$\mathbf{B}\mathbf{y}$ the Committee on Communications and Public Utilities; and Senator Dockery

579-2170-06

1	A bill to be entitled
2	An act relating to gross receipts taxes on
3	manufacturing; amending s. 203.01, F.S.;
4	providing a tax exemption for electricity sold
5	to manufacturers, after a specified amount in
6	tax has been paid in a calendar year, to the
7	extent that the tax savings are invested in
8	energy conservation measures as specified;
9	providing for calculation of the exemption;
10	defining terms; providing that the exemption is
11	available by refund; authorizing the Department
12	of Revenue to adopt rules relating to the
13	refund procedures; requiring that such refunds
14	be paid from general revenue; providing for
15	retroactivity; providing for future repeal;
16	providing an effective date.
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18	Be It Enacted by the Legislature of the State of Florida:
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20	Section 1. Paragraph (e) is added to subsection (3) of
21	section 203.01, Florida Statutes, to read:
22	203.01 Tax on gross receipts for utility and
23	communications services
24	(3) The tax imposed by subsection (1) does not apply
25	to:
26	(e)1. The sale or transportation to, or use of
27	electricity by, a person described in s. 212.08(7)(ff)2., if
28	the electricity is for use at a fixed location for which at
29	least \$50,000 in gross receipts tax has been paid pursuant to
30	subsection (1) on electricity consumed at that location during
31	the calendar year and if the person can demonstrate that the

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CODING: Words stricken are deletions; words underlined are additions.

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person has spent for energy conservation measures at that
fixed location the amount of tax savings allowed to that
person as an exemption by this paragraph.

- 2. If the amount of taxes above \$50,000 which otherwise would be due by a person exceeds the amount of qualifying expenditures for energy conservation measures by the person in a calendar year, the exemption shall be capped in that calendar year at the amount of qualifying expenditures for energy conservation measures. However, if the amount of qualifying expenditures for energy conservation measures by a person exceeds the amount of taxes above \$50,000 which otherwise would be due in a calendar year by the person, the exemption shall be capped for the year at the amount of taxes above \$50,000 which otherwise would be due, but excess qualifying expenditures for energy conservation measures may be carried forward and applied as qualifying expenditures for up to 2 subsequent calendar years.
- 3. For purposes of this exemption, the term "fixed location" means one or more contiquous manufacturing sites and functionally related contiquous parcels owned or operated by the person eliqible for the exemption.
- 4. For purposes of this exemption, the term "energy conservation measure" includes any expenditure for a measure that is certified by a licensed Florida professional engineer to reduce electrical demand, measured in kilowatts; reduce fossil fuel demand; reduce the required energy measured in kilowatt hours which would otherwise be needed absent the conservation measures; or reduce expenses necessary to provide renewable energy generation as defined by law, including operation and maintenance expenses.

1	5. This exemption shall be available by refund paid by
2	the Department of Revenue. An application for refund must be
3	made to the Department of Revenue on or before May 1 for
4	refunds earned during the prior calendar year. If the total
5	amount of refunds claimed in any calendar year exceeds \$6
6	million, the Department of Revenue shall calculate and pay
7	refunds to qualifying applicants on a pro rata basis. The
8	Department of Revenue may develop by rule the forms and
9	procedures for the refund application. All provisions relating
10	to challenging a denial of a refund apply to refunds
11	authorized under this paragraph. Notwithstanding the
12	provisions of s. 215.26, refunds paid pursuant to this
13	paragraph shall be paid from the General Revenue Fund and not
14	from the Public Education Capital Outlay and Debt Service
15	Trust Fund.
16	6. The exemption allowed under this paragraph expires
17	on December 31, 2015, except to the extent of any remaining
18	carryforward of qualifying expenditures for energy
19	conservation measures.
20	Section 2. This act shall take effect upon becoming a
21	law and shall apply retroactively to January 1, 2006, with
22	regard to taxes paid and expenditures for energy conservation
23	measures made in calendar year 2006, and to calendar years
24	thereafter.
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26	STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
27	COMMITTEE SUBSTITUTE FOR <u>SB 2332</u>
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29	The Committee Substitute for Senate Bill 2332 limits the total
30	amount of refunds for any calendar year to \$6 million.
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