

By the Committee on Military and Veterans' Affairs, Base Protection, and Spaceports; and Senator Fasano

301-2072-03

1                                   A bill to be entitled  
2           An act relating to the space industry; amending  
3           s. 212.20, F.S.; providing that the amounts due  
4           under the tax on sales, use, and other  
5           transactions which are collected by dealers  
6           conducting business at fixed locations at the  
7           Kennedy Space Center or Cape Canaveral Air  
8           Station on admissions, leases, licenses, and  
9           sales of tangible personal property at such  
10          businesses shall be separately returned to the  
11          Department of Revenue; requiring the Department  
12          of Revenue to distribute the proceeds collected  
13          to the Florida Space Authority; providing for  
14          distribution of such proceeds by the Florida  
15          Space Authority to the Florida Commercial Space  
16          Financing Corporation and the Florida Space  
17          Research Institute for specified purposes;  
18          creating s. 331.411, F.S.; providing for  
19          exemption from taxation for any project or  
20          property owned by the Florida Commercial Space  
21          Financing Corporation under part II or part III  
22          of chapter 331, F.S.; exempting from taxation  
23          notes, mortgages, security agreements, letters  
24          of credit or other instruments that arise out  
25          of, or are given to secure the repayment of,  
26          debt issued in connection with a project  
27          financed under part I or part II of chapter  
28          331, F.S.; providing an effective date.  
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30 Be It Enacted by the Legislature of the State of Florida:  
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1           Section 1. Paragraphs (b) and (d) of subsection (6) of  
2 section 212.20, Florida Statutes, as amended by section 1 of  
3 chapter 2002-291, Laws of Florida, are amended to read:

4           212.20 Funds collected, disposition; additional powers  
5 of department; operational expense; refund of taxes  
6 adjudicated unconstitutionally collected.--

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

9           (b) Proceeds from discretionary sales surtaxes imposed  
10 pursuant to ss. 212.054 and 212.055, except those distributed  
11 under subparagraph (d) 7., shall be reallocated to the  
12 Discretionary Sales Surtax Clearing Trust Fund.

13           (d) The proceeds of all other taxes and fees imposed  
14 pursuant to this chapter or remitted pursuant to s.  
15 202.18(1)(b) and (2)(b) shall be distributed as follows:

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

23           2. Two-tenths of one percent shall be transferred to  
24 the Ecosystem Management and Restoration Trust Fund to be used  
25 for water quality improvement and water restoration projects.

26           3. After the distribution under subparagraphs 1. and  
27 2., 9.653 percent of the amount remitted by a sales tax dealer  
28 located within a participating county pursuant to s. 218.61  
29 shall be transferred into the Local Government Half-cent Sales  
30 Tax Clearing Trust Fund.

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

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

10          6. For proceeds received after July 1, 2000, and after  
11 the distributions under subparagraphs 1., 2., 3., and 4.,  
12 1.0715 percent of the available proceeds pursuant to this  
13 paragraph shall be transferred monthly to the Revenue Sharing  
14 Trust Fund for Municipalities pursuant to s. 218.215. If the  
15 total revenue to be distributed pursuant to this subparagraph  
16 is at least as great as the amount due from the Revenue  
17 Sharing Trust Fund for Municipalities and the Municipal  
18 Financial Assistance Trust Fund in state fiscal year  
19 1999-2000, no municipality shall receive less than the amount  
20 due from the Revenue Sharing Trust Fund for Municipalities and  
21 the Municipal Financial Assistance Trust Fund in state fiscal  
22 year 1999-2000. If the total proceeds to be distributed are  
23 less than the amount received in combination from the Revenue  
24 Sharing Trust Fund for Municipalities and the Municipal  
25 Financial Assistance Trust Fund in state fiscal year  
26 1999-2000, each municipality shall receive an amount  
27 proportionate to the amount it was due in state fiscal year  
28 1999-2000.

29          7. Every dealer conducting business at a fixed  
30 location at the Kennedy Space Center or Cape Canaveral Air  
31 Force Station and selling admissions to attractions or tours

1 within the Kennedy Space Center or Cape Canaveral Air Force  
2 Station, or any part of either, pursuant to a contract with  
3 the National Aeronautics and Space Administration or pursuant  
4 to a subcontract thereto, shall file returns each month in  
5 accordance with this subparagraph. Each such dealer shall  
6 file a separate return each month which reports, separately  
7 from any other sales and use taxes due pursuant to this  
8 chapter, the sale of admissions to attractions or tours within  
9 the Kennedy Space Center or Cape Canaveral Air Force Station  
10 or any part thereof or to any event held at either location,  
11 together with sales at retail of tangible personal property  
12 from such fixed place of business, leases and licenses by the  
13 dealer at Kennedy Space Center or Cape Canaveral Air Force  
14 Station which are taxable pursuant to s. 212.031, and the  
15 taxes collected by the dealer with respect to such admissions,  
16 leases, licenses, and sales. All amounts due pursuant to this  
17 chapter with respect to such transactions shall be timely  
18 remitted to the department. The dealer shall simultaneously  
19 file a copy of the return with the Florida Space Authority and  
20 a copy with the director of the Office of Tourism, Trade, and  
21 Economic Development, all of which return copies and  
22 information therein shall be subject to the same  
23 confidentiality provisions as are applicable to returns and  
24 information filed with the department pursuant to s. 213.053.  
25 Each month the department shall distribute all such proceeds  
26 collected and remitted to the department as shown on the  
27 returns required by this subparagraph to the Florida Space  
28 Authority. The Florida Space Authority shall retain one-third  
29 of these proceeds for activities to effectuate the provisions  
30 of s. 331.302(2) and to develop projects as defined in s.  
31 331.303(16), distribute one-third of these proceeds to the

1 Florida Space Research Institute to effectuate the provisions  
2 of s. 331.368, and distribute one-third of these proceeds as  
3 deposits as authorized under s. 331.309(2) for the purpose of  
4 financing aerospace infrastructure projects or as program  
5 grants to the Florida Commercial Space Financing Corporation.  
6 The funds distributed to the Florida Space Research Institute  
7 shall be expended for aerospace workforce training programs  
8 and activities, funding aerospace research and development  
9 grants, space education and teacher training programs, and  
10 other activities authorized under s. 331.368. Funds  
11 distributed to the Florida Space Authority shall be used for  
12 aerospace infrastructure, space-related education and research  
13 facilities, spaceport planning and development, statewide  
14 business development and support, the marketing of Florida's  
15 space flight industry, and intergovernmental coordination with  
16 federal agencies. In the event the department collects any  
17 additional amounts pursuant to this chapter with respect to  
18 any transactions for which a separate return is required by  
19 this subparagraph, the proceeds shall, within 30 days  
20 following collection, be distributed by the department to the  
21 Florida Space Authority for the uses specified in this  
22 subparagraph. Nothing in this subparagraph shall be construed  
23 as affecting any dealer's liability for other taxes imposed by  
24 and due pursuant to this chapter.

25 8.7. Of the remaining proceeds:  
26 a. Beginning July 1, 2000, and in each fiscal year  
27 thereafter, the sum of \$29,915,500 shall be divided into as  
28 many equal parts as there are counties in the state, and one  
29 part shall be distributed to each county. The distribution  
30 among the several counties shall begin each fiscal year on or  
31 before January 5th and shall continue monthly for a total of 4

1 months. If a local or special law required that any moneys  
2 accruing to a county in fiscal year 1999-2000 under the  
3 then-existing provisions of s. 550.135 be paid directly to the  
4 district school board, special district, or a municipal  
5 government, such payment shall continue until such time that  
6 the local or special law is amended or repealed. The state  
7 covenants with holders of bonds or other instruments of  
8 indebtedness issued by local governments, special districts,  
9 or district school boards prior to July 1, 2000, that it is  
10 not the intent of this subparagraph to adversely affect the  
11 rights of those holders or relieve local governments, special  
12 districts, or district school boards of the duty to meet their  
13 obligations as a result of previous pledges or assignments or  
14 trusts entered into which obligated funds received from the  
15 distribution to county governments under then-existing s.  
16 550.135. This distribution specifically is in lieu of funds  
17 distributed under s. 550.135 prior to July 1, 2000.

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

1 receive more in distributions than actually expended by the  
2 applicant for the public purposes provided for in s.  
3 288.1162(6). However, a certified applicant is entitled to  
4 receive distributions up to the maximum amount allowable and  
5 undistributed under this section for additional renovations  
6 and improvements to the facility for the franchise without  
7 additional certification.

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

14 d. Beginning 30 days after notice by the Office of  
15 Tourism, Trade, and Economic Development to the Department of  
16 Revenue that the applicant has been certified as the  
17 International Game Fish Association World Center facility  
18 pursuant to s. 288.1169, and the facility is open to the  
19 public, \$83,333 shall be distributed monthly, for up to 168  
20 months, to the applicant. This distribution is subject to  
21 reduction pursuant to s. 288.1169. A lump sum payment of  
22 \$999,996 shall be made, after certification and before July 1,  
23 2000.

24 ~~9.8-~~ All other proceeds shall remain with the General  
25 Revenue Fund.

26 Section 2. Section 331.411, Florida Statutes, is  
27 created to read:

28 331.411 Tax exemption.--The exercise of the powers  
29 granted by this part in all respects shall be for the benefit  
30 of the people of the state, for the increase of their industry  
31 and prosperity, for the improvement of their health and living

1 conditions, and for the provision of gainful employment, and  
2 shall constitute the performance of essential public  
3 functions. The corporation shall not be required to pay any  
4 taxes on any project or any other property owned by the  
5 corporation under the provisions of part II or part III of  
6 this chapter or upon the income therefrom. All notes,  
7 mortgages, security agreements, letters of credit, or other  
8 instruments that arise out of or are given to secure the  
9 repayment of debt issued in connection with a project financed  
10 under part I or part II of this chapter shall at all times be  
11 free from taxation by the state or any local governmental  
12 unit, political subdivision, or other instrumentality of the  
13 state. The exemption granted by this section shall not be  
14 applicable to any tax imposed by chapter 220 on interest,  
15 income, or profits on debt obligations owned by corporations.

16 Section 3. This act shall take effect July 1, 2004,  
17 and section 1 shall be applicable to taxes due on or after  
18 that date.

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20 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
21 COMMITTEE SUBSTITUTE FOR  
22 Senate Bill 1086

23 The original bill provided only legislative intent to  
24 encourage space-related economic growth. The committee  
25 substitute provides a dedicated funding source for the Florida  
26 Space Authority, the Florida Commercial Space Financing  
27 Corporation and the Florida Space Research Institute. It also  
28 bestows tax exempt status to the Florida Commercial Space  
29 Financing Corporation similar to the existing tax exempt  
30 status of the Florida Space Authority.  
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