

Bill No. PCS for SB 696 (284800)

Barcode 724502

	CHAMBER ACTION	
<u>Senate</u>		<u>House</u>

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The Committee on Government Efficiency Appropriations
(Campbell) recommended the following amendment:

Senate Amendment (with title amendment)

On page 2, between lines 11 and 12,

insert:

Section 2. Paragraph (b) of subsection (1) of section
212.07, Florida Statutes, is amended to read:

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

(1)

(b)1. A resale must be in strict compliance with s.
212.18, subparagraph 2., and the rules and regulations, and
any dealer who makes a sale for resale which is not in strict
compliance with s. 212.18, subparaqraph 2., and the rules and
regulations shall himself or herself be liable for and pay the
tax. Any dealer who makes a sale for resale shall document the
exempt nature of the transaction, as established by rules

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1 promulgated by the department, by retaining a copy of the
2 purchaser's resale certificate or an affidavit as provided by
3 subparagraph 2. In lieu of maintaining a copy of the
4 certificate, a dealer may document, prior to the time of sale,
5 an authorization number provided telephonically or
6 electronically by the department, or by such other means
7 established by rule of the department. The dealer may rely on
8 a resale certificate issued pursuant to s. 212.18(3)(c), valid
9 at the time of receipt from the purchaser, without seeking
10 annual verification of the resale certificate if the dealer
11 makes recurring sales to a purchaser in the normal course of
12 business on a continual basis. For purposes of this paragraph,
13 "recurring sales to a purchaser in the normal course of
14 business" refers to a sale in which the dealer extends credit
15 to the purchaser and records the debt as an account
16 receivable, or in which the dealer sells to a purchaser who
17 has an established cash or C.O.D. account, similar to an open
18 credit account. For purposes of this paragraph, purchases are
19 made from a selling dealer on a continual basis if the selling
20 dealer makes, in the normal course of business, sales to the
21 purchaser no less frequently than once in every 12-month
22 period. A dealer may, through the informal protest provided
23 for in s. 213.21 and the rules of the Department of Revenue,
24 provide the department with evidence of the exempt status of a
25 sale. Consumer certificates of exemption executed by those
26 exempt entities that were registered with the department at
27 the time of sale, resale certificates provided by purchasers
28 who were active dealers at the time of sale, and verification
29 by the department of a purchaser's active dealer status at the
30 time of sale in lieu of a resale certificate shall be accepted
31 by the department when submitted during the protest period,

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1 but may not be accepted in any proceeding under chapter 120 or
2 any circuit court action instituted under chapter 72.

3 2. The department shall include a list of the products
4 or services that are eligible for purchase for resale on each
5 initial or annual resale certificate issued to a dealer under
6 s. 212.18. A product or service that is not listed on such a
7 certificate does not qualify for an exemption for resale
8 unless it is identified on an affidavit form that is provided
9 by the department, completed by the dealer and purchaser or
10 consumer at the time of purchase, and forwarded to the
11 department by the dealer within 1 month after the purchase.
12 The department and the Revenue Estimating Conference shall
13 measure each annual increment of sales tax revenues to the
14 state as a result of this subparagraph. Beginning February
15 20, 2006, such incremental revenues shall be transferred to
16 the Brain and Spinal Cord Injury Trust Fund and used to expand
17 the Brain and Spinal Cord Injury Program of Medicaid and
18 community based waivers.

19
20 (Redesignate subsequent sections.)

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23 ===== T I T L E A M E N D M E N T =====

24 And the title is amended as follows:

25 On page 1, line 5, after the first semicolon,
26
27 insert:
28 amending s. 212.07, F.S.; requiring a product
29 or service to be listed on a resale certificate
30 or affidavit to qualify for the resale
31 exemption; directing the Department of Revenue

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1 to list such products on resale certificates
2 and provide an affidavit form; providing for
3 measurement of revenue increments by the
4 department and the Revenue Estimating
5 Conference; providing for transfer of the
6 increment to the Brain and Spinal Cord Injury
7 Trust Fund; providing for distribution of the
8 increment;

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