

1 | the rental, the use, the consumption, the distribution, and
2 | the storage to be used or consumed in this state of the
3 | following are hereby specifically exempt from the tax imposed
4 | by this chapter.

5 | (4) EXEMPTIONS; ITEMS BEARING OTHER EXCISE TAXES,
6 | ETC.--

7 | (a) Also exempt are:

8 | 1. Water delivered to the purchaser through pipes or
9 | conduits or delivered for irrigation purposes. The sale of
10 | drinking water in bottles, cans, or other containers,
11 | including water that contains minerals or carbonation in its
12 | natural state or water to which minerals have been added at a
13 | water treatment facility regulated by the Department of
14 | Environmental Protection or the Department of Health, is
15 | exempt. This exemption does not apply to the sale of drinking
16 | water in bottles, cans, or other containers if carbonation or
17 | flavorings, except those added at a water treatment facility,
18 | have been added. Water that has been enhanced by the addition
19 | of minerals and that does not contain any added carbonation or
20 | flavorings is also exempt.

21 | 2. All fuels used by a public or private utility,
22 | including any municipal corporation or rural electric
23 | cooperative association, in the generation of electric power
24 | or energy for sale. Fuel other than motor fuel and diesel
25 | fuel is taxable as provided in this chapter with the exception
26 | of fuel expressly exempt herein. Motor fuels and diesel fuels
27 | are taxable as provided in chapter 206, with the exception of
28 | those motor fuels and diesel fuels used by railroad
29 | locomotives or vessels to transport persons or property in
30 | interstate or foreign commerce, which are taxable under this
31 | chapter only to the extent provided herein. The basis of the

1 tax shall be the ratio of intrastate mileage to interstate or
2 foreign mileage traveled by the carrier's railroad locomotives
3 or vessels that were used in interstate or foreign commerce
4 and that had at least some Florida mileage during the previous
5 fiscal year of the carrier, such ratio to be determined at the
6 close of the fiscal year of the carrier. However, during the
7 fiscal year in which the carrier begins its initial operations
8 in this state, the carrier's mileage apportionment factor may
9 be determined on the basis of an estimated ratio of
10 anticipated miles in this state to anticipated total miles for
11 that year, and subsequently, additional tax shall be paid on
12 the motor fuel and diesel fuels, or a refund may be applied
13 for, on the basis of the actual ratio of the carrier's
14 railroad locomotives' or vessels' miles in this state to its
15 total miles for that year. This ratio shall be applied each
16 month to the total Florida purchases made in this state of
17 motor and diesel fuels to establish that portion of the total
18 used and consumed in intrastate movement and subject to tax
19 under this chapter. The basis for imposition of any
20 discretionary surtax shall be set forth in s. 212.054. Fuels
21 used exclusively in intrastate commerce do not qualify for the
22 proration of tax.

23 3. The transmission or wheeling of electricity.

24 4. Alcoholic beverages and malt beverages that are
25 sold by the drink for consumption on the vendor's licensed
26 premises.

27 (b) Except as provided in subparagraph (a)4.,
28 alcoholic beverages and malt beverages are not exempt. The
29 terms "alcoholic beverages" and "malt beverages" as used in
30 this paragraph have the same meanings ascribed to them in ss.
31 561.01(4) and 563.01, respectively. It is determined by the

1 | Legislature that the classification of alcoholic beverages
2 | made in this paragraph for the purpose of extending the tax
3 | imposed by this chapter is reasonable and just, and it is
4 | intended that such tax be separate from, and in addition to,
5 | any other tax imposed on alcoholic beverages.

6 | (7) MISCELLANEOUS EXEMPTIONS.--Exemptions provided to
7 | any entity by this chapter do not inure to any transaction
8 | that is otherwise taxable under this chapter when payment is
9 | made by a representative or employee of the entity by any
10 | means, including, but not limited to, cash, check, or credit
11 | card, even when that representative or employee is
12 | subsequently reimbursed by the entity. In addition, exemptions
13 | provided to any entity by this subsection do not inure to any
14 | transaction that is otherwise taxable under this chapter
15 | unless the entity has obtained a sales tax exemption
16 | certificate from the department or the entity obtains or
17 | provides other documentation as required by the department.
18 | Eligible purchases or leases made with such a certificate must
19 | be in strict compliance with this subsection and departmental
20 | rules, and any person who makes an exempt purchase with a
21 | certificate that is not in strict compliance with this
22 | subsection and the rules is liable for and shall pay the tax.
23 | The department may adopt rules to administer this subsection.

24 | (d) Feeds.--Feeds for poultry, ~~ostriches,~~ and
25 | livestock, including racehorses and dairy cows, are exempt.

26 | Section 3. Subsection (9) of section 212.031, Florida
27 | Statutes, is repealed. This repeal does not affect contracts
28 | entered into before January 1, 2006; however, the exempt
29 | status of charges imposed under such a contract terminates no
30 | later than January 1, 2010. In addition, this repeal does not
31 | affect any exemption granted under chapter 212, Florida

1 Statutes, to a nonprofit organization that is qualified under
2 s. 501(c)(3) of the Internal Revenue Code of 1986, as amended.

3 Section 4. This act shall take effect July 1, 2006.
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6 SENATE SUMMARY

7 Creates the "Common Sense Tax Reform Act of 2006."
8 Relates to specified exemptions from the tax on sales,
9 use, and other transactions. Provides an exemption for
10 alcoholic beverages and malt beverages sold by the drink
11 for consumption on the vendor's licensed premises.
12 Deletes ostriches from the list of animals for which feed
13 is specifically exempted. Repeals s. 212.031(9), F.S.,
14 relating to the exemption from the tax on rental or
15 license fees for the use of real property which applies
16 to charges for the rental, lease, sublease, or license
17 for the use of a skybox, luxury box, or other box seats
18 during a high school or college football game. Provides
19 that the repeal is inapplicable to contracts entered into
20 before a specified date. Provides that the exempt status
21 of charges imposed under any such contract ends after a
22 specified date.
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