

CHAMBER ACTION

1 The Finance & Tax Committee recommends the following:

2
3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to firefighters' pensions; amending s.
7 175.041, F.S.; providing that any municipality that
8 provides fire protection services to another municipality
9 under an interlocal agreement is eligible to receive
10 premium taxes; authorizing the municipality that receives
11 the fire protection services to enact an ordinance levying
12 the tax; authorizing the Division of Retirement within the
13 Department of Management Services to distribute the
14 premium taxes; amending s. 175.101, F.S.; authorizing any
15 municipality that has entered into an interlocal agreement
16 for fire protection services with another municipality to
17 impose an excise tax on entities that are engaged in the
18 business of property insurance; providing an effective
19 date.

20
21 Be It Enacted by the Legislature of the State of Florida:

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23 Section 1. Subsection (3) of section 175.041, Florida
24 Statutes, is amended to read:

25 175.041 Firefighters' Pension Trust Fund created;
26 applicability of provisions.--For any municipality, special fire
27 control district, chapter plan, local law municipality, local
28 law special fire control district, or local law plan under this
29 chapter:

30 (3) The provisions of this chapter shall apply only to
31 municipalities organized and established pursuant to the laws of
32 the state and to special fire control districts, and said
33 provisions shall not apply to the unincorporated areas of any
34 county or counties except with respect to special fire control
35 districts that include unincorporated areas, nor shall the
36 provisions hereof apply to any governmental entity whose
37 firefighters are eligible to participate in the Florida
38 Retirement System.

39 (a) Special fire control districts that include, or
40 consist exclusively of, unincorporated areas of one or more
41 counties may levy and impose the tax and participate in the
42 retirement programs enabled by this chapter.

43 (b) With respect to the distribution of premium taxes, a
44 single consolidated government consisting of a former county and
45 one or more municipalities, consolidated pursuant to s. 3 or s.
46 6(e) ~~(6)(e)~~, Art. VIII of the State Constitution, is also
47 eligible to participate under this chapter. The consolidated
48 government shall notify the division when it has entered into an
49 interlocal agreement to provide fire services to a municipality
50 within its boundaries. The municipality may enact an ordinance

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51 | levying the tax as provided in s. 175.101. Upon being provided
52 | copies of the interlocal agreement and the municipal ordinance
53 | levying the tax, the division may distribute any premium taxes
54 | reported for the municipality to the consolidated government as
55 | long as the interlocal agreement is in effect.

56 | (c) Any municipality that has entered into an interlocal
57 | agreement to provide fire protection services to any other
58 | incorporated municipality, in its entirety, for a period of 12
59 | months or more may be eligible to receive the premium taxes
60 | reported for such other municipality. In order to be eligible
61 | for such premium taxes, the municipality providing the fire
62 | services must notify the division that it has entered into an
63 | interlocal agreement with another municipality. The municipality
64 | receiving the fire services may enact an ordinance levying the
65 | tax as provided in s. 175.101. Upon being provided copies of the
66 | interlocal agreement and the municipal ordinance levying the
67 | tax, the division may distribute any premium taxes reported for
68 | the municipality receiving the fire services to the
69 | participating municipality providing the fire services as long
70 | as the interlocal agreement is in effect.

71 | Section 2. Section 175.101, Florida Statutes, is amended
72 | to read:

73 | 175.101 State excise tax on property insurance premiums
74 | authorized; procedure.--For any municipality, special fire
75 | control district, chapter plan, local law municipality, local
76 | law special fire control district, or local law plan under this
77 | chapter:

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78 | (1) Each municipality or special fire control district in
79 | this state described and classified in s. 175.041, having a
80 | lawfully established firefighters' pension trust fund or
81 | municipal fund or special fire control district fund, by
82 | whatever name known, providing pension benefits to firefighters
83 | as provided under this chapter, may assess and impose on every
84 | insurance company, corporation, or other insurer now engaged in
85 | or carrying on, or who shall hereinafter engage in or carry on,
86 | the business of property insurance as shown by the records of
87 | the Office of Insurance Regulation of the Financial Services
88 | Commission an excise tax in addition to any lawful license or
89 | excise tax now levied by each of the municipalities or special
90 | fire control districts, respectively, amounting to 1.85 percent
91 | of the gross amount of receipts of premiums from policyholders
92 | on all premiums collected on property insurance policies
93 | covering property within the corporate limits of such
94 | municipalities or within the legally defined boundaries of
95 | special fire control districts, respectively. Whenever the
96 | boundaries of a special fire control district that has lawfully
97 | established a firefighters' pension trust fund encompass a
98 | portion of the corporate territory of a municipality that has
99 | also lawfully established a firefighters' pension trust fund,
100 | that portion of the tax receipts attributable to insurance
101 | policies covering property situated both within the municipality
102 | and the special fire control district shall be given to the fire
103 | service provider. The agent shall identify the fire service
104 | provider on the property owner's application for insurance.
105 | Remaining revenues collected pursuant to this chapter shall be

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106 distributed to the municipality or special fire control district
107 according to the location of the insured property.

108 (2) In the case of multiple peril policies with a single
109 premium for both the property and casualty coverages in such
110 policies, 70 percent of such premium shall be used as the basis
111 for the 1.85-percent tax.

112 (3) This excise tax shall be payable annually on March 1
113 of each year after the passage of an ordinance, in the case of a
114 municipality, or resolution, in the case of a special fire
115 control district, assessing and imposing the tax authorized by
116 this section. Installments of taxes shall be paid according to
117 the provision of s. 624.5092(2)(a), (b), and (c).

118
119 This section also applies to any municipality that has entered
120 into an interlocal agreement to provide fire protection services
121 to another incorporated municipality, in its entirety, for a
122 period of 12 months or more, as provided in s. 175.041(3),
123 including any municipality consisting of a single consolidated
124 government which is made up of a former county and one or more
125 municipalities, consolidated pursuant to the authority in s. 3
126 or s. 6(e), Art. VIII of the State Constitution, and to property
127 insurance policies covering property with respect to the
128 municipality that is providing fire protection services by
129 interlocal agreement. The excise tax may be levied on any
130 property within the boundaries of such other incorporated
131 municipality, or on any property within the boundaries of the
132 consolidated government, regardless of whether the properties
133 are located within one or more separately incorporated areas

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134 | within the consolidated government, provided that the properties
135 | are being provided fire protection services by interlocal
136 | agreement with the other ~~consolidated~~ government.

137 | Section 3. This act shall take effect October 1, 2005.