida Statutes, to read:

14 213.30 Compensation for information relating to a  
15 violation of the tax laws.--

16 (3) Notwithstanding any other provision of law, this  
17 section is the sole means by which any person may seek or  
18 obtain any moneys as the result of, in relation to, or founded  
19 upon the failure by another person to comply with the tax laws  
20 of this state. A person's use of any other law to seek or  
21 obtain moneys for such failure is in derogation of this  
22 section and conflicts with the state's duty to administer the  
23 tax laws.

24 Section 42. Section 213.755, Florida Statutes, is  
25 amended to read:

26 213.755 Filing of returns and payment of taxes by  
27 electronic means ~~funds transfer~~.--

28 (1) The executive director of the Department of  
29 Revenue shall have authority to require a taxpayer to file  
30 returns and remit taxes by electronic means ~~funds transfer~~  
31 where the taxpayer, ~~including consolidated filers,~~ is subject

1 to tax and has paid that tax in the prior state fiscal year in  
2 an amount of \$30,000~~\$50,000~~ or more. Any taxpayer who  
3 operates two or more places of business for which returns are  
4 required to be filed with the department and maintains records  
5 for such places of business in a central office or place shall  
6 combine the tax payments for all such locations in order to  
7 determine whether they are obligated under this section. This  
8 subsection does not override additional requirements in any  
9 provision of a revenue law which the department has the  
10 responsibility of regulating, controlling, and administering.

11 (2) An employer or person required to report by  
12 electronic means pursuant to s. 443.163 shall remit the  
13 payment due by electronic means. An employer who fails to  
14 report or remit tax pursuant to this subsection shall be  
15 liable for a penalty of \$10 for each report or remittance  
16 submitted by paper unless the employer has first obtained a  
17 waiver of such requirement from the department.

18 (3)~~(2)~~ As used in any revenue law administered by the  
19 department, the term:

20 (a) "Payment" means any payment or remittance required  
21 to be made or paid within a prescribed period or on or before  
22 a prescribed date under the authority of any provision of a  
23 revenue law which the department has the responsibility for  
24 regulating, controlling, and administering. The term does not  
25 include any remittance unless the amount of the remittance is  
26 actually received by the department.

27 (b) "Return" means any report, claim, statement,  
28 notice, application, affidavit, or other document required to  
29 be filed within a prescribed period or on or before a  
30 prescribed date under the authority of any provision of a  
31

1 revenue law which the department has the responsibility of  
2 regulating, controlling, and administering.

3 (c) "Electronic means" includes, but is not limited  
4 to, use of the Internet and telephone.

5 (4)(3) Solely for the purposes of administering this  
6 section:

7 (a) Taxes levied under parts I and II of chapter 206  
8 shall be considered a single tax.

9 (b) A person required to remit a tax acting as a  
10 collection agent or dealer for the state shall nonetheless be  
11 considered the taxpayer.

12 (5) The executive director may require a taxpayer to  
13 file by electronic means returns for which no tax is due for  
14 the specific taxing period.

15 (6) Beginning January 1, 2003, consolidated filers  
16 shall file returns and remit taxes by electronic means.

17 (7) A taxpayer required to report by electronic means  
18 shall remit the payment by electronic means. A taxpayer who  
19 fails to report or remit tax pursuant to this subsection shall  
20 be liable for a penalty of \$10 for each report or remittance  
21 submitted by paper unless the taxpayer has first obtained a  
22 waiver of such requirement from the department.

23 (8) The department shall give due regard to developing  
24 uniform standards for formats as adopted by the American  
25 National Standards Institute for encryption and taxpayer  
26 authentication to ensure that the return and payment  
27 information is kept confidential. The department shall also  
28 provide several options for filing and remitting by electronic  
29 means in order to make compliance with the requirements of  
30 this section as simple as possible for the taxpayer.

31

1       (9) The department shall prescribe by rule the format  
2 and instructions necessary for filing and remittance in  
3 accordance with this section to ensure a full collection of  
4 taxes, interest, and penalties due; the acceptable method of  
5 transfer; the method, form, and content of the electronic  
6 filing of returns or remittance of tax, penalty, or interest;  
7 and the means, if any, by which the taxpayer will be provided  
8 with an acknowledgment of receipt.

9           Section 43. Paragraphs (q) and (gg) of subsection (1)  
10 of section 220.03, Florida Statutes, is amended to read:

11           220.03 Definitions.--

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

16           (q) "New employee," for the purposes of the enterprise  
17 zone jobs credit, means a person residing in an enterprise  
18 zone or a participant in the welfare transition program who is  
19 employed at a business located in an enterprise zone who  
20 begins employment in the operations of the business after July  
21 1, 1995, and who has not been previously employed full-time  
22 within the preceding 12 months by the business or a successor  
23 business claiming the credit pursuant to s. 220.181. A person  
24 shall be deemed to be employed by such a business if the  
25 person performs duties in connection with the operations of  
26 the business on a full-time basis, provided she or he is  
27 performing such duties for an average of at least 36 hours per  
28 week each month. ~~The term "jobs" also includes employment of~~  
29 ~~an employee leased from an employee leasing company licensed~~  
30 ~~under chapter 468, if such employee has been continuously~~  
31 ~~leased to the employer for an average of at least 36 hours per~~

1 ~~week for more than 6 months.~~The person must be performing  
2 such duties at a business site located in an enterprise zone.  
3 The provisions of this paragraph shall expire and be void on  
4 June 30, 2005.

5 (gg) "Jobs" means full-time positions, as consistent  
6 with terms used by the Agency for Workforce Innovation and the  
7 United States Department of Labor for purposes of unemployment  
8 compensation tax administration and employment estimation  
9 resulting directly from business operations in this state.  
10 These terms ~~This number~~ may not include temporary construction  
11 jobs involved with the construction of facilities or any jobs  
12 that have previously been included in any application for tax  
13 credits under s. 212.096 ~~220.181(1)~~. The term "jobs" also  
14 includes employment of an employee leased from an employee  
15 leasing company licensed under chapter 468 if the employee has  
16 been continuously leased to the employer for an average of at  
17 least 36 hours per week for more than 6 months.

18 Section 44. Paragraph (a) of subsection (1) of section  
19 220.181, Florida Statutes, is amended to read:

20 220.181 Enterprise zone jobs credit.--

21 (1)(a) Beginning January 1, 2002, there shall be  
22 allowed a credit against the tax imposed by this chapter to  
23 any business located in an enterprise zone which demonstrates  
24 to the department that the total number of full-time jobs has  
25 increased from the average of the previous 12 months. ~~This~~  
26 ~~credit is also available for~~ A business that created ~~added~~ a  
27 minimum of five new full-time jobs in an enterprise zone  
28 between July 1, 2000, and December 31, 2001, may also be  
29 eligible to claim the credit for eligible employees under the  
30 provisions that took effect January 1, 2002. The credit shall  
31 be computed as 20 percent of the actual monthly wages paid in

1 this state to each new employee hired when a new job has been  
2 created, as defined under s. 220.03(1)(ff), unless the  
3 business is located in a rural enterprise zone, pursuant to s.  
4 290.004(8), in which case the credit shall be 30 percent of  
5 the actual monthly wages paid. If no less than 20 percent of  
6 the employees of the business are residents of an enterprise  
7 zone, excluding temporary and part-time employees, the credit  
8 shall be computed as 30 percent of the actual monthly wages  
9 paid in this state to each new employee hired when a new job  
10 has been created, unless the business is located in a rural  
11 enterprise zone, in which case the credit shall be 45 percent  
12 of the actual monthly wages paid, for a period of up to 24  
13 consecutive months. If the new employee hired when a new job  
14 is created is a participant in the welfare transition program,  
15 the following credit shall be a percent of the actual monthly  
16 wages paid: 40 percent for \$4 above the hourly federal minimum  
17 wage rate; 41 percent for \$5 above the hourly federal minimum  
18 wage rate; 42 percent for \$6 above the hourly federal minimum  
19 wage rate; 43 percent for \$7 above the hourly federal minimum  
20 wage rate; and 44 percent for \$8 above the hourly federal  
21 minimum wage rate.

22 Section 45. Subsection (4) of section 220.22, Florida  
23 Statutes, is amended to read:

24 220.22 Returns; filing requirement.--

25 (4) The department shall designate by rule certain  
26 not-for-profit entities and others that are not required to  
27 file a return under this code, including an initial  
28 information return, unless the entities have taxable income as  
29 defined in s. 220.13(2). These entities shall include  
30 subchapter S corporations, tax-exempt entities, and others  
31 that do not usually owe federal income tax.~~For the year in~~

1 ~~which an election is made pursuant to s. 1361(b)(3) of the~~  
2 ~~Internal Revenue Code, the qualified subchapter S subsidiary~~  
3 ~~shall file an informational return with the department, which~~  
4 ~~return shall be restricted to information identifying the~~  
5 ~~subsidiary, the electing S corporation parent, and the~~  
6 ~~effective date of the election.~~

7 Section 46. Paragraph (c) of subsection (2) of section  
8 220.23, Florida Statutes, is amended to read:

9 220.23 Federal returns.--

10 (2) In the event the taxable income, any item of  
11 income or deduction, or the income tax liability reported in a  
12 federal income tax return of any taxpayer for any taxable year  
13 is adjusted by amendment of such return or as a result of any  
14 other recomputation or redetermination of federal taxable  
15 income or loss, if such adjustment would affect any item or  
16 items entering into the computation of such taxpayer's net  
17 income subject to tax for any taxable year under this code,  
18 the following special rules shall apply:

19 (c) In any case where notification of an adjustment is  
20 required under paragraph (a), then notwithstanding any other  
21 provision contained in s. 95.091(3):

22 1. A notice of deficiency may be issued at any time  
23 within 5 years after the date such notification is given; or

24 2. If a taxpayer either fails to notify the department  
25 or fails to report a change or correction which is treated in  
26 the same manner as if it were a deficiency for federal income  
27 tax purposes, a notice of deficiency may be issued at any  
28 time;

29 3. In either case, the amount of any proposed  
30 assessment set forth in such notice shall be limited to the  
31 amount of any deficiency resulting under this code from

1 recomputation of the taxpayer's income for the taxable year  
2 after giving effect only to the item or items reflected in the  
3 adjustment.

4  
5 Interest in accordance with s. 220.807 is due on the amount of  
6 any deficiency from the date fixed for filing the original  
7 return for the taxable year, determined without regard to any  
8 extension of time for filing the original return, until the  
9 date of payment of the deficiency.

10 Section 47. Effective July 1, 2002, subsections (2)  
11 and (3) of section 220.807, Florida Statutes, are amended to  
12 read:

13 220.807 Determination of rate of interest.--

14 (2) If the adjusted prime rate charged by banks,  
15 rounded to the nearest full percent, plus 2 percentage points,  
16 during either:

17 (a) The 6-month period ending on September 30 of any  
18 calendar year; or

19 (b) The 6-month period ending on March 31 of any  
20 calendar year,

21  
22 differs from the interest rate in effect on either such date,  
23 the executive director of the Department of Revenue shall,  
24 within 20 days, establish an adjusted rate of interest equal  
25 to such adjusted prime rate plus 2 percentage points.

26 (3) An adjusted rate of interest established under  
27 this section shall become effective:

28 (a) On January 1 of the succeeding year, if based upon  
29 the adjusted prime rate plus 2 percentage points for the  
30 6-month period ending on September 30; or

31



1 (b) On July 1 of the same calendar year, if based upon  
2 the adjusted prime rate plus 2 percentage points for the  
3 6-month period ending on March 31.

4 Section 48. It is the intent of the Legislature that  
5 the amendments made by this act to s. 220.807(2) and (3),  
6 Florida Statutes, apply to interest due on tax payment  
7 deficiencies that arise on or after July 1, 2002, and also  
8 apply to interest due on tax payment deficiencies that arose  
9 before July 1, 2002, but remain unpaid on July 1, 2002.

10 Section 49. Subsection (1) of section 220.809, Florida  
11 Statutes, is amended to read:

12 220.809 Interest on deficiencies.--

13 (1) Except as provided in s. 220.23(2)(c),if any  
14 amount of tax imposed by this chapter is not paid on or before  
15 the date, determined without regard to any extensions,  
16 prescribed for payment of such tax, interest shall be paid in  
17 accordance with the provisions of s. 220.807 on the unpaid  
18 amount from such date to the date of payment.

19 Section 50. Subsection (2) of section 290.00677,  
20 Florida Statutes, is amended to read:

21 290.00677 Rural enterprise zones; special  
22 qualifications.--

23 (2) Notwithstanding the enterprise zone residency  
24 requirements set out in s. 220.03(1)(q), ~~eligible~~ businesses  
25 as defined by s. 220.03(1)(c)~~212.096(1)(a)~~, located in rural  
26 enterprise zones as defined in s. 290.004, may receive the  
27 basic minimum credit provided under s. 220.181 for creating a  
28 new job and hiring a person residing within the jurisdiction  
29 of a rural county, as defined by s. 288.106(1)(r). All other  
30 provisions of s. 220.181, including, but not limited to, those  
31

1 relating to the award of enhanced credits apply to such  
2 businesses.

3 Section 51. Subsection (5) of section 336.021, Florida  
4 Statutes, is amended to read:

5 336.021 County transportation system; levy of  
6 ninth-cent fuel tax on motor fuel and diesel fuel.--

7 (5) All impositions of the tax shall be levied ~~imposed~~  
8 ~~before November 1, 1993, to be effective January 1, 1994, and~~  
9 ~~before July 1 of each year thereafter to be effective January~~  
10 ~~1 of the following year. However, levies of the tax which were~~  
11 ~~in effect on July 1, 2002 1996, and which expire on August 31~~  
12 ~~of any year may be reimposed at the current authorized rate to~~  
13 ~~be effective September 1 of the year of expiration. All~~  
14 ~~impositions shall be required to end on December 31 of a year.~~  
15 A No decision to rescind the tax shall not take effect on any  
16 date other than December 31 and shall require a minimum of  
17 until at least 60 days' notice to days after the county  
18 ~~notifies~~ the department of such decision.

19 Section 52. Paragraphs (a) and (b) of subsection (1)  
20 and paragraph (a) of subsection (5) of section 336.025,  
21 Florida Statutes, are amended to read:

22 336.025 County transportation system; levy of local  
23 option fuel tax on motor fuel and diesel fuel.--

24 (1)(a) In addition to other taxes allowed by law,  
25 there may be levied as provided in ss. 206.41(1)(e) and  
26 206.87(1)(c) a 1-cent, 2-cent, 3-cent, 4-cent, 5-cent, or  
27 6-cent local option fuel tax upon every gallon of motor fuel  
28 and diesel fuel sold in a county and taxed under the  
29 provisions of part I or part II of chapter 206.

30 1. All impositions and rate changes of the tax shall  
31 be levied before July 1 to be effective January 1 of the

1 following year for a period not to exceed 30 years, and the  
2 applicable method of distribution shall be established  
3 pursuant to subsection (3) or subsection (4). However, levies  
4 of the tax which were in effect on July 1, 2002 ~~1996~~, and  
5 which expire on August 31 of any year may be reimposed at the  
6 current authorized rate effective September 1 of the year of  
7 expiration. Upon expiration, the tax may be relieved provided  
8 that a redetermination of the method of distribution is made  
9 as provided in this section.

10           2. County and municipal governments shall utilize  
11 moneys received pursuant to this paragraph only for  
12 transportation expenditures.

13           3. Any tax levied pursuant to this paragraph may be  
14 extended on a majority vote of the governing body of the  
15 county. A redetermination of the method of distribution shall  
16 be established pursuant to subsection (3) or subsection (4),  
17 if, after July 1, 1986, the tax is extended or the tax rate  
18 changed, for the period of extension or for the additional  
19 tax.

20           (b) In addition to other taxes allowed by law, there  
21 may be levied as provided in s. 206.41(1)(e) a 1-cent, 2-cent,  
22 3-cent, 4-cent, or 5-cent local option fuel tax upon every  
23 gallon of motor fuel sold in a county and taxed under the  
24 provisions of part I of chapter 206. The tax shall be levied  
25 by an ordinance adopted by a majority plus one vote of the  
26 membership of the governing body of the county or by  
27 referendum.

28           1. All impositions and rate changes of the tax shall  
29 be levied before July 1, to be effective January 1 of the  
30 following year. However, levies of the tax which were in  
31 effect on July 1, 2002 ~~1996~~, and which expire on August 31 of

1 any year may be reimposed at the current authorized rate  
2 effective September 1 of the year of expiration.

3 2. The county may, prior to levy of the tax, establish  
4 by interlocal agreement with one or more municipalities  
5 located therein, representing a majority of the population of  
6 the incorporated area within the county, a distribution  
7 formula for dividing the entire proceeds of the tax among  
8 county government and all eligible municipalities within the  
9 county. If no interlocal agreement is adopted before the  
10 effective date of the tax, tax revenues shall be distributed  
11 pursuant to the provisions of subsection (4). If no  
12 interlocal agreement exists, a new interlocal agreement may be  
13 established prior to June 1 of any year pursuant to this  
14 subparagraph. However, any interlocal agreement agreed to  
15 under this subparagraph after the initial levy of the tax or  
16 change in the tax rate authorized in this section shall under  
17 no circumstances materially or adversely affect the rights of  
18 holders of outstanding bonds which are backed by taxes  
19 authorized by this paragraph, and the amounts distributed to  
20 the county government and each municipality shall not be  
21 reduced below the amount necessary for the payment of  
22 principal and interest and reserves for principal and interest  
23 as required under the covenants of any bond resolution  
24 outstanding on the date of establishment of the new interlocal  
25 agreement.

26 3. County and municipal governments shall utilize  
27 moneys received pursuant to this paragraph only for  
28 transportation expenditures needed to meet the requirements of  
29 the capital improvements element of an adopted comprehensive  
30 plan. For purposes of this paragraph, expenditures for the  
31 construction of new roads, the reconstruction or resurfacing

1 of existing paved roads, or the paving of existing graded  
2 roads shall be deemed to increase capacity and such projects  
3 shall be included in the capital improvements element of an  
4 adopted comprehensive plan. Expenditures for purposes of this  
5 paragraph shall not include routine maintenance of roads.  
6 (5)(a) By July 1 of each year, the county shall notify  
7 the Department of Revenue of the rate of the taxes ~~tax~~ levied  
8 pursuant to paragraphs (1)(a) and (b), and of its decision to  
9 rescind or change the rate of a ~~the~~ tax, if applicable, and  
10 shall provide the department with a certified copy of the  
11 interlocal agreement established under subparagraph (1)(b)2.  
12 or subparagraph (3)(a)1. with distribution proportions  
13 established by such agreement or pursuant to subsection (4),  
14 if applicable. A ~~No~~ decision to rescind a ~~the~~ tax shall not  
15 take effect on any date other than December 31 and shall  
16 require a minimum of ~~until at least~~ 60 days' notice to ~~days~~  
17 ~~after the county notifies~~ the Department of Revenue of such  
18 decision.

19 Section 53. Subsection (2) of section 376.70, Florida  
20 Statutes, is amended to read:

21 376.70 Tax on gross receipts of drycleaning  
22 facilities.--

23 (2) Each drycleaning facility or dry drop-off facility  
24 imposing a charge for the drycleaning or laundering of  
25 clothing or other fabrics is required to register with the  
26 Department of Revenue and become licensed for the purposes of  
27 this section. The owner or operator of the facility shall  
28 register the facility with the Department of Revenue.  
29 Drycleaning facilities or dry drop-off facilities operating at  
30 more than one location are only required to have a single  
31 registration. The fee for registration is \$30. The owner or

1 operator of the facility shall pay the registration fee to the  
2 Department of Revenue. The department may waive the  
3 registration fee for applications submitted through the  
4 department's Internet registration process.

5 Section 54. Subsection (1) and paragraph (e) of  
6 subsection (3) of section 443.131, Florida Statutes, are  
7 amended to read:

8 443.131 Contributions.--

9 (1) WHEN PAYABLE.--Contributions shall accrue and  
10 become payable by each employer for each calendar quarter in  
11 which he or she is subject to this chapter, with respect to  
12 wages paid during such calendar quarter for employment. Such  
13 contributions shall become due and be paid by each employer to  
14 the Agency for Workforce Innovation or its designee division  
15 for the fund, in accordance with such rules as the Agency for  
16 Workforce Innovation or its designee division may prescribe.  
17 However, nothing in this subsection shall be construed to  
18 prohibit the Agency for Workforce Innovation or its designee  
19 division from allowing, ~~on a limited basis,~~ at the request of  
20 the employer, ~~certain~~ employers of employees performing  
21 domestic services, as defined in s. 443.036(21)(g) ~~and by rule~~  
22 ~~of the division,~~ to pay contributions or report wages at  
23 intervals other than quarterly when such payment or reporting  
24 is to the advantage of the Agency for Workforce Innovation or  
25 its designee division and the employers, and when such  
26 nonquarterly payment and reporting is authorized under federal  
27 law. This provision gives employers of employees performing  
28 domestic services the option to elect to report wages and pay  
29 taxes annually, with a due date of January April 1 and a  
30 delinquency date of February 1 April 30. In order to qualify  
31 for this election, the employer must employ have only

1 employees who perform domestic services ~~employees~~, be eligible  
2 for a variation from the standard rate as computed pursuant to  
3 subsection (3)~~in good standing~~, apply to this program no  
4 later than December 1 ~~30~~ of the preceding calendar year, and  
5 agree to provide the Agency for Workforce Innovation or its  
6 designee division with any special reports which might be  
7 requested, as required by rule 60BB-2.025(5)~~38B-2.025(5)~~,  
8 including copies of all federal employment tax forms. Failure  
9 to timely furnish any wage information when required by the  
10 Agency for Workforce Innovation or its designee shall ~~may~~  
11 result in the employer's loss of the privilege to elect  
12 participation in this program, effective the calendar quarter  
13 immediately following the calendar quarter in which such  
14 failure occurred. The employer is eligible to reapply for  
15 annual reporting after 1 complete calendar year has elapsed  
16 since the employer's disqualification if the employer timely  
17 furnished any requested wage information during the period in  
18 which annual reporting was denied. Contributions shall not be  
19 deducted, in whole or in part, from the wages of individuals  
20 in such employer's employ. In the payment of any  
21 contributions, a fractional part of a cent shall be  
22 disregarded unless it amounts to one-half cent or more, in  
23 which case it shall be increased to 1 cent.

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

25 (e)1. Variations from the standard rate of  
26 contributions shall be assigned with respect to each calendar  
27 year to employers eligible therefor. In determining the  
28 contribution rate, varying from the standard rate to be  
29 assigned each employer, adjustment factors provided for in  
30 sub-subparagraphs a.-c. will be added to the benefit ratio.  
31 This addition will be accomplished in two steps by adding a

1 variable adjustment factor and a final adjustment factor as  
2 defined below. The sum of these adjustment factors provided  
3 for in sub-subparagraphs a.-c. will first be algebraically  
4 summed. The sum of these adjustment factors will then be  
5 divided by a gross benefit ratio to be determined as follows:  
6 Total benefit payments for the previous 3 years, as defined in  
7 subparagraph (b)1., charged to employers eligible to be  
8 assigned a contribution rate different from the standard rate  
9 minus excess payments for the same period divided by taxable  
10 payroll entering into the computation of individual benefit  
11 ratios for the calendar year for which the contribution rate  
12 is being computed. The ratio of the sum of the adjustment  
13 factors provided for in sub-subparagraphs a.-c. to the gross  
14 benefit ratio will be multiplied by each individual benefit  
15 ratio below the maximum tax rate to obtain variable adjustment  
16 factors; except that in any instance in which the sum of an  
17 employer's individual benefit ratio and variable adjustment  
18 factor exceeds the maximum tax rate, the variable adjustment  
19 factor will be reduced so that the sum equals the maximum tax  
20 rate. The variable adjustment factor of each such employer  
21 will be multiplied by his or her taxable payroll entering into  
22 the computation of his or her benefit ratio. The sum of these  
23 products will be divided by the taxable payroll of such  
24 employers that entered into the computation of their benefit  
25 ratios. The resulting ratio will be subtracted from the sum of  
26 the adjustment factors provided for in sub-subparagraphs a.-c.  
27 to obtain the final adjustment factor. The variable adjustment  
28 factors and the final adjustment factor will be computed to  
29 five decimal places and rounded to the fourth decimal place.  
30 This final adjustment factor will be added to the variable  
31 adjustment factor and benefit ratio of each employer to obtain



1 each employer's contribution rate; however, at no time shall  
2 an employer's contribution rate be rounded to less than 0.1  
3 percent.

4 a. An adjustment factor for noncharge benefits will be  
5 computed to the fifth decimal place, and rounded to the fourth  
6 decimal place, by dividing the amount of benefit payments  
7 noncharged in the 3 preceding years as defined in subparagraph  
8 (b)1. by the taxable payroll of employers eligible to be  
9 considered for assignment of a contribution rate different  
10 from the standard rate that have a benefit ratio for the  
11 current year less than the maximum contribution rate. The  
12 taxable payroll of such employers will be the taxable payrolls  
13 for the 3 years ending June 30 of the current calendar year  
14 that had been reported to the division by September 30 of the  
15 same calendar year. Noncharge benefits for the purpose of this  
16 section shall be defined as benefit payments to an individual  
17 which were paid from the Unemployment Compensation Trust Fund  
18 but which were not charged to the unemployment record of any  
19 employer.

20 b. An excess payments adjustment factor will be  
21 computed to the fifth decimal place, and rounded to the fourth  
22 decimal place, by dividing the total excess payments during  
23 the 3 preceding years as defined in subparagraph (b)1. by the  
24 taxable payroll of employers eligible to be considered for  
25 assignment of a contribution rate different from the standard  
26 rate that have a benefit ratio for the current year less than  
27 the maximum contribution rate. The taxable payroll of such  
28 employers will be the same as used in computing the noncharge  
29 adjustment factor as described in sub-subparagraph a. The term  
30 "excess payments" for the purpose of this section is defined  
31 as the amount of benefit payments charged to the employment

1 record of an employer during the 3 preceding years, as defined  
2 in subparagraph (b)1., less the product of the maximum  
3 contribution rate and his or her taxable payroll for the 3  
4 years ending June 30 of the current calendar year that had  
5 been reported to the division by September 30 of the same  
6 calendar year. The term "total excess payments" is defined as  
7 the sum of the individual employer excess payments for those  
8 employers that were eligible to be considered for assignment  
9 of a contribution rate different from the standard rate.

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

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

22 d. The maximum contribution rate that can be assigned  
23 to any employer shall be 5.4 percent, except those employers  
24 participating in an approved short-time compensation plan in  
25 which case the maximum shall be 1 percent above the current  
26 maximum contribution rate, with respect to any calendar year  
27 in which short-time compensation benefits are in the  
28 employer's employment record.

29 2. In the event of the transfer of employment records  
30 to an employing unit pursuant to paragraph (g) which, prior to  
31 such transfer, was an employer, the division shall recompute a

1 benefit ratio for the successor employer on the basis of the  
2 combined employment records and reassign an appropriate  
3 contribution rate to such successor employer as of the  
4 beginning of the calendar quarter immediately following the  
5 effective date of such transfer of employment records.

6 Section 55. Effective upon this act becoming a law and  
7 operating retroactively to December 21, 2000, section  
8 443.1315, Florida Statutes, is created to read:

9 443.1315 Treatment of Indian tribes.--

10 (1) As used in this section:

11 (a) "Employer" includes any Indian tribe for which  
12 service in employment as defined by this chapter is performed.

13 (b) "Employment" includes service performed in the  
14 employ of an Indian tribe, as defined by s. 3306(u) of the  
15 Federal Unemployment Tax Act, provided such service is  
16 excluded from employment as defined by that act solely by  
17 reason of s. 3306(c)(7) of such act and is not otherwise  
18 excluded from employment under this chapter. For purposes of  
19 this section, the exclusions from employment under s.  
20 443.036(21)(d) apply to services performed in the employ of an  
21 Indian tribe.

22 (2) Benefits based on service in employment shall be  
23 payable in the same amount, on the same terms, and subject to  
24 the same conditions as benefits payable on the basis of other  
25 service subject to this chapter.

26 (3)(a) Indian tribes or tribal units thereof,  
27 including subdivisions, subsidiaries, or business enterprises  
28 wholly owned by such Indian tribes, subject to this chapter  
29 shall pay contributions under the same terms and conditions as  
30 all other subject employers unless they elect to pay into the  
31 Unemployment Compensation Trust Fund amounts equal to the

1 amount of benefits attributable to service in the employ of  
2 the Indian tribe.

3 (b) Indian tribes electing to make payments in lieu of  
4 contributions must make such election in the same manner and  
5 under the same conditions as provided by s. 443.131 for state  
6 and local governments and nonprofit organizations subject to  
7 this chapter. Indian tribes shall determine whether  
8 reimbursement for benefits paid will be elected by the tribe  
9 as a whole, by individual tribal units thereof, or by  
10 combinations of individual tribal units.

11 (c) Indian tribes or tribal units thereof shall be  
12 billed for the full amount of benefits attributable to service  
13 in the employ of the Indian tribe or tribal unit on the same  
14 schedule as other employing units that have elected to make  
15 payments in lieu of contributions.

16 (d) At the discretion of the director of the Agency  
17 for Workforce Innovation or his or her designee, any Indian  
18 tribe or tribal unit thereof that elects to become liable for  
19 payments in lieu of contributions shall be required, within 90  
20 days after the effective date of such election, to:

21 1. Execute and file with the director or his or her  
22 designee a surety bond approved by the director or his or her  
23 designee; or

24 2. Deposit with the director or his or her designee  
25 money or securities on the same basis as other employers with  
26 the same election option.

27 (4)(a)1. Failure of the Indian tribe or any tribal  
28 unit thereof to make required payments, including assessments  
29 of interest and penalty, within 90 days after receipt of the  
30 bill will cause the Indian tribe to lose the option to make  
31 payments in lieu of contributions as provided in subsection

1 (3) for the following tax year unless payment in full is  
2 received before contribution rates for the next tax year are  
3 computed.

4 2. Any Indian tribe that loses the option to make  
5 payments in lieu of contributions due to late payment or  
6 nonpayment pursuant to subparagraph 1. shall have such option  
7 reinstated if, after a period of 1 year, all contributions  
8 have been made timely, provided no contributions, payments in  
9 lieu of contributions for benefits paid, penalties, or  
10 interest remain outstanding.

11 (b)1. Failure of the Indian tribe or any tribal unit  
12 thereof to make required payments, including assessments of  
13 interest and penalty, after all collection activities deemed  
14 necessary by the director of the Agency for Workforce  
15 Innovation or his or her designee have been exhausted will  
16 cause services performed for such tribe to not be treated as  
17 employment for purposes of paragraph (1)(b).

18 2. The director or his or her designee may determine  
19 that any Indian tribe that loses coverage under subparagraph  
20 1. may have services performed for such tribe again included  
21 as employment for purposes of paragraph (1)(b) if all  
22 contributions, payments in lieu of contributions, penalties,  
23 and interest have been paid.

24 (c) If an Indian tribe fails to make payments required  
25 under this section, including assessments of interest and  
26 penalty, within 90 days after a final notice of delinquency,  
27 the director of the Agency for Workforce Innovation shall  
28 immediately notify the United States Internal Revenue Service  
29 and the United States Department of Labor.

30 (5) Notices of payment and reporting delinquency to  
31 Indian tribes or tribal units thereof shall include

1 information that failure to make full payment within the  
2 prescribed timeframe:  
3 (a) Will cause the Indian tribe to be liable for taxes  
4 under the Federal Unemployment Tax Act.  
5 (b) Will cause the Indian tribe to lose the option to  
6 make payments in lieu of contributions.  
7 (c) Could cause the Indian tribe to be excepted from  
8 the definition of "employer" provided in paragraph (1)(a) and  
9 services in the employ of the Indian tribe provided in  
10 paragraph (1)(b) to be excepted from employment.  
11 (6) Extended benefits paid that are attributable to  
12 service in the employ of an Indian tribe and not reimbursed by  
13 the Federal Government shall be financed in their entirety by  
14 such Indian tribe.  
15 (7) The Agency for Workforce Innovation shall adopt  
16 any rules necessary to administer this section.  
17 Section 56. Section 443.163, Florida Statutes, is  
18 amended to read:  
19 443.163 Electronic reporting.--  
20 (1) An employer may choose to file any report required  
21 by this chapter by ~~in a form initiated through an~~ electronic  
22 means data interchange using an advanced encrypted  
23 transmission by means of the Internet or other suitable  
24 transmission. The division shall prescribe by rule the format  
25 and instructions necessary for such filing to ensure a full  
26 collection of contributions due. The acceptable method of  
27 transfer, the method, form, and content of the electronic  
28 means data interchange, and the means, if any, by which the  
29 employer will be provided with an acknowledgment, shall be  
30 prescribed by the Agency for Workforce Innovation or its  
31 designee division. However, any employer who employed 10 or

1 more employees in any quarter during the preceding calendar  
2 year, or person who prepared and reported for 5 or more  
3 employers in the preceding calendar year, must submit the  
4 Employers Quarterly Reports (UCT-6) for the current calendar  
5 year by electronic means approved by the agency or its  
6 designee.

7 (2) An employer or person who fails to file an  
8 Employers Quarterly Report (UCT-6) by electronic means, when  
9 required, is subject to a penalty of 10 percent of the tax due  
10 or \$50 per report, whichever is greater, in addition to any  
11 other penalty that is applicable.

12 (3) The department may waive the requirements to make  
13 a return through electronic means due to problems arising from  
14 the taxpayer's computer capabilities, data system changes, and  
15 taxpayer operating procedures. To obtain a waiver, the  
16 taxpayer shall demonstrate in writing to the department that  
17 such circumstances exist.

18 Section 57. Effective July 1, 2002, subsection (1) of  
19 section 681.117, Florida Statutes, is amended to read:

20 681.117 Fee.--

21 (1) A \$2 fee shall be collected by a motor vehicle  
22 dealer, or by a person engaged in the business of leasing  
23 motor vehicles, from the consumer at the consummation of the  
24 sale of a motor vehicle or at the time of entry into a lease  
25 agreement for a motor vehicle. Such fees shall be remitted to  
26 the county tax collector or private tag agency acting as agent  
27 for the Department of Revenue. If the purchaser or lessee  
28 removes the motor vehicle from the state for titling and  
29 registration outside this state, the fee shall be remitted to  
30 the Department of Revenue. All fees, less the cost of  
31 administration, shall be transferred monthly to the Department



1 of Legal Affairs for deposit into the Motor Vehicle Warranty  
2 Trust Fund. The Department of Legal Affairs shall distribute  
3 monthly an amount not exceeding one-fourth of the fees  
4 received to the Division of Consumer Services of the  
5 Department of Agriculture and Consumer Services to carry out  
6 the provisions of ss. 681.108 and 681.109. The Department of  
7 Legal Affairs shall contract with the Division of Consumer  
8 Services for payment of services performed by the division  
9 pursuant to ss. 681.108 and 681.109.

10 Section 58. Sections 3 and 4 of chapter 2000-345, Laws  
11 of Florida, are amended to read:

12 Section 3. Effective July 1, 2006 ~~2003~~, subsection  
13 (10) of section 212.031, Florida Statutes, as created by this  
14 act, is repealed, and paragraph (a) of subsection (1) and  
15 subsection (3) of said section, as amended by this act, are  
16 amended to read:

17 212.031 Lease or rental of or license in real  
18 property.--

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

24 1. Assessed as agricultural property under s. 193.461.

25 2. Used exclusively as dwelling units.

26 3. Property subject to tax on parking, docking, or  
27 storage spaces under s. 212.03(6).

28 4. Recreational property or the common elements of a  
29 condominium when subject to a lease between the developer or  
30 owner thereof and the condominium association in its own right  
31 or as agent for the owners of individual condominium units or

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

6           5. A public or private street or right-of-way and  
7 poles, conduits, fixtures, and similar improvements located on  
8 such streets or rights-of-way, occupied or used by a utility  
9 or franchised cable television company for utility or  
10 communications or television purposes. For purposes of this  
11 subparagraph, the term "utility" means any person providing  
12 utility services as defined in s. 203.012. This exception also  
13 applies to property, excluding buildings, wherever located, on  
14 which antennas, cables, adjacent accessory structures, or  
15 adjacent accessory equipment used in the provision of  
16 cellular, enhanced specialized mobile radio, or personal  
17 communications services are placed.

18           6. A public street or road which is used for  
19 transportation purposes.

20           7. Property used at an airport exclusively for the  
21 purpose of aircraft landing or aircraft taxiing or property  
22 used by an airline for the purpose of loading or unloading  
23 passengers or property onto or from aircraft or for fueling  
24 aircraft.

25           8.a. Property used at a port authority, as defined in  
26 s. 315.02(2), exclusively for the purpose of oceangoing  
27 vessels or tugs docking, or such vessels mooring on property  
28 used by a port authority for the purpose of loading or  
29 unloading passengers or cargo onto or from such a vessel, or  
30 property used at a port authority for fueling such vessels, or  
31 to the extent that the amount paid for the use of any property

1 at the port is based on the charge for the amount of tonnage  
2 actually imported or exported through the port by a tenant.

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

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

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

28 b. The design, planning, engineering, construction,  
29 alteration, repair, and maintenance of real or personal  
30 property including stages, sets, props, models, paintings, and  
31

1 facilities principally required for the performance of those  
2 services listed in sub-subparagraph a.; and

3 c. Property management services directly related to  
4 property used in connection with the services described in  
5 sub-subparagraphs a. and b.

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

19 11. Property occupied pursuant to an instrument  
20 calling for payments which the department has declared, in a  
21 Technical Assistance Advisement issued on or before March 15,  
22 1993, to be nontaxable pursuant to rule 12A-1.070(19)(c),  
23 Florida Administrative Code; provided that this subparagraph  
24 shall only apply to property occupied by the same person  
25 before and after the execution of the subject instrument and  
26 only to those payments made pursuant to such instrument,  
27 exclusive of renewals and extensions thereof occurring after  
28 March 15, 1993.

29 ~~12. Rented, leased, subleased, or licensed to a~~  
30 ~~concessionaire by a convention hall, exhibition hall,~~  
31 ~~auditorium, stadium, theater, arena, civic center, performing~~

1 ~~arts center, or publicly owned recreational facility, during~~  
2 ~~an event at the facility, to be used by the concessionaire to~~  
3 ~~sell souvenirs, novelties, or other event-related products.~~  
4 ~~This subparagraph applies only to that portion of the rental,~~  
5 ~~lease, or license payment which is based on a percentage of~~  
6 ~~sales and not based on a fixed price.~~

7           (3) The tax imposed by this section shall be in  
8 addition to the total amount of the rental or license fee,  
9 shall be charged by the lessor or person receiving the rent or  
10 payment in and by a rental or license fee arrangement with the  
11 lessee or person paying the rental or license fee, and shall  
12 be due and payable at the time of the receipt of such rental  
13 or license fee payment by the lessor or other person who  
14 receives the rental or payment. ~~Notwithstanding any other~~  
15 ~~provision of this chapter, the tax imposed by this section on~~  
16 ~~the rental, lease, or license for the use of a convention~~  
17 ~~hall, exhibition hall, auditorium, stadium, theater, arena,~~  
18 ~~civic center, performing arts center, or publicly owned~~  
19 ~~recreational facility to hold an event of not more than 7~~  
20 ~~consecutive days' duration shall be collected at the time of~~  
21 ~~the payment for that rental, lease, or license but is not due~~  
22 ~~and payable to the department until the first day of the month~~  
23 ~~following the last day that the event for which the payment is~~  
24 ~~made is actually held, and becomes delinquent on the 21st day~~  
25 ~~of that month.~~The owner, lessor, or person receiving the rent  
26 or license fee shall remit the tax to the department at the  
27 times and in the manner hereinafter provided for dealers to  
28 remit taxes under this chapter. The same duties imposed by  
29 this chapter upon dealers in tangible personal property  
30 respecting the collection and remission of the tax; the making  
31 of returns; the keeping of books, records, and accounts; and

1 the compliance with the rules and regulations of the  
2 department in the administration of this chapter shall apply  
3 to and be binding upon all persons who manage any leases or  
4 operate real property, hotels, apartment houses,  
5 roominghouses, or tourist and trailer camps and all persons  
6 who collect or receive rents or license fees taxable under  
7 this chapter on behalf of owners or lessors.

8 Section 4. Effective July 1, 2006 ~~2003~~, paragraph (b)  
9 of subsection (1), paragraph (a) of subsection (2), and  
10 subsection (3) of section 212.04, Florida Statutes, as amended  
11 by this act, are amended to read:

12 212.04 Admissions tax; rate, procedure, enforcement.--

13 (1)

14 (b) For the exercise of such privilege, a tax is  
15 levied at the rate of 6 percent of sales price, or the actual  
16 value received from such admissions, which 6 percent shall be  
17 added to and collected with all such admissions from the  
18 purchaser thereof, and such tax shall be paid for the exercise  
19 of the privilege as defined in the preceding paragraph. Each  
20 ticket must show on its face the actual sales price of the  
21 admission, or each dealer selling the admission must  
22 prominently display at the box office or other place where the  
23 admission charge is made a notice disclosing the price of the  
24 admission, and the tax shall be computed and collected on the  
25 basis of the actual price of the admission charged by the  
26 dealer. The sale price or actual value of admission shall,  
27 for the purpose of this chapter, be that price remaining after  
28 deduction of federal taxes ~~and state or locally imposed or~~  
29 ~~authorized seat surcharges, taxes, or fees~~, if any, imposed  
30 upon such admission, and. ~~The sale price or actual value does~~  
31 ~~not include separately stated ticket service charges that are~~

1 ~~imposed by a facility ticket office or a ticketing service and~~  
2 ~~added to a separately stated, established ticket price.~~ the  
3 rate of tax on each admission shall be according to the  
4 brackets established by s. 212.12(9).

5 (2)(a)1. No tax shall be levied on admissions to  
6 athletic or other events sponsored by elementary schools,  
7 junior high schools, middle schools, high schools, community  
8 colleges, public or private colleges and universities, deaf  
9 and blind schools, facilities of the youth services programs  
10 of the Department of Children and Family Services, and state  
11 correctional institutions when only student, faculty, or  
12 inmate talent is used. However, this exemption shall not apply  
13 to admission to athletic events sponsored by an institution  
14 within the State University System, and the proceeds of the  
15 tax collected on such admissions shall be retained and used by  
16 each institution to support women's athletics as provided in  
17 s. 240.533(3)(c).

18 2.a. No tax shall be levied on dues, membership fees,  
19 and admission charges imposed by not-for-profit sponsoring  
20 organizations. To receive this exemption, the sponsoring  
21 organization must qualify as a not-for-profit entity under the  
22 provisions of s. 501(c)(3) of the Internal Revenue Code of  
23 1954, as amended.

24 b. No tax imposed by this section and not actually  
25 collected before August 1, 1992, shall be due from any museum  
26 or historic building owned by any political subdivision of the  
27 state.

28 ~~c. No tax shall be levied on admission charges to an~~  
29 ~~event sponsored by a governmental entity, sports authority, or~~  
30 ~~sports commission when held in a convention hall, exhibition~~  
31 ~~hall, auditorium, stadium, theater, arena, civic center,~~

1 ~~performing arts center, or publicly owned recreational~~  
2 ~~facility and when 100 percent of the risk of success or~~  
3 ~~failure lies with the sponsor of the event and 100 percent of~~  
4 ~~the funds at risk for the event belong to the sponsor, and~~  
5 ~~student or faculty talent is not exclusively used. As used in~~  
6 ~~this sub-subparagraph, the terms "sports authority" and~~  
7 ~~"sports commission" mean a nonprofit organization that is~~  
8 ~~exempt from federal income tax under s. 501(c)(3) of the~~  
9 ~~Internal Revenue Code and that contracts with a county or~~  
10 ~~municipal government for the purpose of promoting and~~  
11 ~~attracting sports-tourism events to the community with which~~  
12 ~~it contracts.~~

13           3. No tax shall be levied on an admission paid by a  
14 student, or on the student's behalf, to any required place of  
15 sport or recreation if the student's participation in the  
16 sport or recreational activity is required as a part of a  
17 program or activity sponsored by, and under the jurisdiction  
18 of, the student's educational institution, provided his or her  
19 attendance is as a participant and not as a spectator.

20           4. No tax shall be levied on admissions to the  
21 National Football League championship game, on admissions to  
22 any semifinal game or championship game of a national  
23 collegiate tournament, or on admissions to a Major League  
24 Baseball all-star game.

25           5. A participation fee or sponsorship fee imposed by a  
26 governmental entity as described in s. 212.08(6) for an  
27 athletic or recreational program is exempt when the  
28 governmental entity by itself, or in conjunction with an  
29 organization exempt under s. 501(c)(3) of the Internal Revenue  
30 Code of 1954, as amended, sponsors, administers, plans,  
31



1 supervises, directs, and controls the athletic or recreational  
2 program.

3           6. Also exempt from the tax imposed by this section to  
4 the extent provided in this subparagraph are admissions to  
5 live theater, live opera, or live ballet productions in this  
6 state which are sponsored by an organization that has received  
7 a determination from the Internal Revenue Service that the  
8 organization is exempt from federal income tax under s.  
9 501(c)(3) of the Internal Revenue Code of 1954, as amended, if  
10 the organization actively participates in planning and  
11 conducting the event, is responsible for the safety and  
12 success of the event, is organized for the purpose of  
13 sponsoring live theater, live opera, or live ballet  
14 productions in this state, has more than 10,000 subscribing  
15 members and has among the stated purposes in its charter the  
16 promotion of arts education in the communities which it  
17 serves, and will receive at least 20 percent of the net  
18 profits, if any, of the events which the organization sponsors  
19 and will bear the risk of at least 20 percent of the losses,  
20 if any, from the events which it sponsors if the organization  
21 employs other persons as agents to provide services in  
22 connection with a sponsored event. Prior to March 1 of each  
23 year, such organization may apply to the department for a  
24 certificate of exemption for admissions to such events  
25 sponsored in this state by the organization during the  
26 immediately following state fiscal year. The application shall  
27 state the total dollar amount of admissions receipts collected  
28 by the organization or its agents from such events in this  
29 state sponsored by the organization or its agents in the year  
30 immediately preceding the year in which the organization  
31 applies for the exemption. Such organization shall receive the

1 exemption only to the extent of \$1.5 million multiplied by the  
2 ratio that such receipts bear to the total of such receipts of  
3 all organizations applying for the exemption in such year;  
4 however, in no event shall such exemption granted to any  
5 organization exceed 6 percent of such admissions receipts  
6 collected by the organization or its agents in the year  
7 immediately preceding the year in which the organization  
8 applies for the exemption. Each organization receiving the  
9 exemption shall report each month to the department the total  
10 admissions receipts collected from such events sponsored by  
11 the organization during the preceding month and shall remit to  
12 the department an amount equal to 6 percent of such receipts  
13 reduced by any amount remaining under the exemption. Tickets  
14 for such events sold by such organizations shall not reflect  
15 the tax otherwise imposed under this section.

16         7. Also exempt from the tax imposed by this section  
17 are entry fees for participation in freshwater fishing  
18 tournaments.

19         8. Also exempt from the tax imposed by this section  
20 are participation or entry fees charged to participants in a  
21 game, race, or other sport or recreational event if spectators  
22 are charged a taxable admission to such event.

23         9. No tax shall be levied on admissions to any  
24 postseason collegiate football game sanctioned by the National  
25 Collegiate Athletic Association.

26         (3) Such taxes shall be paid and remitted at the same  
27 time and in the same manner as provided for remitting taxes on  
28 sales of tangible personal property, as hereinafter provided.  
29 ~~Notwithstanding any other provision of this chapter, the tax~~  
30 ~~on admission to an event at a convention hall, exhibition~~  
31 ~~hall, auditorium, stadium, theater, arena, civic center,~~

1 ~~performing arts center, or publicly owned recreational~~  
2 ~~facility shall be collected at the time of payment for the~~  
3 ~~admission but is not due to the department until the first day~~  
4 ~~of the month following the actual date of the event for which~~  
5 ~~the admission is sold and becomes delinquent on the 21st day~~  
6 ~~of that month.~~

7           Section 59. Paragraph (f) of subsection (4) of section  
8 11 of chapter 2000-165, Laws of Florida, is amended to read:

9           Section 11.

10           (4) Effective October 1, 2000, the following programs  
11 and functions are transferred to the Agency for Workforce  
12 Innovation:

13           (f) The Division of Unemployment Compensation is  
14 transferred by a type two transfer, as defined in section  
15 20.06(2), Florida Statutes, from the Department of Labor and  
16 Employment Security to the Agency for Workforce Innovation.  
17 The resources, data, records, property, and unexpended  
18 balances of appropriations, allocations, and other funds  
19 within the Office of the Secretary or any other division,  
20 office, bureau, or unit within the Department of Labor and  
21 Employment Security that support the Division of Unemployment  
22 Compensation are transferred by a type two transfer, as  
23 defined in section 20.06(2), Florida Statutes, from the  
24 Department of Labor and Employment Security. By January 1,  
25 2001, the Agency for Workforce Innovation shall enter into a  
26 contract with the Department of Revenue which shall provide  
27 for the Department of Revenue to provide unemployment tax  
28 collection services. The Department of Revenue, in  
29 consultation with the Department of Labor and Employment  
30 Security, shall determine the number of positions needed to  
31 provide unemployment tax collection services within the

1 Department of Revenue. The number of unemployment tax  
2 collection service positions the Department of Revenue  
3 determines are needed shall not exceed the number of positions  
4 that, prior to the contract, were authorized to the Department  
5 of Labor and Employment Security for this purpose. Upon  
6 entering into the contract with the Agency for Workforce  
7 Innovation to provide unemployment tax collection services,  
8 the number of required positions, as determined by the  
9 Department of Revenue, shall be authorized within the  
10 Department of Revenue. Beginning January 1, 2002, the Office  
11 of Program Policy Analysis and Government Accountability shall  
12 conduct a feasibility study regarding privatization of  
13 unemployment tax collection services. A report on the  
14 conclusions of this study shall be submitted to the Governor,  
15 the President of the Senate, and the Speaker of the House of  
16 Representatives. The Department of Revenue is considered to be  
17 administering a revenue law of this state when the department  
18 provides unemployment compensation tax collection services  
19 pursuant to a contract of the department with the Agency for  
20 Workforce Innovation. Sections 213.018, 213.025, 213.051,  
21 213.053, 213.055, 213.071, 213.10, 213.24(2), 213.27, 213.28,  
22 213.285, 213.37, 213.50, 213.67, 213.69, 213.73, 213.733,  
23 213.74, 213.755, and 213.757, Florida Statutes, apply to the  
24 collection of unemployment contributions by the Department of  
25 Revenue unless prohibited by federal law.

26 Section 60. (1) Subsections (1) and (2) of s.  
27 199.062, s. 201.05, and subsection (6) of s. 212.084, Florida  
28 Statutes, are repealed.

29 (2) Effective July 1, 2002, subsection (10) of s.  
30 624.509, Florida Statutes, is repealed.

31

1           Section 61. The sum of \$300,000 is appropriated from  
2 the General Revenue Fund to the Department of Revenue for the  
3 one-time expense of creating the original database called for  
4 by ss. 175.1015 and 185.085, Florida Statutes, and to begin  
5 the implementation process for use of the database.

6           Section 62. Except as otherwise provided herein, this  
7 act shall take effect upon becoming a law.

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HOUSE SUMMARY

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12 Revises various provisions of the sales tax, corporate  
13 income tax, unemployment compensation tax, local option  
14 fuel tax, documentary stamp tax, communications services  
15 tax, severance tax, insurance premium tax, and  
16 intangibles tax laws of this state to delete obsolete  
17 provisions, clarify applications and procedures, improve  
18 taxpayer compliance, enhance tax administration, and  
19 protect taxpayers' rights. See bill for details.

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