

By the Committee on Finance and Taxation; and Senator Pruitt

314-2152-02

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

1 replacing the Interstate Commerce Commission  
2 with the Surface Transportation Board as the  
3 entity that licenses certain railroads as  
4 common carriers; providing that, for a vessel,  
5 railroad, or motor carrier engaged in  
6 interstate or foreign commerce, sales tax  
7 applies to taxable purchases in this state and  
8 applies even if the vessel, railroad, or motor  
9 carrier has operated for less than a fiscal  
10 year; repealing s. 624.509(10), F.S., which  
11 provides for an exemption from the insurance  
12 premium tax for insurers who write monoline  
13 flood insurance policies; amending s. 213.285,  
14 F.S.; delaying the future repeal of the  
15 certified audit project; amending ss. 213.053,  
16 213.21, F.S.; conforming repeal dates; amending  
17 s. 11, ch. 2000-165, Laws of Florida;  
18 clarifying which provisions of ch. 213, F.S.,  
19 apply to the collection of unemployment  
20 contributions; amending s. 45.031, F.S.;  
21 requiring the clerk of court to give notice to  
22 the Department of Revenue if there is a surplus  
23 resulting from the foreclosure of an  
24 unemployment compensation tax lien; amending s.  
25 69.041, F.S.; permitting the department to  
26 participate in the disbursement of unemployment  
27 compensation tax lien foreclosure funds;  
28 amending s. 213.053, F.S.; providing for  
29 confidentiality and information sharing;  
30 creating s. 443.1315, F.S.; providing  
31 definitions; providing for treatment of Indian

1 tribes under the Unemployment Compensation Law;  
2 providing that Indian tribes or tribal units  
3 may elect to make payments in lieu of  
4 contributions and providing requirements with  
5 respect thereto; providing that such Indian  
6 tribe or tribal unit may be required to file a  
7 bond or deposit security at the discretion of  
8 the director of the Agency for Workforce  
9 Innovation; providing effect of failure of such  
10 tribe or unit to make required payments;  
11 providing requirements for notices; providing  
12 responsibility for certain extended benefits;  
13 providing for rules; providing for retroactive  
14 application; amending ss. 443.163, 213.755,  
15 F.S.; requiring certain employers to file  
16 unemployment compensation reports and taxes  
17 electronically; amending s. 213.21, F.S.;  
18 allowing for the de novo review by a court of  
19 penalty compromise determinations made by the  
20 Department of Revenue; providing for an  
21 automatic compromise of penalties under certain  
22 circumstances; providing an exception to  
23 confidentiality requirements; amending s.  
24 212.07, F.S.; providing for a penalty structure  
25 that limits liability for inadvertent  
26 registration errors; encouraging voluntary  
27 self-disclosure; amending s. 213.24, F.S.;  
28 limiting the amount of automated refunds to the  
29 cost of processing the refund; amending s.  
30 55.202, F.S.; enabling a designee of the  
31 Department of Revenue to enter lien information

1 into the Secretary of State's database without  
2 incurring a fee; amending ss. 213.235, 220.807,  
3 F.S.; providing that the interest rate on tax  
4 deficiencies shall be an adjusted prime rate  
5 plus two percentage points; amending s.  
6 213.255, F.S.; allowing interest to accrue on  
7 certain refund claims on August 1 of the year  
8 the tax was due; amending s. 681.117, F.S.;  
9 allowing motor vehicle dealers to remit the  
10 Lemon Law Fee for vehicles registered and  
11 titled outside of Florida directly to the  
12 Department of Revenue; amending s. 211.3103,  
13 F.S.; clarifying that the county distributions  
14 of the severance tax on phosphate rock are  
15 calculated annually based on the production  
16 information filed on the annual returns;  
17 amending ss. 336.021, 336.025, F.S.; allowing  
18 the imposition of local gas taxes to take  
19 effect on January 1 and to be repealed on  
20 December 31 of any year; amending s. 213.0535,  
21 F.S.; allowing certain counties participating  
22 in the RISE Program to share confidential  
23 taxpayer information with other participating  
24 counties; amending ss. 212.096, 212.098,  
25 220.03, 220.181, 290.00677, F.S.; conforming  
26 cross-references; clarifying definitions;  
27 amending s. 212.031, F.S.; postponing the  
28 effective date of provisions relating to  
29 applicability of the tax on lease or rental of  
30 certain property to property in publicly owned  
31 facilities and used by concessionaires during

1 events at those facilities; amending s. 212.04,  
2 F.S.; postponing the effective date of  
3 provisions relating to applicability of the tax  
4 on admissions to certain events sponsored by  
5 governmental entities, sports authorities, and  
6 sports commissions; amending s. 212.02, F.S.,  
7 excluding from the definition of "lease,"  
8 "let," "rental," or "license" certain payments  
9 made by a regional transmission organization to  
10 an electric utility; amending s. 212.12, F.S.,  
11 providing for an exception from additional tax,  
12 interest, and penalties for dealers who  
13 erroneously collect and remit sales tax by  
14 rounding to the nearest whole cent; reenacting  
15 and amending s. 206.9825(1)(b), F.S.,  
16 authorizing the continuation of an aviation  
17 fuel tax credit for certain wholesalers or  
18 terminal suppliers; providing a revised  
19 calculation for revenue sharing distributions  
20 to municipalities; providing effective dates.

21

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

23

24 Section 1. Subsection (6) of section 212.084, Florida  
25 Statutes, is repealed.

26 Section 2. Effective July 1, 2002, subsection (7) of  
27 section 212.08, Florida Statutes, is amended to read:

28 212.08 Sales, rental, use, consumption, distribution,  
29 and storage tax; specified exemptions.--The sale at retail,  
30 the rental, the use, the consumption, the distribution, and  
31 the storage to be used or consumed in this state of the

1 following are hereby specifically exempt from the tax imposed  
2 by this chapter.

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

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

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

1 allowed unless the purchaser signs a certificate stating that  
2 the fuel to be exempted is for the exclusive use designated  
3 herein. This exemption does not apply to the use of boiler  
4 fuels that are not used in manufacturing, processing,  
5 compounding, or producing items of tangible personal property  
6 for sale, or to the use of boiler fuels used by any firm  
7 subject to regulation by the Division of Hotels and  
8 Restaurants of the Department of Business and Professional  
9 Regulation.

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

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

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

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

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

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

31

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

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

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

30           (j) Household fuels.--Also exempt from payment of the  
31 tax imposed by this chapter are sales of utilities to



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

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

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

1 | elected nonsalaried executive officer. For the purpose of this  
2 | paragraph, the term "donated property" means any property  
3 | transferred to such nonprofit organization for less than 50  
4 | percent of its fair market value.

5 | (m) Religious institutions.--

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

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

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

18 (n) Veterans' organizations.--

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

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

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

22           (2) No tax imposed by chapter 212, Florida Statutes,  
23 on the transactions exempted by paragraph (nn) of subsection  
24 (7) of section 212.08, Florida Statutes, by section 2 of this  
25 act, and not actually paid or collected by a taxpayer before  
26 the effective date of this act, shall be due from such  
27 taxpayer. However, any tax actually paid or collected shall be  
28 remitted to the Department of Revenue, and no refund shall be  
29 due. Taxpayers must obtain a sales tax exemption certificate  
30 from the department to secure the exemption granted by section  
31 212.08(7)(nn)1., Florida Statutes.



1           (3) The amendments to the introductory paragraph and  
2 and to the final, flush-left passage of subsection (7) of  
3 section 212.08, Florida Statutes, which are made by section 2  
4 of this act are made to clarify rather than change existing  
5 law, and these amendments apply retroactively to January 1,  
6 2001.

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

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

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

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

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

31

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

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

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

27           212.08 Sales, rental, use, consumption, distribution,  
28 and storage tax; specified exemptions.--The sale at retail,  
29 the rental, the use, the consumption, the distribution, and  
30 the storage to be used or consumed in this state of the  
31

1 following are hereby specifically exempt from the tax imposed  
2 by this chapter.

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

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

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

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

29 b. Notwithstanding any other provision of this  
30 section, industrial machinery and equipment purchased for use  
31 in expanding printing manufacturing facilities or plant units

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

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

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

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

31

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  
17 itself is replaced. Heating and air conditioning systems are  
18 not 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. The "section  
23 38 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. 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 itself is  
19 replaced. Heating and air conditioning systems are not  
20 industrial machinery and equipment, unless the sole  
21 justification for their installation is to meet the  
22 requirements of the production process, even though the system  
23 may provide incidental comfort to employees or serve, to an  
24 insubstantial degree, nonproduction activities.~~section 38~~  
25 ~~property" as defined in s. 48(a)(1)(A) and (B)(i) of the~~  
26 ~~Internal Revenue Code, provided such industrial machinery and~~  
27 ~~equipment qualified as an eligible cost under federal~~  
28 ~~procurement regulations and are used as an integral part of~~  
29 ~~the tangible personal property production process.~~The Such  
30 term includes parts and accessories only to the extent that  
31

1 the exemption of such parts and accessories is consistent with  
2 the provisions 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 itself is replaced. Heating and air conditioning  
24 systems are not motion picture or video equipment and sound  
25 recording equipment, unless the sole justification for their  
26 installation is to meet the requirements of the production  
27 activities, even though the system may provide incidental  
28 comfort to employees or serve, to an insubstantial degree,  
29 nonproduction 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 6. (1) It is the intent of the Legislature to  
10 provide guidance in tax matters which is current and useful.  
11 Accordingly, the continued reference to a federal regulation  
12 that no longer exists causes confusion and an undue burden on  
13 persons affected by section 212.08, Florida Statutes.

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

21 Section 7. Effective July 1, 2002, subsection (10) of  
22 section 212.08, Florida Statutes, is 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 (10) PARTIAL EXEMPTION; MOTOR VEHICLE SOLD TO RESIDENT  
30 OF ANOTHER STATE.--

31

1           (a) The tax collected on the sale of a new or used  
2 motor vehicle in this state to a resident of another state  
3 shall be an amount equal to the sales tax which would be  
4 imposed on such sale under the laws of the state of which the  
5 purchaser is a resident, except that such tax shall not exceed  
6 the tax that would otherwise be imposed under this chapter.  
7 At the time of the sale, the purchaser shall execute a  
8 notarized statement of his or her intent to license the  
9 vehicle in the state of which the purchaser is a resident  
10 within 45 days of the sale and of the fact of the payment to  
11 the State of Florida of a sales tax in an amount equivalent to  
12 the sales tax of his or her state of residence and shall  
13 submit the statement to the appropriate sales tax collection  
14 agency in his or her state of residence. Nothing in this  
15 subsection shall be construed to require the removal of the  
16 vehicle from this state following the filing of an intent to  
17 license the vehicle in the purchaser's home state if the  
18 purchaser licenses the vehicle in his or her home state within  
19 45 days after the date of sale.

20           (b) Notwithstanding the partial exemption allowed in  
21 paragraph (a), a vehicle is subject to this state's sales tax  
22 at the applicable state sales tax rate plus authorized  
23 surtaxes when the vehicle is purchased by a nonresident  
24 corporation or partnership and:

25           1. An officer of the corporation is a resident of this  
26 state;

27           2. A stockholder of the corporation who owns at least  
28 10 percent of the corporation is a resident of this state; or

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

31

1 However, if the vehicle is removed from this state within 45  
2 days after purchase and remains outside the state for a  
3 minimum of 180 days, the vehicle may qualify for the partial  
4 exemption allowed in paragraph (a) despite the residency of  
5 owners or stockholders of the purchasing entity.

6 (c) Nothing herein shall require the payment of tax to  
7 the State of Florida for assessments made prior to July 1,  
8 2001, if the tax imposed by this section has been paid to the  
9 state in which the vehicle was licensed and the department has  
10 assessed a like amount of tax on the same transactions. This  
11 provision shall apply retroactively to assessments that have  
12 been protested prior to August 1, 1999, and have not been paid  
13 on the date this act takes effect.

14 Section 8. Effective July 1, 2002, paragraph (b) of  
15 subsection (14) of section 212.06, Florida Statutes, is  
16 amended to read:

17 212.06 Sales, storage, use tax; collectible from  
18 dealers; "dealer" defined; dealers to collect from purchasers;  
19 legislative intent as to scope of tax.--

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

22 (b) "Fixtures" means items that are an accessory to a  
23 building, other structure, or land and that do not lose their  
24 identity as accessories when installed but that do become  
25 permanently attached to realty. However, the term does not  
26 include the following items, whether or not such items are  
27 attached to real property in a permanent manner: ~~trade~~  
28 ~~fixtures~~; property of a type that is required to be  
29 registered, licensed, titled, or documented by this state or  
30 by the United States Government, including, but not limited  
31 to, mobile homes, except mobile homes assessed as real

1 property; or industrial machinery or equipment. For purposes  
2 of this paragraph, industrial machinery or equipment is not  
3 limited to machinery and equipment used to manufacture,  
4 process, compound, or produce tangible personal property. For  
5 an item to be considered a fixture, it is not necessary that  
6 the owner of the item also own the real property to which it  
7 is attached.

8 Section 9. It is the intent of the Legislature that  
9 the amendment to section 212.06(14)(b), Florida Statutes,  
10 relating to trade fixtures and industrial machinery or  
11 equipment, which is made by section 8 of this act, is remedial  
12 in nature and merely clarifies existing law. However, section  
13 212.06, Florida Statutes, does not authorize an assessment of  
14 additional tax, penalty, or interest against any taxpayer that  
15 complied with section 212.06(14)(b), Florida Statutes, as  
16 amended by chapter 98-141, Laws of Florida, effective July 1,  
17 1998, and a taxpayer is not entitled to a refund of taxes  
18 previously paid due to the retroactive effect of this act.

19 Section 10. Paragraph (a) of subsection (8) and  
20 subsection (9) of section 212.08, Florida Statutes, are  
21 amended to read:

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

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

30 (a) The sale or use of vessels and parts thereof used  
31 to transport persons or property in interstate or foreign

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



1 exclusively in intrastate commerce do not qualify for the  
2 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 must 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  
23 Florida total purchases of the railroad 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 must be paid on the carrier, or a  
19 refund may be applied for, on the basis of the actual ratio of  
20 the carrier's miles in this state to its total miles for that  
21 year. This ratio shall be applied each month to the Florida  
22 ~~total~~ purchases of such motor vehicles and parts thereof which  
23 are used in this state to establish that portion of the total  
24 used and consumed in intrastate movement and subject to tax  
25 under this chapter. The basis for imposition of any  
26 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 11. Effective July 1, 2002, subsection (10) of  
8 section 624.509, Florida Statutes, is repealed.

9 Section 12. Subsection (2) of section 213.285, Florida  
10 Statutes, is amended to read:

11 213.285 Certified audits.--

12 (2)(a) The department is authorized to initiate a  
13 certified audits project to further enhance tax compliance  
14 reviews performed by qualified practitioners and to encourage  
15 taxpayers to hire qualified practitioners at their own expense  
16 to review and report on their tax compliance. The nature of  
17 certified audit work performed by qualified practitioners  
18 shall be agreed-upon procedures in which the department is the  
19 specified user of the resulting report.

20 (b) As an incentive for taxpayers to incur the costs  
21 of a certified audit, the department shall compromise  
22 penalties and abate interest due on any tax liabilities  
23 revealed by a certified audit as provided in s. 213.21. This  
24 authority to compromise penalties or abate interest shall not  
25 apply to any liability for taxes that were collected by the  
26 participating taxpayer but that were not remitted to the  
27 department.

28 (c) The certified audits project is repealed on July  
29 1, 2006 ~~2002~~, or upon completion of the project as determined  
30 by the department, whichever occurs first.

31

1           Section 13. Subsections (1) and (3) and paragraph (n)  
2 of subsection (7) of section 213.053, Florida Statutes, are  
3 amended, and paragraph (w) is added to subsection (7) of that  
4 section, to read:

5           213.053 Confidentiality and information sharing.--

6           (1)(a) The provisions of this section apply to s.  
7 125.0104, county government; s. 125.0108, tourist impact tax;  
8 chapter 175, municipal firefighters' pension trust funds;  
9 chapter 185, municipal police officers' retirement trust  
10 funds; chapter 198, estate taxes; chapter 199, intangible  
11 personal property taxes; chapter 201, excise tax on documents;  
12 chapter 203, gross receipts taxes; chapter 211, tax on  
13 severance and production of minerals; chapter 212, tax on  
14 sales, use, and other transactions; chapter 220, income tax  
15 code; chapter 221, emergency excise tax; s. 252.372, emergency  
16 management, preparedness, and assistance surcharge; s.  
17 370.07(3), Apalachicola Bay oyster surcharge; chapter 376,  
18 pollutant spill prevention and control; s. 403.718, waste tire  
19 fees; s. 403.7185, lead-acid battery fees; s. 538.09,  
20 registration of secondhand dealers; s. 538.25, registration of  
21 secondary metals recyclers; ss. 624.501 and 624.509-624.515,  
22 insurance code; s. 681.117, motor vehicle warranty  
23 enforcement; and s. 896.102, reports of financial transactions  
24 in trade or business.

25           (b) The provisions of this section also apply to  
26 chapter 202, the Communications Services Tax Simplification  
27 Law. This paragraph is subject to the Open Government Sunset  
28 Review Act of 1995 in accordance with s. 119.15, and shall  
29 stand repealed on October 2, 2006, unless reviewed and saved  
30 from repeal through reenactment by the Legislature.

31

1           (c) The provisions of this section, except paragraph  
2 (7)(f), also apply to chapter 443 while the department is  
3 performing tax collection services for the Agency for  
4 Workforce Innovation pursuant to chapter 2000-165, Laws of  
5 Florida; however, the exceptions to confidentiality set forth  
6 in ss. 443.171(7) and 443.1715 remain in full force and  
7 effect.

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

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

29           (n) Information contained in returns, reports,  
30 accounts, or declarations to the Board of Accountancy in  
31 connection with a disciplinary proceeding conducted pursuant

1 to chapter 473 when related to a certified public accountant  
2 participating in the certified audits project, or to the court  
3 in connection with a civil proceeding brought by the  
4 department relating to a claim for recovery of taxes due to  
5 negligence on the part of a certified public accountant  
6 participating in the certified audits project. In any  
7 judicial proceeding brought by the department, upon motion for  
8 protective order, the court shall limit disclosure of tax  
9 information when necessary to effectuate the purposes of this  
10 section. This paragraph is repealed on July 1, 2006 ~~2002~~.

11 (w) Tax registration information to the Agency for  
12 Workforce Innovation for use in the conduct of its official  
13 duties, which information may not be redisclosed by the Agency  
14 for Workforce Innovation.

15  
16 Disclosure of information under this subsection shall be  
17 pursuant to a written agreement between the executive director  
18 and the agency. Such agencies, governmental or  
19 nongovernmental, shall be bound by the same requirements of  
20 confidentiality as the Department of Revenue. Breach of  
21 confidentiality is a misdemeanor of the first degree,  
22 punishable as provided by s. 775.082 or s. 775.083.

23 Section 14. Subsection (8) of section 213.21, Florida  
24 Statutes, is amended to read:

25 213.21 Informal conferences; compromises.--

26 (8) In order to determine whether certified audits are  
27 an effective tool in the overall state tax collection effort,  
28 the executive director of the department or the executive  
29 director's designee shall settle or compromise penalty  
30 liabilities of taxpayers who participate in the certified  
31 audits project. As further incentive for participating in the

1 program, the department shall abate the first \$25,000 of any  
2 interest liability and 25 percent of any interest due in  
3 excess of the first \$25,000. A settlement or compromise of  
4 penalties or interest pursuant to this subsection shall not be  
5 subject to the provisions of paragraph (3)(a), except for the  
6 requirement relating to confidentiality of records. The  
7 department may consider an additional compromise of tax or  
8 interest pursuant to the provisions of paragraph (3)(a). This  
9 subsection does not apply to any liability related to taxes  
10 collected but not remitted to the department. This subsection  
11 is repealed on July 1, 2006 ~~2002~~.

12 Section 15. Paragraph (f) of subsection (4) of section  
13 11 of chapter 2000-165, Laws of Florida, is amended to read:

14 (4) Effective October 1, 2000, the following programs  
15 and functions are transferred to the Agency for Workforce  
16 Innovation:

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

1 collection services. The Department of Revenue, in  
2 consultation with the Department of Labor and Employment  
3 Security, shall determine the number of positions needed to  
4 provide unemployment tax collection services within the  
5 Department of Revenue. The number of unemployment tax  
6 collection service positions the Department of Revenue  
7 determines are needed shall not exceed the number of positions  
8 that, prior to the contract, were authorized to the Department  
9 of Labor and Employment Security for this purpose. Upon  
10 entering into the contract with the Agency for Workforce  
11 Innovation to provide unemployment tax collection services,  
12 the number of required positions, as determined by the  
13 Department of Revenue, shall be authorized within the  
14 Department of Revenue. Beginning January 1, 2002, the Office  
15 of Program Policy Analysis and Government Accountability shall  
16 conduct a feasibility study regarding privatization of  
17 unemployment tax collection services. A report on the  
18 conclusions of this study shall be submitted to the Governor,  
19 the President of the Senate, and the Speaker of the House of  
20 Representatives. The Department of Revenue is considered to be  
21 administering a revenue law of this state when it provides  
22 unemployment compensation tax collection services pursuant to  
23 its contract with the Agency for Workforce Innovation. The  
24 following provisions of chapter 213, Florida Statutes, apply  
25 to the collection of unemployment contributions by the  
26 Department of Revenue unless prohibited by federal law: ss.  
27 213.018, 213.025, 213.051, 213.053, 213.055, 213.071, 213.10,  
28 213.2201, 213.23, 213.24(2), 213.27, 213.28, 213.285, 213.37,  
29 213.50, 213.67, 213.69, 213.73, 213.733, 213.74, and 213.757.

30 Section 16. Subsection (7) of section 45.031, Florida  
31 Statutes, is amended to read:





1 | ... (Clerk)...

2 | By ... (Deputy Clerk)...

3 |

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

10 | Section 17. Paragraph (a) of subsection (4) of section  
11 | 69.041, Florida Statutes, is amended to read:

12 | 69.041 State named party; lien foreclosure, suit to  
13 | quiet title.--

14 | (4)(a) The Department of Revenue has the right to  
15 | participate in the disbursement of funds remaining in the  
16 | registry of the court after distribution pursuant to s.  
17 | 45.031(7). The department shall participate in accordance with  
18 | applicable procedures in any mortgage foreclosure action in  
19 | which the department has a duly filed tax warrant, or  
20 | interests under a lien arising from a judgment, order, or  
21 | decree for support, as defined in s. 409.2554, or interest in  
22 | an unemployment compensation tax lien pursuant to a contract  
23 | with the Agency for Workforce Innovation, against the subject  
24 | property and with the same priority, regardless of whether a  
25 | default against the department, the Agency for Workforce  
26 | Innovation, or the Department of Labor and Employment Security  
27 | has been entered for failure to file an answer or other  
28 | responsive pleading.

29 | Section 18. Effective upon this act becoming a law and  
30 | applying retroactively to December 21, 2000, section 443.1315,  
31 | Florida Statutes, is created to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7 (7) The Agency for Workforce Innovation shall adopt  
8 any rules necessary to administer this section.

9 Section 19. Effective January 1, 2003, section  
10 443.163, Florida Statutes, is amended to read:

11 443.163 Electronic reporting and remitting of taxes.--

12 (1) An employer may choose to file any report and  
13 remit any taxes required by this chapter by electronic means  
14 in a form initiated through an electronic data interchange  
15 using an advanced encrypted transmission by means of the  
16 Internet or other suitable transmission. The Agency for  
17 Workforce Innovation or its designee ~~division~~ shall prescribe  
18 by rule the format and instructions necessary for such filing  
19 of reports and remitting of taxes to ensure a full collection  
20 of contributions due. The acceptable method of transfer, the  
21 method, form, and content of the electronic ~~means data~~  
22 interchange, and the ~~method means~~, if any, by which the  
23 employer will be provided with an acknowledgment, shall be  
24 prescribed by the agency or its designee ~~division~~. However,  
25 any employer who employed 10 or more employees in any quarter  
26 during the preceding state fiscal year, or any person that  
27 prepared and reported for 5 or more employers in the preceding  
28 state fiscal year, must submit the Employers Quarterly Reports  
29 (UCT-6) for the current calendar year and remit the taxes due  
30 by electronic means approved by the agency or its designee.

31

1           (2) Any employer or person who fails to file an  
2 Employers Quarterly Report (UCT-6) by electronic means  
3 required by law is liable for a penalty of 10 percent of the  
4 tax due, but not less than \$10 for each report, which is in  
5 addition to any other penalty provided by this chapter which  
6 may be applicable, unless the employer or person has first  
7 obtained a waiver for such requirement from the agency or its  
8 designee. Any employer or person who fails to remit tax by  
9 electronic means as required by law is liable for a penalty of  
10 \$10 for each remittance submitted, which is in addition to any  
11 other penalty provided by this chapter which may be  
12 applicable.

13           (3) The agency or its designee may waive the  
14 requirement to file an Employers Quarterly Report (UCT-6) by  
15 electronic means for employers or persons that are unable to  
16 comply despite good-faith efforts or due to circumstances  
17 beyond the employer's or person's reasonable control.

18           (a) As prescribed by the agency or its designee,  
19 grounds for approving the waiver include, but are not limited  
20 to, circumstances in which the employer or person does not:

21                 1. Currently file information or data electronically  
22 with any business or government agency; or

23                 2. Have a compatible computer that meets or exceeds  
24 the standards prescribed by the agency or its designee.

25           (b) The agency or its designee shall accept other  
26 reasons for requesting a waiver from the requirement to submit  
27 the Employers Quarterly Report (UCT-6) by electronic means,  
28 including, but not limited to:

29                 1. The employer or person needs additional time to  
30 program his or her computer;

31

1           2. That complying with this requirement causes the  
2 employer or person financial hardship; or

3           3. That complying with this requirement conflicts with  
4 the employer's business procedures.

5           (c) The agency or its designee may establish by rule  
6 the length of time a waiver is valid and may determine whether  
7 subsequent waivers will be authorized, based on the provisions  
8 of this subsection; however, the agency or its designee shall  
9 only grant a waiver from electronic reporting if the employer  
10 or person timely files the Employers Quarterly Report (UCT-6)  
11 by telefile, unless the employer wage detail exceeds the  
12 agency's or its designee's telefile system capabilities.

13           (4) For purposes of this section, the term "electronic  
14 means" includes, but is not limited to, electronic data  
15 interchange; electronic fund transfer; and use of the  
16 Internet, telephone, or other technology specified by the  
17 agency or its designee.

18           Section 20. Effective January 1, 2003, section  
19 213.755, Florida Statutes, is amended to read:

20           213.755 Filing of returns and payment of taxes by  
21 electronic means ~~funds transfer~~.--

22           (1) The executive director of the Department of  
23 Revenue shall have authority to require a taxpayer to file  
24 returns and remit payments ~~taxes~~ by electronic means ~~funds~~  
25 ~~transfer~~ where the taxpayer, ~~including consolidated filers,~~ is  
26 subject to tax and has paid that tax in the prior state fiscal  
27 year in an amount of \$30,000 ~~\$50,000~~ or more. Any taxpayer who  
28 operates two or more places of business for which returns are  
29 required to be filed with the department shall combine the tax  
30 payments for all such locations in order to determine whether  
31 they are obligated under this section. This subsection does



1 not override additional requirements in any provision of a  
2 revenue law which the department has the responsibility for  
3 regulating, controlling, and administering.

4 (2) As used in any revenue law administered by the  
5 department, the term:

6 (a) "Payment" means any payment or remittance required  
7 to be made or paid within a prescribed period or on or before  
8 a prescribed date under the authority of any provision of a  
9 revenue law which the department has the responsibility for  
10 regulating, controlling, and administering. The term does not  
11 include any remittance unless the amount of the remittance is  
12 actually received by the department.

13 (b) "Return" means any report, claim, statement,  
14 notice, application, affidavit, or other document required to  
15 be filed within a prescribed period or on or before a  
16 prescribed date under the authority of any provision of a  
17 revenue law which the department has the responsibility of  
18 regulating, controlling, and administering.

19 (c) "Electronic means" includes, but is not limited  
20 to, electronic data interchange; electronic fund transfer; or  
21 use of the Internet, telephone, or other technology specified  
22 by the department.

23 (3) Solely for the purposes of administering this  
24 section:

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

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

30  
31

1           (4) The executive director may require a taxpayer to  
2 file by electronic means returns for which no tax is due for  
3 the specific taxing period.

4           (5) Beginning January 1, 2003, consolidated filers  
5 shall file returns and remit taxes by electronic means.

6           (6) A taxpayer required to file returns by electronic  
7 means shall also remit payments by electronic means. A  
8 taxpayer who fails to file returns pursuant to this section is  
9 liable for a penalty of \$10 for each report submitted, which  
10 is in addition to any other penalty that may be applicable,  
11 unless the taxpayer has first obtained a waiver of such  
12 requirement from the department. A taxpayer who fails to remit  
13 payments pursuant to this section is liable for a penalty of  
14 \$10 for each remittance submitted, which is in addition to any  
15 other penalty that may be applicable.

16           (7) The department shall give due regard to developing  
17 uniform standards for formats as adopted by the American  
18 National Standards Institute for encryption and taxpayer  
19 authentication to ensure that the return and payment  
20 information is kept confidential. The department shall also  
21 provide several options for filing reports and remitting  
22 payments by electronic means in order to make compliance with  
23 the requirements of this section as simple as possible for the  
24 taxpayer.

25           (8) The department shall prescribe by rule the format  
26 and instructions necessary for filing returns and reports and  
27 for remitting payments in accordance with this section to  
28 ensure a full collection of taxes, interest, and penalties  
29 due. The acceptable method of transfer; the method, form, and  
30 content of the electronic filing of returns or remittance of  
31 payments of tax, penalty, or interest; and the means, if any,

1 by which the taxpayer will be provided with an acknowledgment  
2 of receipt shall be prescribed by the department.

3 (9) The department may waive the requirement to file a  
4 return by electronic means for taxpayers that are unable to  
5 comply despite good-faith efforts or due to circumstances  
6 beyond the taxpayer's reasonable control.

7 (a) As prescribed by the department, grounds for  
8 approving the waiver include, but are not limited to,  
9 circumstances in which the taxpayer, the owner, or an officer  
10 of the business, or the taxpayer's accountant or bookkeeper,  
11 does not:

12 1. Currently file information or data electronically  
13 with any business or government agency; or

14 2. Have a compatible computer that meets or exceeds  
15 the department's minimum standards.

16 (b) The department shall accept other reasons for  
17 requesting a waiver from the requirement to submit a return by  
18 electronic means, including, but not limited to:

19 1. The taxpayer needs additional time to program his  
20 or her computer;

21 2. That complying with this requirement causes the  
22 taxpayer financial hardship; or

23 3. That complying with this requirement conflicts with  
24 the taxpayer's business procedures.

25 (c) The department may establish by rule the length of  
26 time a waiver is valid and may determine whether subsequent  
27 waivers will be authorized, based on the provisions of this  
28 subsection.

29 Section 21. Paragraph (a) of subsection (3) of section  
30 213.21, Florida Statutes, is amended to read:

31 213.21 Informal conferences; compromises.--

1           (3)(a) A taxpayer's liability for any tax or interest  
2 specified in s. 72.011(1) may be compromised by the department  
3 upon the grounds of doubt as to liability for or  
4 collectibility of such tax or interest. A taxpayer's liability  
5 for penalties under any of the chapters specified in s.  
6 72.011(1) may be settled or compromised if it is determined by  
7 the department that the noncompliance is due to reasonable  
8 cause and not to willful negligence, willful neglect, or  
9 fraud. The facts and circumstances are subject to de novo  
10 review to determine the existence of reasonable cause in any  
11 administrative proceeding or judicial action challenging an  
12 assessment of penalty under any of the chapters specified in  
13 s. 72.011(1).A taxpayer who establishes reasonable reliance  
14 on the written advice issued by the department to the taxpayer  
15 will be deemed to have shown reasonable cause for the  
16 noncompliance. In addition, a taxpayer's liability for  
17 penalties under any of the chapters specified in s. 72.011(1)  
18 in excess of 25 percent of the tax shall be settled or  
19 compromised if the department determines that the  
20 noncompliance is due to reasonable cause and not to willful  
21 negligence, willful neglect, or fraud. The department shall  
22 maintain records of all compromises, and the records shall  
23 state the basis for the compromise. The records of compromise  
24 under this paragraph shall not be subject to disclosure  
25 pursuant to s. 119.07(1) and shall be considered confidential  
26 information governed by the provisions of s. 213.053.

27           Section 22. Effective July 1, 2003, subsections (9)  
28 and (10) are added to section 213.21, Florida Statutes, to  
29 read:

30           213.21 Informal conferences; compromises.--  
31

1           (9)(a) Notwithstanding any other provision of law and  
2 solely for the purpose of administering the tax imposed by  
3 chapter 212, under the circumstances set forth in this  
4 subsection, the department shall settle or compromise a  
5 taxpayer's liability for penalty without requiring the  
6 taxpayer to submit a written request for compromise or  
7 settlement.

8           (b) For taxpayers that file returns and remit tax  
9 monthly, the penalty related to a noncompliant filing event  
10 shall be settled or compromised if the taxpayer has had:

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

14           2. One noncompliant filing event in the immediately  
15 preceding 12-month period, resolution of the current  
16 noncompliant filing event through payment of tax and interest  
17 and the filing of a return within 30 days after notification  
18 by the department, and no unresolved liability under chapter  
19 212 resulting from a noncompliant filing event.

20  
21 If a taxpayer has two or more noncompliant filing events in  
22 the immediately preceding 12-month period, the taxpayer is  
23 liable, absent a showing by the taxpayer that the noncompliant  
24 filing event was due to extraordinary circumstances, for the  
25 penalties provided in s. 212.12, including loss of collection  
26 allowance, and shall be reported to a credit bureau.

27           (c) For taxpayers that file returns and remit tax  
28 quarterly, the penalty related to a noncompliant filing event  
29 shall be settled or compromised if the taxpayer has no  
30 noncompliant filing event in the immediately preceding  
31

1 12-month period and no unresolved liability under chapter 212  
2 resulting from a noncompliant filing event.

3 (d) As used in this subsection, the term  
4 "noncompliant filing event" means either the failure to timely  
5 file a complete and accurate return required under chapter 212  
6 or the failure to timely pay the amount of tax reported on a  
7 return required by chapter 212.

8 (e) As used in this subsection, the term  
9 "extraordinary circumstances" means the occurrence of events  
10 beyond the control of the taxpayer, such as, but not limited  
11 to, the death of the taxpayer, acts of war or terrorism,  
12 natural disasters, fire or other casualty, or the nonfeasance  
13 or misfeasance of the taxpayer's employees or representatives  
14 who are responsible for compliance with chapter 212. With  
15 respect to the acts of an employee or representative, the  
16 taxpayer must show that the principals of the business lacked  
17 actual knowledge of the noncompliance and that the  
18 noncompliance was resolved within 30 days after the principals  
19 acquired actual knowledge.

20 (10) The penalty shall be settled or compromised upon  
21 payment of tax and interest if a taxpayer has failed to  
22 collect the tax imposed by chapter 212 on a transaction due to  
23 a good-faith belief that tax was not due on the transaction  
24 and, because of that good-faith belief, the taxpayer is now  
25 unable to charge and collect the tax from the taxpayer's  
26 purchaser. The Department of Revenue shall adopt rules  
27 necessary to administer this subsection and subsection (9),  
28 including rules establishing procedures and forms.

29 Section 23. Effective July 1, 2002, paragraph (b) of  
30 subsection (1) of section 212.07, Florida Statutes, is  
31 amended, and subsection (9) is added to that section, to read:

1           212.07 Sales, storage, use tax; tax added to purchase  
2 price; dealer not to absorb; liability of purchasers who  
3 cannot prove payment of the tax; penalties; general  
4 exemptions.--  
5           (1)  
6           (b) A resale must be in strict compliance with s.  
7 212.18 and the rules and regulations, and any dealer who makes  
8 a sale for resale which is not in strict compliance with s.  
9 212.18 and the rules and regulations shall himself or herself  
10 be liable for and pay the tax. Any dealer who makes a sale for  
11 resale shall document the exempt nature of the transaction, as  
12 established by rules promulgated by the department, by  
13 retaining a copy of the purchaser's resale certificate. In  
14 lieu of maintaining a copy of the certificate, a dealer may  
15 document, prior to the time of sale, an authorization number  
16 provided telephonically or electronically by the department,  
17 or by such other means established by rule of the department.  
18 ~~The department shall adopt rules that provide that, for~~  
19 ~~purchasers who purchase on account from a dealer on a~~  
20 ~~continual basis,~~The dealer may rely on a resale certificate  
21 issued pursuant to s. 212.18(3)(c), valid at the time of  
22 receipt from the purchaser, without seeking annual  
23 verification of the resale certificate, if the dealer makes  
24 recurring sales to a purchaser in the normal course of  
25 business on a continual basis. For purposes of this paragraph,  
26 "recurring sales to a purchaser in the normal course of  
27 business" refers to a sale in which the dealer extends credit  
28 to the purchaser and records the debt as an account  
29 receivable, or a sale in which the dealer sells to a purchaser  
30 who has an established cash or C.O.D. account, similar to an  
31 "open credit account." For purposes of this paragraph,

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

17 (9)(a) If a purchaser engaging in transactions taxable  
18 under this chapter did not pay tax to a vendor based on a  
19 good-faith belief that either the transaction was a nontaxable  
20 purchase for resale or the transaction was exempt as a  
21 purchase by an organization exempt from tax under this  
22 chapter, except as set forth below, neither the purchaser nor  
23 the vendor is directly liable for any tax, interest, or  
24 penalty that would otherwise be due if all of the following  
25 conditions are met:

26 1. At the time of the purchase, the purchaser was not  
27 registered as a dealer with the department or did not hold a  
28 consumer's certificate of exemption from the department.

29 2. At the time of the purchase, the purchaser was  
30 qualified to register with the department as a dealer or to  
31



1 receive a consumer's certificate of exemption from the  
2 department.

3 3. Before applying for treatment under this  
4 subsection, the purchaser has registered with the department  
5 as a dealer or has applied for and received a consumer's  
6 certificate of exemption from the department.

7 4. The purchaser establishes justifiable cause for  
8 failure to register as a dealer or to obtain a consumer's  
9 certificate of exemption before making the purchase. Whether a  
10 purchaser has established justifiable cause for failure to  
11 register depends on the facts and circumstances of each case,  
12 including, but not limited to, such factors as the complexity  
13 of the transaction, the purchaser's business experience and  
14 history, whether the purchaser sought advice on its tax  
15 obligations, whether any such advice was followed, and any  
16 remedial action taken by the purchaser.

17 5. The transaction would otherwise qualify as exempt  
18 under this chapter except for the fact that at the time of the  
19 purchase the purchaser was not registered as a dealer with the  
20 department or did not hold a consumer's certificate or  
21 exemption from the department.

22 6. Relief pursuant to this subsection is applied for:

23 a. Before the department has initiated any audit or  
24 other action or inquiry in regard to the purchaser or the  
25 vendor; or

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

1           (b) In lieu of the tax, penalties, and interest that  
2 would otherwise have been due, the department shall impose and  
3 collect the following mandatory penalties, which the  
4 department may not waive:

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

10           2. If a purchaser or vendor applies for relief after  
11 an audit or other action or inquiry has already been initiated  
12 by the department, the mandatory penalty is the lesser of  
13 \$5,000 or 20 percent of the total tax due on transactions that  
14 qualify for treatment under this subsection.

15  
16 The department may impose and collect the mandatory penalties  
17 from either the purchaser or the vendor that failed to obtain  
18 proper documentation at the time of the transaction.

19           (c) The department may adopt forms and rules to  
20 administer this subsection.

21           Section 24. It is the intent of the Legislature that  
22 the amendments to section 212.07, Florida Statutes, which are  
23 made by section 23 of this act apply to all pending sales and  
24 use tax audits or other actions or inquires, including those  
25 currently under protest or in litigation. Taxpayers in such  
26 pending audits or other actions or inquires have until the  
27 later of the date provided by section 212.07(9)(b), Florida  
28 Statutes, as created by section 22 of this act, or 90 days  
29 after the effective date of this act, to apply for the  
30 treatment provided in that paragraph. This section does not  
31 create any right to refund for taxes previously assessed and

1 paid in regard to audits or other actions or inquires that are  
2 no longer pending.

3 Section 25. Subsection (2) of section 213.24, Florida  
4 Statutes, is amended to read:

5 213.24 Accrual of penalties and interest on  
6 deficiencies; deficiency billing costs.--

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

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

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

21 Section 26. Subsection (5) of section 55.202, Florida  
22 Statutes, is amended to read:

23 55.202 Judgments, orders, and decrees; lien on  
24 personal property.--

25 (5) Liens, assessments, warrants, or judgments filed  
26 pursuant to paragraph (2)(b) may be filed directly into the  
27 central database by the Department of Revenue, or its designee  
28 as determined by its executive director, through electronic or  
29 information data exchange programs approved by the Department  
30 of State. Such filings must contain the information set forth  
31 in s. 55.203(1).

1           Section 27. 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 28. It is the intent of the Legislature that  
26 the amendments to subsections (2) and (3) of section 213.235,  
27 Florida Statutes, which are made by section 27 of this act,  
28 apply to interest due on tax payment deficiencies that arise  
29 on or after the effective date of that section and also apply  
30 to interest due on tax payment deficiencies that arose on or  
31

1 after January 1, 2000, but remain unpaid on the effective date  
2 of that section.

3 Section 29. Effective July 1, 2002, subsections (2)  
4 and (3) of section 220.807, Florida Statutes, are amended to  
5 read:

6 220.807 Determination of rate of interest.--

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

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

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

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

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

21 (a) On January 1 of the succeeding year, if based upon  
22 the adjusted prime rate plus 2 percentage points for the  
23 6-month period ending on September 30; or

24 (b) On July 1 of the same calendar year, if based upon  
25 the adjusted prime rate plus 2 percentage points for the  
26 6-month period ending on March 31.

27 Section 30. It is the intent of the Legislature that  
28 the amendments to subsections (2) and (3) of section 220.807,  
29 Florida Statutes, which are made by section 29 of this act,  
30 apply to interest due on tax payment deficiencies that arise  
31 on or after the effective date of that section and also apply

1 to interest due on tax payment deficiencies that arose before  
2 the effective date of that section but remain unpaid on the  
3 effective date of that section.

4 Section 31. Subsection (4) of section 213.255, Florida  
5 Statutes, is amended to read:

6 213.255 Interest.--Interest shall be paid on  
7 overpayments of taxes, payment of taxes not due, or taxes paid  
8 in error, subject to the following conditions:

9 (4) Interest shall not commence until 90 days after a  
10 complete refund application has been filed and the amount of  
11 overpayment has not been refunded to the taxpayer or applied  
12 as a credit to the taxpayer's account. However, if there is a  
13 prohibition against refunding a tax overpayment before the  
14 first day of the state fiscal year, interest on the tax  
15 overpayment does not commence until August 1 of the year the  
16 tax was due.If the department and the taxpayer mutually agree  
17 that an audit or verification is necessary in order to  
18 determine the taxpayer's entitlement to the refund, interest  
19 shall not commence until the audit or verification of the  
20 claim is final.

21 Section 32. Effective July 1, 2002, subsection (1) of  
22 section 681.117, Florida Statutes, is amended to read:

23 681.117 Fee.--

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

1 registration outside this state, the fee shall be remitted to  
2 the Department of Revenue.All fees, less the cost of  
3 administration, shall be transferred monthly to the Department  
4 of Legal Affairs for deposit into the Motor Vehicle Warranty  
5 Trust Fund. The Department of Legal Affairs shall distribute  
6 monthly an amount not exceeding one-fourth of the fees  
7 received to the Division of Consumer Services of the  
8 Department of Agriculture and Consumer Services to carry out  
9 the provisions of ss. 681.108 and 681.109. The Department of  
10 Legal Affairs shall contract with the Division of Consumer  
11 Services for payment of services performed by the division  
12 pursuant to ss. 681.108 and 681.109.

13 Section 33. Paragraph (b) of subsection (2), paragraph  
14 (b) of subsection (3), and paragraph (b) of subsection (4) of  
15 section 211.3103, Florida Statutes, are amended to read:

16 211.3103 Levy of tax on severance of phosphate rock;  
17 rate, basis, and distribution of tax.--

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

21 (b) The remaining revenues collected from the tax  
22 during that fiscal year, after the required payment under  
23 paragraph (a), shall be paid into the State Treasury as  
24 follows:

25 1. To the credit of the General Revenue Fund of the  
26 state, 60 percent. However, from this amount the amounts of  
27 \$7.4 million, \$8.2 million, and \$8.1 million, respectively,  
28 shall be transferred to the Nonmandatory Land Reclamation  
29 Trust Fund on January 1, 1993, January 1, 1994, and January 1,  
30 1995.

31

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

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

8           4. For payment to counties in proportion to the number  
9 of tons of phosphate rock produced from a phosphate rock  
10 matrix located within such political boundary, 10 percent. The  
11 department shall distribute this portion of the proceeds  
12 annually based on production information reported by producers  
13 on the ~~most recent~~ annual returns for the taxable ~~filed prior~~  
14 ~~to the beginning of the fiscal~~ year. Any such proceeds  
15 received by a county shall be used only for phosphate-related  
16 expenses.

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

20           (b) The remaining revenues collected from the tax  
21 during that fiscal year, after the required payment under  
22 paragraph (a), shall be paid into the State Treasury as  
23 follows:

24           1. To the credit of the General Revenue Fund of the  
25 state, 58 percent.

26           2. To the credit of the Nonmandatory Land Reclamation  
27 Trust Fund for reclamation and acquisition of unreclaimed  
28 lands disturbed by phosphate mining and not subject to  
29 mandatory reclamation, 14.5 percent.

30  
31



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

4           4. For payment to counties in proportion to the number  
5 of tons of phosphate rock produced from a phosphate rock  
6 matrix located within such political boundary, 10 percent. The  
7 department shall distribute this portion of the proceeds  
8 annually based on production information reported by producers  
9 on the ~~most recent~~ annual returns for the taxable filed prior  
10 ~~to the beginning of the fiscal~~ year. Any such proceeds  
11 received by a county shall be used only for phosphate-related  
12 expenses.

13           5. To the credit of the Minerals Trust Fund, 7.5  
14 percent.

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

18           (b) The remaining revenues collected from the tax  
19 during that fiscal year, after the required payment under  
20 paragraph (a), shall be paid into the State Treasury as  
21 follows:

22           1. To the credit of the General Revenue Fund of the  
23 state, 55.15 percent.

24           2. To the credit of the Phosphate Research Trust Fund  
25 in the Department of Education, Division of Universities, 12.5  
26 percent.

27           3. For payment to counties in proportion to the number  
28 of tons of phosphate rock produced from a phosphate rock  
29 matrix located within such political boundary, 18 percent. The  
30 department shall distribute this portion of the proceeds  
31 annually based on production information reported by producers

1 on the ~~most recent~~ annual returns for the taxable filed prior  
2 ~~to the beginning of the fiscal~~ year. Any such proceeds  
3 received by a county shall be used only for phosphate-related  
4 expenses.

5 4. To the credit of the Minerals Trust Fund, 14.35  
6 percent.

7 Section 34. Subsection (5) of section 336.021, Florida  
8 Statutes, is amended to read:

9 336.021 County transportation system; levy of  
10 ninth-cent fuel tax on motor fuel and diesel fuel.--

11 (5) All impositions of the tax shall be levied imposed  
12 ~~before November 1, 1993, to be effective January 1, 1994, and~~  
13 ~~before July 1 of each year thereafter~~ to be effective January  
14 1 of the following year. However, levies of the tax which were  
15 in effect on July 1, 2002 1996, and which expire on August 31  
16 of any year may be reimposed at the current authorized rate to  
17 be effective September 1 of the year of expiration. All  
18 impositions shall be required to end on December 31 of a year.  
19 No decision to rescind the tax shall take effect on any date  
20 other than December 31 and requires a minimum of 60 days'  
21 notice to ~~until at least 60 days after the county notifies the~~  
22 department of such decision.

23 Section 35. Paragraphs (a) and (b) of subsection (1)  
24 and paragraph (a) of subsection (5) of section 336.025,  
25 Florida Statutes, are amended to read:

26 336.025 County transportation system; levy of local  
27 option fuel tax on motor fuel and diesel fuel.--

28 (1)(a) In addition to other taxes allowed by law,  
29 there may be levied as provided in ss. 206.41(1)(e) and  
30 206.87(1)(c) a 1-cent, 2-cent, 3-cent, 4-cent, 5-cent, or  
31 6-cent local option fuel tax upon every gallon of motor fuel

1 and diesel fuel sold in a county and taxed under the  
2 provisions of part I or part II of chapter 206.

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

14 2. County and municipal governments shall utilize  
15 moneys received pursuant to this paragraph only for  
16 transportation expenditures.

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

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

1           1. All impositions and rate changes of the tax shall  
2 be levied before July 1, to be effective January 1 of the  
3 following year. However, levies of the tax which were in  
4 effect on July 1, 2002 ~~1996~~, and which expire on August 31 of  
5 any year may be reimposed at the current authorized rate,  
6 effective September 1 of the year of expiration.

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

30           3. County and municipal governments shall utilize  
31 moneys received pursuant to this paragraph only for

1 transportation expenditures needed to meet the requirements of  
2 the capital improvements element of an adopted comprehensive  
3 plan. For purposes of this paragraph, expenditures for the  
4 construction of new roads, the reconstruction or resurfacing  
5 of existing paved roads, or the paving of existing graded  
6 roads shall be deemed to increase capacity and such projects  
7 shall be included in the capital improvements element of an  
8 adopted comprehensive plan. Expenditures for purposes of this  
9 paragraph shall not include routine maintenance of roads.

10 (5)(a) By July 1 of each year, the county shall notify  
11 the Department of Revenue of the rate of the taxes ~~tax~~ levied  
12 pursuant to paragraphs (1)(a) and (b), and of its decision to  
13 rescind or change the rate of a ~~the~~ tax, if applicable, and  
14 shall provide the department with a certified copy of the  
15 interlocal agreement established under subparagraph (1)(b)2.  
16 or subparagraph (3)(a)1. with distribution proportions  
17 established by such agreement or pursuant to subsection (4),  
18 if applicable. No decision to rescind a ~~the~~ tax shall take  
19 effect on any date other than December 31 and requires a  
20 minimum of 60 days' notice to ~~until at least 60 days after the~~  
21 ~~county notifies~~ the Department of Revenue of such decision.

22 Section 36. Effective July 1, 2002, paragraph (c) is  
23 added to subsection (4) of section 213.0535, Florida Statutes,  
24 to read:

25 213.0535 Registration Information Sharing and Exchange  
26 Program.--

27 (4) There are two levels of participation:

28 (c) A level-two participant may disclose information  
29 as provided in paragraph (b) in response to a request for such  
30 information from any other level-two participant. Information  
31 relative to specific taxpayers shall be requested or disclosed

1 under this paragraph only to the extent necessary in the  
2 administration of a tax or licensing provision as enumerated  
3 in paragraph (a). When a disclosure made under this paragraph  
4 involves confidential information provided to the participant  
5 by the Department of Revenue, the participant who provides the  
6 information must maintain records of the disclosures, and the  
7 records are subject to review by the Department of Revenue for  
8 a period of 5 years after the date of the disclosure.

9           Section 37. Paragraphs (a) and (d) of subsection (1)  
10 and paragraph (i) of subsection (3) of section 212.096,  
11 Florida Statutes, are amended to read:

12           212.096 Sales, rental, storage, use tax; enterprise  
13 zone jobs credit against sales tax.--

14           (1) For the purposes of the credit provided in this  
15 section:

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

1 (d) "Jobs" means full-time positions, as consistent  
2 with terms used by the Agency for Workforce Innovation and the  
3 United States Department of Labor for purposes of unemployment  
4 compensation tax administration and employment estimation  
5 resulting directly from a business operation in this state.

6 These terms ~~This number~~ may not include temporary construction  
7 jobs involved with the construction of facilities or any jobs  
8 that have previously been included in any application for tax  
9 credits under s. 220.181(1). The term "jobs" also includes  
10 employment of an employee leased from an employee leasing  
11 company licensed under chapter 468 if such employee has been  
12 continuously leased to the employer for an average of at least  
13 36 hours per week for more than 6 months.

14 (3) In order to claim this credit, an eligible  
15 business must file under oath with the governing body or  
16 enterprise zone development agency having jurisdiction over  
17 the enterprise zone where the business is located, as  
18 applicable, a statement which includes:

19 (i) All applications for a credit pursuant to this  
20 section must be submitted to the department within 6 months  
21 after the new employee is hired, except applications for  
22 credit on leased employees. Applications for credit for leased  
23 employees must be submitted to the department within 7 months  
24 after the new employee is hired.

25 Section 38. Subsections (2) and (3) and paragraph (d)  
26 of subsection (6) of section 212.098, Florida Statutes, are  
27 amended to read:

28 212.098 Rural Job Tax Credit Program.--

29 (2) A new eligible business may apply for a tax credit  
30 under this subsection once at any time during its first year  
31 of operation. A new eligible business in a ~~tier-one~~ qualified

1 area that has at least 10 qualified employees on the date of  
2 application shall receive a \$1,000 tax credit for each such  
3 employee.

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

20 (6)

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

24 Section 39. Paragraphs (q) and (gg) of subsection (1)  
25 of section 220.03, Florida Statutes, are amended to read:

26 220.03 Definitions.--

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

31



1           (q) "New employee," for the purposes of the enterprise  
2 zone jobs credit, means a person residing in an enterprise  
3 zone or a participant in the welfare transition program who is  
4 employed at a business located in an enterprise zone who  
5 begins employment in the operations of the business after July  
6 1, 1995, and who has not been previously employed full-time  
7 within the preceding 12 months by the business or a successor  
8 business claiming the credit pursuant to s. 220.181. A person  
9 shall be deemed to be employed by such a business if the  
10 person performs duties in connection with the operations of  
11 the business on a full-time basis, provided she or he is  
12 performing such duties for an average of at least 36 hours per  
13 week each month. ~~The term "jobs" also includes employment of~~  
14 ~~an employee leased from an employee leasing company licensed~~  
15 ~~under chapter 468, if such employee has been continuously~~  
16 ~~leased to the employer for an average of at least 36 hours per~~  
17 ~~week for more than 6 months.~~The person must be performing  
18 such duties at a business site located in an enterprise zone.  
19 The provisions of this paragraph shall expire and be void on  
20 June 30, 2005.

21           (gg) "Jobs" means full-time positions, as consistent  
22 with terms used by the Agency for Workforce Innovation and the  
23 United States Department of Labor for purposes of unemployment  
24 compensation tax administration and employment estimation  
25 resulting directly from business operations in this state.  
26 These terms ~~This number~~ may not include temporary construction  
27 jobs involved with the construction of facilities or any jobs  
28 that have previously been included in any application for tax  
29 credits under s. 212.096 ~~s. 220.181(1)~~. The term "jobs" also  
30 includes employment of an employee leased from an employee  
31 leasing company licensed under chapter 468, if the employee

1 has been continuously leased to the employer for an average of  
2 at least 36 hours per week for more than 6 months.

3 Section 40. Paragraph (a) of subsection (1) of section  
4 220.181, Florida Statutes, is amended to read:

5 220.181 Enterprise zone jobs credit.--

6 (1)(a) Beginning January 1, 2002, there shall be  
7 allowed a credit against the tax imposed by this chapter to  
8 any business located in an enterprise zone which demonstrates  
9 to the department that the total number of full-time jobs has  
10 increased from the average of the previous 12 months. A  
11 business that created ~~This credit is also available for a~~  
12 ~~business that added~~ a minimum of five new full-time jobs in an  
13 enterprise zone between July 1, 2000, and December 31, 2001,  
14 may also be eligible to claim the credit for eligible  
15 employees under the provisions that took effect January 1,  
16 2002. The credit shall be computed as 20 percent of the actual  
17 monthly wages paid in this state to each new employee hired  
18 when a new job has been created, as defined under s.  
19 220.03(1)(ff), unless the business is located in a rural  
20 enterprise zone, pursuant to s. 290.004(8), in which case the  
21 credit shall be 30 percent of the actual monthly wages paid.  
22 If no less than 20 percent of the employees of the business  
23 are residents of an enterprise zone, excluding temporary and  
24 part-time employees, the credit shall be computed as 30  
25 percent of the actual monthly wages paid in this state to each  
26 new employee hired when a new job has been created, unless the  
27 business is located in a rural enterprise zone, in which case  
28 the credit shall be 45 percent of the actual monthly wages  
29 paid, for a period of up to 24 consecutive months. If the new  
30 employee hired when a new job is created is a participant in  
31 the welfare transition program, the following credit shall be

1 a percent of the actual monthly wages paid: 40 percent for \$4  
2 above the hourly federal minimum wage rate; 41 percent for \$5  
3 above the hourly federal minimum wage rate; 42 percent for \$6  
4 above the hourly federal minimum wage rate; 43 percent for \$7  
5 above the hourly federal minimum wage rate; and 44 percent for  
6 \$8 above the hourly federal minimum wage rate.

7 Section 41. Subsection (2) of section 290.00677,  
8 Florida Statutes, is amended to read:

9 290.00677 Rural enterprise zones; special  
10 qualifications.--

11 (2) Notwithstanding the enterprise zone residency  
12 requirements set out in s. 220.03(1)(q), eligible businesses  
13 as defined by s. 220.03(1)(c)~~s. 212.096(1)(a)~~, located in  
14 rural enterprise zones as defined in s. 290.004, may receive  
15 the basic minimum credit provided under s. 220.181 for  
16 creating a new job and hiring a person residing within the  
17 jurisdiction of a rural county, as defined by s.  
18 288.106(1)(r). All other provisions of s. 220.181, including,  
19 but not limited to, those relating to the award of enhanced  
20 credits apply to such businesses.

21 Section 42. Effective July 1, 2003, paragraph (a) of  
22 subsection (1) and subsection (3) of section 212.031, Florida  
23 Statutes, are amended, and subsection (10) of that section is  
24 reenacted, to read:

25 212.031 Lease or rental of or license in real  
26 property.--

27 (1)

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

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

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

31

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

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

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

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

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

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

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

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

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

19  
20 This exemption will inure to the taxpayer upon presentation of  
21 the certificate of exemption issued to the taxpayer under the  
22 provisions of s. 288.1258.

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

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

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

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

24 ~~13.12-~~ Property used or occupied predominantly for  
25 space flight business purposes. As used in this subparagraph,  
26 "space flight business" means the manufacturing, processing,  
27 or assembly of a space facility, space propulsion system,  
28 space vehicle, satellite, or station of any kind possessing  
29 the capacity for space flight, as defined by s. 212.02(23), or  
30 components thereof, and also means the following activities  
31 supporting space flight: vehicle launch activities, flight

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

14 (3) The tax imposed by this section shall be in  
15 addition to the total amount of the rental or license fee,  
16 shall be charged by the lessor or person receiving the rent or  
17 payment in and by a rental or license fee arrangement with the  
18 lessee or person paying the rental or license fee, and shall  
19 be due and payable at the time of the receipt of such rental  
20 or license fee payment by the lessor or other person who  
21 receives the rental or payment. Notwithstanding any other  
22 provision of this chapter, the tax imposed by this section on  
23 the rental, lease, or license for the use of a convention  
24 hall, exhibition hall, auditorium, stadium, theater, arena,  
25 civic center, performing arts center, or publicly owned  
26 recreational facility to hold an event of not more than 7  
27 consecutive days' duration shall be collected at the time of  
28 the payment for that rental, lease, or license but is not due  
29 and payable to the department until the first day of the month  
30 following the last day that the event for which the payment is  
31 made is actually held, and becomes delinquent on the 21st day



1 of that month.The owner, lessor, or person receiving the rent  
2 or license fee shall remit the tax to the department at the  
3 times and in the manner hereinafter provided for dealers to  
4 remit taxes under this chapter. The same duties imposed by  
5 this chapter upon dealers in tangible personal property  
6 respecting the collection and remission of the tax; the making  
7 of returns; the keeping of books, records, and accounts; and  
8 the compliance with the rules and regulations of the  
9 department in the administration of this chapter shall apply  
10 to and be binding upon all persons who manage any leases or  
11 operate real property, hotels, apartment houses,  
12 roominghouses, or tourist and trailer camps and all persons  
13 who collect or receive rents or license fees taxable under  
14 this chapter on behalf of owners or lessors.

15           (10) Separately stated charges imposed by a convention  
16 hall, exhibition hall, auditorium, stadium, theater, arena,  
17 civic center, performing arts center, or publicly owned  
18 recreational facility upon a lessee or licensee for food,  
19 drink, or services required or available in connection with a  
20 lease or license to use real property, including charges for  
21 laborers, stagehands, ticket takers, event staff, security  
22 personnel, cleaning staff, and other event-related personnel,  
23 advertising, and credit card processing, are exempt from the  
24 tax imposed by this section.

25           Section 43. Effective July 1, 2006, paragraph (a) of  
26 subsection (1) and subsections (3) and (10) of section  
27 212.031, Florida Statutes, as amended by this act, are amended  
28 to read:

29           212.031 Lease or rental of or license in real  
30 property.--

31           (1)

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

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

7 2. Used exclusively as dwelling units.

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

10 4. Recreational property or the common elements of a  
11 condominium when subject to a lease between the developer or  
12 owner thereof and the condominium association in its own right  
13 or as agent for the owners of individual condominium units or  
14 the owners of individual condominium units. However, only the  
15 lease payments on such property shall be exempt from the tax  
16 imposed by this chapter, and any other use made by the owner  
17 or the condominium association shall be fully taxable under  
18 this chapter.

19 5. A public or private street or right-of-way and  
20 poles, conduits, fixtures, and similar improvements located on  
21 such streets or rights-of-way, occupied or used by a utility  
22 or provider of communications services, as defined by s.  
23 202.11, for utility or communications or television purposes.  
24 For purposes of this subparagraph, the term "utility" means  
25 any person providing utility services as defined in s.  
26 203.012. This exception also applies to property, wherever  
27 located, on which the following are placed: towers, antennas,  
28 cables, accessory structures, or equipment, not including  
29 switching equipment, used in the provision of mobile  
30 communications services as defined in s. 202.11. For purposes  
31 of this chapter, towers used in the provision of mobile

1 | communications services, as defined in s. 202.11, are  
2 | considered to be fixtures.

3 |         6. A public street or road which is used for  
4 | transportation purposes.

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

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

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

23 |         9. Property used as an integral part of the  
24 | performance of qualified production services. As used in this  
25 | subparagraph, the term "qualified production services" means  
26 | any activity or service performed directly in connection with  
27 | the production of a qualified motion picture, as defined in s.  
28 | 212.06(1)(b), and includes:

29 |         a. Photography, sound and recording, casting, location  
30 | managing and scouting, shooting, creation of special and  
31 | optical effects, animation, adaptation (language, media,

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

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

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

21 |

22 | This exemption will inure to the taxpayer upon presentation of  
23 | the certificate of exemption issued to the taxpayer under the  
24 | provisions of s. 288.1258.

25 |         10. Leased, subleased, licensed, or rented to a person  
26 | providing food and drink concessionaire services within the  
27 | premises of a convention hall, exhibition hall, auditorium,  
28 | stadium, theater, arena, civic center, performing arts center,  
29 | publicly owned recreational facility, or any business operated  
30 | under a permit issued pursuant to chapter 550. A person  
31 | providing retail concessionaire services involving the sale of

1 food and drink or other tangible personal property within the  
2 premises of an airport shall be subject to tax on the rental  
3 of real property used for that purpose, but shall not be  
4 subject to the tax on any license to use the property. For  
5 purposes of this subparagraph, the term "sale" shall not  
6 include the leasing of tangible personal property.

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

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

26       12.13. Property used or occupied predominantly for  
27 space flight business purposes. As used in this subparagraph,  
28 "space flight business" means the manufacturing, processing,  
29 or assembly of a space facility, space propulsion system,  
30 space vehicle, satellite, or station of any kind possessing  
31 the capacity for space flight, as defined by s. 212.02(23), or

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

16 (3) The tax imposed by this section shall be in  
17 addition to the total amount of the rental or license fee,  
18 shall be charged by the lessor or person receiving the rent or  
19 payment in and by a rental or license fee arrangement with the  
20 lessee or person paying the rental or license fee, and shall  
21 be due and payable at the time of the receipt of such rental  
22 or license fee payment by the lessor or other person who  
23 receives the rental or payment. ~~Notwithstanding any other~~  
24 ~~provision of this chapter, the tax imposed by this section on~~  
25 ~~the rental, lease, or license for the use of a convention~~  
26 ~~hall, exhibition hall, auditorium, stadium, theater, arena,~~  
27 ~~civic center, performing arts center, or publicly owned~~  
28 ~~recreational facility to hold an event of not more than 7~~  
29 ~~consecutive days' duration shall be collected at the time of~~  
30 ~~the payment for that rental, lease, or license but is not due~~  
31 ~~and payable to the department until the first day of the month~~

1 ~~following the last day that the event for which the payment is~~  
2 ~~made is actually held, and becomes delinquent on the 21st day~~  
3 ~~of that month.~~The owner, lessor, or person receiving the rent  
4 or license fee shall remit the tax to the department at the  
5 times and in the manner hereinafter provided for dealers to  
6 remit taxes under this chapter. The same duties imposed by  
7 this chapter upon dealers in tangible personal property  
8 respecting the collection and remission of the tax; the making  
9 of returns; the keeping of books, records, and accounts; and  
10 the compliance with the rules and regulations of the  
11 department in the administration of this chapter shall apply  
12 to and be binding upon all persons who manage any leases or  
13 operate real property, hotels, apartment houses,  
14 roominghouses, or tourist and trailer camps and all persons  
15 who collect or receive rents or license fees taxable under  
16 this chapter on behalf of owners or lessors.

17 ~~(10) Separately stated charges imposed by a convention~~  
18 ~~hall, exhibition hall, auditorium, stadium, theater, arena,~~  
19 ~~civic center, performing arts center, or publicly owned~~  
20 ~~recreational facility upon a lessee or licensee for food,~~  
21 ~~drink, or services required or available in connection with a~~  
22 ~~lease or license to use real property, including charges for~~  
23 ~~laborers, stagehands, ticket takers, event staff, security~~  
24 ~~personnel, cleaning staff, and other event-related personnel,~~  
25 ~~advertising, and credit card processing, are exempt from the~~  
26 ~~tax imposed by this section.~~

27 Section 44. Effective July 1, 2003, paragraph (b) of  
28 subsection (1), paragraph (a) of subsection (2), and  
29 subsection (3) of section 212.04, Florida Statutes, are  
30 amended to read:

31 212.04 Admissions tax; rate, procedure, enforcement.--

1 (1)

2 (b) For the exercise of such privilege, a tax is  
3 levied at the rate of 6 percent of sales price, or the actual  
4 value received from such admissions, which 6 percent shall be  
5 added to and collected with all such admissions from the  
6 purchaser thereof, and such tax shall be paid for the exercise  
7 of the privilege as defined in the preceding paragraph. Each  
8 ticket must show on its face the actual sales price of the  
9 admission, or each dealer selling the admission must  
10 prominently display at the box office or other place where the  
11 admission charge is made a notice disclosing the price of the  
12 admission, and the tax shall be computed and collected on the  
13 basis of the actual price of the admission charged by the  
14 dealer. The sale price or actual value of admission shall, for  
15 the purpose of this chapter, be that price remaining after  
16 deduction of federal taxes and state or locally imposed or  
17 authorized seat surcharges, taxes, or fees, if any, imposed  
18 upon such admission. The sale price or actual value does not  
19 include separately stated ticket service charges that are  
20 imposed by a facility ticket office or a ticketing service and  
21 added to a separately stated, established ticket price. ~~and~~  
22 The rate of tax on each admission shall be according to the  
23 brackets established by s. 212.12(9).

24 (2)

25 (a)1. No tax shall be levied on admissions to athletic  
26 or other events sponsored by elementary schools, junior high  
27 schools, middle schools, high schools, community colleges,  
28 public or private colleges and universities, deaf and blind  
29 schools, facilities of the youth services programs of the  
30 Department of Children and Family Services, and state  
31 correctional institutions when only student, faculty, or



1 inmate talent is used. However, this exemption shall not apply  
2 to admission to athletic events sponsored by an institution  
3 within the State University System, and the proceeds of the  
4 tax collected on such admissions shall be retained and used by  
5 each institution to support women's athletics as provided in  
6 s. 240.533(3)(c).

7       2.a. No tax shall be levied on dues, membership fees,  
8 and admission charges imposed by not-for-profit sponsoring  
9 organizations. To receive this exemption, the sponsoring  
10 organization must qualify as a not-for-profit entity under the  
11 provisions of s. 501(c)(3) of the Internal Revenue Code of  
12 1954, as amended.

13       b. No tax shall be levied on admission charges to an  
14 event sponsored by a governmental entity, sports authority, or  
15 sports commission when held in a convention hall, exhibition  
16 hall, auditorium, stadium, theater, arena, civic center,  
17 performing arts center, or publicly owned recreational  
18 facility and when 100 percent of the risk of success or  
19 failure lies with the sponsor of the event and 100 percent of  
20 the funds at risk for the event belong to the sponsor, and  
21 student or faculty talent is not exclusively used. As used in  
22 this sub-subparagraph, the terms "sports authority" and  
23 "sports commission" mean a nonprofit organization that is  
24 exempt from federal income tax under s. 501(c)(3) of the  
25 Internal Revenue Code and that contracts with a county or  
26 municipal government for the purpose of promoting and  
27 attracting sports-tourism events to the community with which  
28 it contracts.

29       3. No tax shall be levied on an admission paid by a  
30 student, or on the student's behalf, to any required place of  
31 sport or recreation if the student's participation in the

1 sport or recreational activity is required as a part of a  
2 program or activity sponsored by, and under the jurisdiction  
3 of, the student's educational institution, provided his or her  
4 attendance is as a participant and not as a spectator.

5 4. No tax shall be levied on admissions to the  
6 National Football League championship game, on admissions to  
7 any semifinal game or championship game of a national  
8 collegiate tournament, or on admissions to a Major League  
9 Baseball all-star game.

10 5. A participation fee or sponsorship fee imposed by a  
11 governmental entity as described in s. 212.08(6) for an  
12 athletic or recreational program is exempt when the  
13 governmental entity by itself, or in conjunction with an  
14 organization exempt under s. 501(c)(3) of the Internal Revenue  
15 Code of 1954, as amended, sponsors, administers, plans,  
16 supervises, directs, and controls the athletic or recreational  
17 program.

18 6. Also exempt from the tax imposed by this section to  
19 the extent provided in this subparagraph are admissions to  
20 live theater, live opera, or live ballet productions in this  
21 state which are sponsored by an organization that has received  
22 a determination from the Internal Revenue Service that the  
23 organization is exempt from federal income tax under s.  
24 501(c)(3) of the Internal Revenue Code of 1954, as amended, if  
25 the organization actively participates in planning and  
26 conducting the event, is responsible for the safety and  
27 success of the event, is organized for the purpose of  
28 sponsoring live theater, live opera, or live ballet  
29 productions in this state, has more than 10,000 subscribing  
30 members and has among the stated purposes in its charter the  
31 promotion of arts education in the communities which it

1 serves, and will receive at least 20 percent of the net  
2 profits, if any, of the events which the organization sponsors  
3 and will bear the risk of at least 20 percent of the losses,  
4 if any, from the events which it sponsors if the organization  
5 employs other persons as agents to provide services in  
6 connection with a sponsored event. Prior to March 1 of each  
7 year, such organization may apply to the department for a  
8 certificate of exemption for admissions to such events  
9 sponsored in this state by the organization during the  
10 immediately following state fiscal year. The application shall  
11 state the total dollar amount of admissions receipts collected  
12 by the organization or its agents from such events in this  
13 state sponsored by the organization or its agents in the year  
14 immediately preceding the year in which the organization  
15 applies for the exemption. Such organization shall receive the  
16 exemption only to the extent of \$1.5 million multiplied by the  
17 ratio that such receipts bear to the total of such receipts of  
18 all organizations applying for the exemption in such year;  
19 however, in no event shall such exemption granted to any  
20 organization exceed 6 percent of such admissions receipts  
21 collected by the organization or its agents in the year  
22 immediately preceding the year in which the organization  
23 applies for the exemption. Each organization receiving the  
24 exemption shall report each month to the department the total  
25 admissions receipts collected from such events sponsored by  
26 the organization during the preceding month and shall remit to  
27 the department an amount equal to 6 percent of such receipts  
28 reduced by any amount remaining under the exemption. Tickets  
29 for such events sold by such organizations shall not reflect  
30 the tax otherwise imposed under this section.  
31

1           7. Also exempt from the tax imposed by this section  
2 are entry fees for participation in freshwater fishing  
3 tournaments.

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

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

11           (3) Such taxes shall be paid and remitted at the same  
12 time and in the same manner as provided for remitting taxes on  
13 sales of tangible personal property, as hereinafter provided.  
14 Notwithstanding any other provision of this chapter, the tax  
15 on admission to an event at a convention hall, exhibition  
16 hall, auditorium, stadium, theater, arena, civic center,  
17 performing arts center, or publicly owned recreational  
18 facility shall be collected at the time of payment for the  
19 admission but is not due to the department until the first day  
20 of the month following the actual date of the event for which  
21 the admission is sold and becomes delinquent on the 21st day  
22 of that month.

23           Section 45. Effective July 1, 2006, paragraph (b) of  
24 subsection (1), paragraph (a) of subsection (2), and  
25 subsection (3) of section 212.04, Florida Statutes, as amended  
26 by this act, are amended to read:

27           212.04 Admissions tax; rate, procedure, enforcement.--

28           (1)

29           (b) For the exercise of such privilege, a tax is  
30 levied at the rate of 6 percent of sales price, or the actual  
31 value received from such admissions, which 6 percent shall be

1 added to and collected with all such admissions from the  
2 purchaser thereof, and such tax shall be paid for the exercise  
3 of the privilege as defined in the preceding paragraph. Each  
4 ticket must show on its face the actual sales price of the  
5 admission, or each dealer selling the admission must  
6 prominently display at the box office or other place where the  
7 admission charge is made a notice disclosing the price of the  
8 admission, and the tax shall be computed and collected on the  
9 basis of the actual price of the admission charged by the  
10 dealer. The sale price or actual value of admission shall, for  
11 the purpose of this chapter, be that price remaining after  
12 deduction of federal taxes ~~and state or locally imposed or~~  
13 ~~authorized seat surcharges, taxes, or fees, if any, imposed~~  
14 upon such admission and. ~~The sale price or actual value does~~  
15 ~~not include separately stated ticket service charges that are~~  
16 ~~imposed by a facility ticket office or a ticketing service and~~  
17 ~~added to a separately stated, established ticket price.~~the  
18 rate of tax on each admission shall be according to the  
19 brackets established by s. 212.12(9).

20 (2)

21 (a)1. No tax shall be levied on admissions to athletic  
22 or other events sponsored by elementary schools, junior high  
23 schools, middle schools, high schools, community colleges,  
24 public or private colleges and universities, deaf and blind  
25 schools, facilities of the youth services programs of the  
26 Department of Children and Family Services, and state  
27 correctional institutions when only student, faculty, or  
28 inmate talent is used. However, this exemption shall not apply  
29 to admission to athletic events sponsored by an institution  
30 within the State University System, and the proceeds of the  
31 tax collected on such admissions shall be retained and used by

1 each institution to support women's athletics as provided in  
2 s. 240.533(3)(c).

3 2.2.a. No tax shall be levied on dues, membership  
4 fees, and admission charges imposed by not-for-profit  
5 sponsoring organizations. To receive this exemption, the  
6 sponsoring organization must qualify as a not-for-profit  
7 entity under the provisions of s. 501(c)(3) of the Internal  
8 Revenue Code of 1954, as amended.

9 ~~b. No tax shall be levied on admission charges to an  
10 event sponsored by a governmental entity, sports authority, or  
11 sports commission when held in a convention hall, exhibition  
12 hall, auditorium, stadium, theater, arena, civic center,  
13 performing arts center, or publicly owned recreational  
14 facility and when 100 percent of the risk of success or  
15 failure lies with the sponsor of the event and 100 percent of  
16 the funds at risk for the event belong to the sponsor, and  
17 student or faculty talent is not exclusively used. As used in  
18 this sub-subparagraph, the terms "sports authority" and  
19 "sports commission" mean a nonprofit organization that is  
20 exempt from federal income tax under s. 501(c)(3) of the  
21 Internal Revenue Code and that contracts with a county or  
22 municipal government for the purpose of promoting and  
23 attracting sports tourism events to the community with which  
24 it contracts.~~

25 3. No tax shall be levied on an admission paid by a  
26 student, or on the student's behalf, to any required place of  
27 sport or recreation if the student's participation in the  
28 sport or recreational activity is required as a part of a  
29 program or activity sponsored by, and under the jurisdiction  
30 of, the student's educational institution, provided his or her  
31 attendance is as a participant and not as a spectator.

1           4. No tax shall be levied on admissions to the  
2 National Football League championship game, on admissions to  
3 any semifinal game or championship game of a national  
4 collegiate tournament, or on admissions to a Major League  
5 Baseball all-star game.

6           5. A participation fee or sponsorship fee imposed by a  
7 governmental entity as described in s. 212.08(6) for an  
8 athletic or recreational program is exempt when the  
9 governmental entity by itself, or in conjunction with an  
10 organization exempt under s. 501(c)(3) of the Internal Revenue  
11 Code of 1954, as amended, sponsors, administers, plans,  
12 supervises, directs, and controls the athletic or recreational  
13 program.

14           6. Also exempt from the tax imposed by this section to  
15 the extent provided in this subparagraph are admissions to  
16 live theater, live opera, or live ballet productions in this  
17 state which are sponsored by an organization that has received  
18 a determination from the Internal Revenue Service that the  
19 organization is exempt from federal income tax under s.  
20 501(c)(3) of the Internal Revenue Code of 1954, as amended, if  
21 the organization actively participates in planning and  
22 conducting the event, is responsible for the safety and  
23 success of the event, is organized for the purpose of  
24 sponsoring live theater, live opera, or live ballet  
25 productions in this state, has more than 10,000 subscribing  
26 members and has among the stated purposes in its charter the  
27 promotion of arts education in the communities which it  
28 serves, and will receive at least 20 percent of the net  
29 profits, if any, of the events which the organization sponsors  
30 and will bear the risk of at least 20 percent of the losses,  
31 if any, from the events which it sponsors if the organization

1 employs other persons as agents to provide services in  
2 connection with a sponsored event. Prior to March 1 of each  
3 year, such organization may apply to the department for a  
4 certificate of exemption for admissions to such events  
5 sponsored in this state by the organization during the  
6 immediately following state fiscal year. The application shall  
7 state the total dollar amount of admissions receipts collected  
8 by the organization or its agents from such events in this  
9 state sponsored by the organization or its agents in the year  
10 immediately preceding the year in which the organization  
11 applies for the exemption. Such organization shall receive the  
12 exemption only to the extent of \$1.5 million multiplied by the  
13 ratio that such receipts bear to the total of such receipts of  
14 all organizations applying for the exemption in such year;  
15 however, in no event shall such exemption granted to any  
16 organization exceed 6 percent of such admissions receipts  
17 collected by the organization or its agents in the year  
18 immediately preceding the year in which the organization  
19 applies for the exemption. Each organization receiving the  
20 exemption shall report each month to the department the total  
21 admissions receipts collected from such events sponsored by  
22 the organization during the preceding month and shall remit to  
23 the department an amount equal to 6 percent of such receipts  
24 reduced by any amount remaining under the exemption. Tickets  
25 for such events sold by such organizations shall not reflect  
26 the tax otherwise imposed under this section.

27           7. Also exempt from the tax imposed by this section  
28 are entry fees for participation in freshwater fishing  
29 tournaments.

30           8. Also exempt from the tax imposed by this section  
31 are participation or entry fees charged to participants in a



1 game, race, or other sport or recreational event if spectators  
2 are charged a taxable admission to such event.

3 9. No tax shall be levied on admissions to any  
4 postseason collegiate football game sanctioned by the National  
5 Collegiate Athletic Association.

6 (3) Such taxes shall be paid and remitted at the same  
7 time and in the same manner as provided for remitting taxes on  
8 sales of tangible personal property, as hereinafter provided.

9 ~~Notwithstanding any other provision of this chapter, the tax~~  
10 ~~on admission to an event at a convention hall, exhibition~~  
11 ~~hall, auditorium, stadium, theater, arena, civic center,~~  
12 ~~performing arts center, or publicly owned recreational~~  
13 ~~facility shall be collected at the time of payment for the~~  
14 ~~admission but is not due to the department until the first day~~  
15 ~~of the month following the actual date of the event for which~~  
16 ~~the admission is sold and becomes delinquent on the 21st day~~  
17 ~~of that month.~~

18 Section 46. Paragraph (g) of subsection (10) of  
19 section 212.02, Florida Statutes, is amended to read:

20 212.02 Definitions.--The following terms and phrases  
21 when used in this chapter have the meanings ascribed to them  
22 in this section, except where the context clearly indicates a  
23 different meaning:

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

29 (g) "Lease," "let," or "rental" also means the leasing  
30 or rental of tangible personal property and the possession or  
31 use thereof by the lessee or rentee for a consideration,

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

20 Section 47. Present subsections (12) and (13) of  
21 section 212.212, Florida Statutes, are redesignated as (13)  
22 and (14), respectively, and a new subsection (12) is added to  
23 that section, to read:

24 212.12 Dealer's credit for collecting tax; penalties  
25 for noncompliance; powers of Department of Revenue in dealing  
26 with delinquents; brackets applicable to taxable transactions;  
27 records required.--

28 (12) If it is determined upon audit that a dealer has  
29 collected and remitted taxes by applying the applicable tax  
30 rate to each transaction as described in subsection (9) and  
31 rounding the tax due to the nearest whole cent rather than

1 applying the appropriate bracket system provided by statute or  
2 department rule, the dealer may not be held liable for  
3 additional tax, penalty, and interest resulting from such  
4 failure if all of the following requirements are met:

5 (a) The dealer acted in a good-faith belief that  
6 rounding to the nearest whole cent was the proper method of  
7 determining the amount of tax due on each taxable transaction;

8 (b) The dealer timely reported and remitted all taxes  
9 collected on each taxable transaction; and

10 (c) The dealer agrees in writing to future compliance  
11 with the statutes and rules concerning brackets applicable to  
12 the dealer's transactions.

13 Section 48. It is the intent of the Legislature that  
14 the amendments to section 212.12, Florida Statutes, made by  
15 this act apply to all pending sales and use tax audits or  
16 other actions or inquiries, including those currently under  
17 protest or in litigation. The amendments to section 212.12,  
18 Florida Statutes, made by this act do not create any right to  
19 refund for taxes previously assessed and paid in regard to  
20 audits or other actions or inquiries that are no longer  
21 pending.

22 Section 49. Paragraph (b) of subsection (1) of section  
23 206.9825, Florida Statutes, is reenacted and amended to read:

24 206.9825 Aviation fuel tax.--

25 (1)

26 (b) Any licensed wholesaler or terminal supplier that  
27 delivers aviation fuel to an air carrier offering  
28 transcontinental jet service and that, after January 1, 1996,  
29 increases the air carrier's Florida workforce by more than  
30 1000 percent and by 250 or more full-time equivalent employee  
31 positions, may receive a credit or refund as the ultimate

1 vendor of the aviation fuel for the 6.9 cents excise tax  
2 previously paid, provided that the air carrier has no facility  
3 for fueling highway vehicles from the tank in which the  
4 aviation fuel is stored. In calculating the new or additional  
5 Florida full-time equivalent employee positions, any full-time  
6 equivalent employee positions of parent or subsidiary  
7 corporations which existed before January 1, 1996, shall not  
8 be counted toward reaching the Florida employment increase  
9 thresholds. The refund allowed under this paragraph is in  
10 furtherance of the goals and policies of the State  
11 Comprehensive Plan set forth in s. 187.201(17)(a), (b)1., 2.,  
12 (18)(a), (b)1., 4., (20)(a), (b)5., (22)(a), (b)1., 2., 4.,  
13 7., 9., and 12. ~~This paragraph will expire on July 1, 2001.~~

14       Section 50. Notwithstanding the percentage increase  
15 provided in section 218.21(6), Florida Statutes, for the  
16 purpose of calculating distributions made under section  
17 212.20(6)(d)6., Florida Statutes, for the 2001-2002 fiscal  
18 year, the percentage increase for any government exercising  
19 municipal powers under Section 6(f) of Article VIII of the  
20 State Constitution shall be calculated as the revenues from  
21 the Revenue Sharing Trust Fund for Municipalities for the  
22 1999-2000 fiscal year and revenues from the Municipal  
23 Financial Assistance Trust Fund for the 1999-2000 fiscal year,  
24 minus one. Notwithstanding this section, actual payments  
25 during fiscal year 2001-2002 shall not be affected by this  
26 provision and such recalculated amount shall be used to  
27 determine the percentage increase for the 2002-2003 fiscal  
28 year, as provided in section 218.21(6)(b), Florida Statutes.  
29 Any adjustment because of an overpayment during the 2001-2002  
30 fiscal year shall be treated as a credit to the payment in  
31 fiscal year 2002-2003.

1           Section 51. Except as otherwise expressly provided in  
2 this act, this act shall take effect upon becoming a law.

3  
4                   STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
5                   COMMITTEE SUBSTITUTE FOR  
6                   SB 2302

7 The Committee Substitute made the following changes to SB  
8 2302:

- 9 1. Clarifies that payments to utility companies by a  
10 regional transmission organization are not subject to  
11 the rental tax.
- 12 2. Adds language taken from the Department of Revenue's  
13 current rule, providing that in certain situations,  
14 dealers are not required to obtain new resale  
15 certificates from purchasers annually.
- 16 3. Provides for the forgiveness of tax, penalty and  
17 interest resulting from failure to use the traditional  
18 rounding of tax, under certain circumstances.
- 19 4. Extends for an additional 3 years, from 2003 to 2006,  
20 the sales tax exemptions awarded to civic centers,  
21 convention halls, stadiums, performing arts centers,  
22 exhibition halls, auditoriums, stadiums, theaters,  
23 arenas, or publicly-owned recreational facilities.
- 24 5. Adds to the electronic reporting requirements, the  
25 requirement to file unemployment compensation taxes  
26 electronically for certain employers. The bill also  
27 lowers the electronic filing and payment threshold from  
28 \$50,000 to \$30,000, instead of in \$10,000 increments  
29 over 4 years.
- 30 6. Reenacts the aviation fuel tax credit for certain  
31 airlines. This provision expired July 1, 2001.
7. The bill cleans-up language to the Municipal Revenue  
Sharing provisions in ss. 218.21(6) and 212.20(6)(d)6.,  
in relation to Metro-Dade's annual growth increase.