



CHAMBER ACTION

The Committee on Appropriations recommends the following:

Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to the tax on gross receipts for utility and communications services; amending s. 166.231, F.S.; exempting the purchase of manufactured gas for resale or for use as fuel in the generation of electricity from the public service tax; amending s. 203.01, F.S.; excluding gross receipts from sales of manufactured gas to certain utilities from the term "gross receipts" for certain purposes; providing an effective date.

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

Section 1. Paragraph (a) of subsection (4) of section 166.231, Florida Statutes, is amended to read:

166.231 Municipalities; public service tax.--

(4)(a) The purchase of natural gas, manufactured gas, or fuel oil by a public or private utility, either for resale or for use as fuel in the generation of electricity, or the purchase of fuel oil or kerosene for use as an aircraft engine



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29 fuel or propellant or for use in internal combustion engines is
30 exempt from taxation hereunder.

31 Section 2. Subsection (3) of section 203.01, Florida
32 Statutes, is amended to read:

33 203.01 Tax on gross receipts for utility and
34 communications services.--

35 (3) The term "gross receipts" as used herein does not
36 include gross receipts of any person derived from:

37 (a) The sale of natural gas or manufactured gas to a
38 public or private utility, including a municipal corporation or
39 rural electric cooperative association, either for resale or for
40 use as fuel in the generation of electricity; or

41 (b) The sale of electricity to a public or private
42 utility, including a municipal corporation or rural electric
43 cooperative association, for resale within the state, or as part
44 of an electrical interchange agreement or contract between such
45 utilities for the purpose of transferring more economically
46 generated power;

47
48 provided the person deriving gross receipts from such sale
49 demonstrates that a resale in fact occurred and complies with
50 the following requirements: A resale in this state must be in
51 strict compliance with the rules and regulations of the
52 Department of Revenue; and any person making a sale for resale
53 in this state which is not in strict compliance with the rules
54 and regulations of the Department of Revenue shall be liable for
55 and pay the tax. Any person making a sale for resale in this
56 state may, through an informal protest provided for in s. 213.21



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57 | and the rules of the Department of Revenue, provide the
58 | department with evidence of the exempt status of a sale. The
59 | department shall adopt rules which provide that valid proof and
60 | documentation of the resale in this state by a person making the
61 | sale for resale in this state will be accepted by the department
62 | when submitted during the protest period but will not be
63 | accepted when submitted in any proceeding under chapter 120 or
64 | any circuit court action instituted under chapter 72.

65 | Section 3. This act shall take effect upon becoming a law.