

Bill No. SB 2588

Barcode 824824

CHAMBER ACTION

Senate

House

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The Committee on Health Care (Jones) recommended the following amendment:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause

and insert:

Section 1. Paragraph (r) is added to subsection (5) of section 212.08, Florida Statutes, to read:

212.08 Sales, rental, use, consumption, distribution, and storage tax; specified exemptions.--The sale at retail, the rental, the use, the consumption, the distribution, and the storage to be used or consumed in this state of the following are hereby specifically exempt from the tax imposed by this chapter.

(5) EXEMPTIONS; ACCOUNT OF USE.--

(r) Medical equipment and supplies used in an enterprise zone.--

1. Medical equipment and supplies purchased for use by health care facilities that serve uninsured patients located in an enterprise zone which are subsequently used in an

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1 enterprise zone are exempt. This exemption inures to the  
 2 health care facility only through a refund of previously paid  
 3 taxes. A refund shall be authorized upon an affirmative  
 4 showing by the taxpayer to the satisfaction of the department  
 5 that the requirements of this paragraph have been met.

6       2. To receive a refund, the health care facility must  
 7 file under oath with the governing body or enterprise zone  
 8 development agency having jurisdiction over the enterprise  
 9 zone in which the health care facility is located, as  
 10 applicable, an application that includes:

11           a. The name and address of the health care facility  
 12 claiming the refund.

13           b. The identifying number assigned pursuant to s.  
 14 290.0065 to the enterprise zone in which the health care  
 15 facility is located.

16           c. A specific description of the medical equipment for  
 17 which a refund is sought, including the serial numbers or  
 18 other permanent identification numbers of the equipment.

19           d. A specific description of the medical supplies for  
 20 which a refund is sought, including the serial or lot numbers  
 21 or other numbers identifying the purchased supplies.

22           e. The sales invoice or other proof of purchase of the  
 23 medical equipment or supplies, showing the amount of sales tax  
 24 paid, the date of purchase, and the name and address of the  
 25 sales tax dealer from whom the medical equipment or supplies  
 26 were purchased.

27           f. An affidavit declaring that at least 10 percent of  
 28 the cost incurred for care by the health care facility in the  
 29 previous taxable year was for uncompensated care and that the  
 30 health care facility did not receive supplemental Medicaid,  
 31 disproportionate share hospital, or low-income pool funding

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1 pursuant to chapter 409.

2 g. A statement defining the taxpayer's taxable year.

3 3. Within 10 working days after receipt of an  
 4 application, the governing body or enterprise zone development  
 5 agency shall review the application to determine if the  
 6 application contains all the information required pursuant to  
 7 subparagraph 2. and meets the criteria set out in this  
 8 paragraph. The governing body or agency shall certify all  
 9 applications that contain the information required pursuant to  
 10 subparagraph 2. and that meet the criteria set out in this  
 11 paragraph as eligible to receive a refund. The certification  
 12 shall be in writing and a copy of the certification shall be  
 13 transmitted to the executive director of the Department of  
 14 Revenue. The health care facility shall be responsible for  
 15 forwarding a certified application to the department within  
 16 the time specified in subparagraph 4.

17 4. An application for a refund pursuant to this  
 18 paragraph must be submitted to the department within 6 months  
 19 after the close of the taxable year during which the eligible  
 20 medical equipment or supplies were purchased.

21 5. The provisions of s. 212.095 do not apply to any  
 22 refund application made pursuant to this paragraph. This  
 23 exemption shall apply to the first \$500,000 of taxable medical  
 24 equipment or supplies purchased by a health care facility and  
 25 used in the facility in any taxable year. A refund may not be  
 26 granted under this paragraph unless the amount to be refunded  
 27 exceeds \$100 in sales tax paid on purchases made within a  
 28 60-day time period. A refund may not be granted under this  
 29 paragraph for medical equipment or supplies eligible for  
 30 exemption pursuant to subsection (2) or eligible for a refund  
 31 pursuant to paragraph (h).

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1           6. The department shall adopt rules governing the  
 2 manner and form of refund applications and may establish  
 3 guidelines as to the requisites for an affirmative showing of  
 4 qualification for exemption under this paragraph.

5           7. If the department determines that the medical  
 6 equipment or supplies are used outside an enterprise zone  
 7 within 3 years from the date of purchase, the amount of taxes  
 8 refunded to the health care facility purchasing such medical  
 9 equipment or supplies shall immediately be due and payable to  
 10 the department by the health care facility, together with the  
 11 appropriate interest and penalty, computed from the date of  
 12 purchase, in the manner provided by this chapter.

13 Notwithstanding this subparagraph, a health care facility may  
 14 dispose of disposable supplies according to law.

15           8. The department shall deduct an amount equal to 10  
 16 percent of each refund granted under this paragraph from the  
 17 amount to be transferred into the Local Government Half-cent  
 18 Sales Tax Clearing Trust Fund pursuant to s. 212.20 for the  
 19 county area in which the medical equipment or supplies are  
 20 located and shall deposit that amount into the General Revenue  
 21 Fund.

22           9. For purposes of this exemption, the term:

23           a. "Medical equipment" means durable medical equipment  
 24 that can be used repeatedly and that serves a medical purpose  
 25 in the diagnosis, treatment, or care of an individual.

26           b. "Medical supplies" means items that are consumable,  
 27 expendable, disposable or nondurable, and that serve a medical  
 28 purpose in the diagnosis, treatment, or care of an individual.

29           c. "Health care facility" means a facility licensed  
 30 pursuant to chapter 395 or a county health department, a  
 31 children's medical services program, a federally qualified

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1 health center, a federally funded migrant health center, a  
 2 rural clinic, or any other publicly funded community health  
 3 program and any other program designated by the Department of  
 4 Health as a community health center that provides primary care  
 5 services to the uninsured.

6 10. This paragraph expires on the date specified in s.  
 7 290.016 for the expiration of the Florida Enterprise Zone Act.

8 Section 2. Subsection (2) and paragraph (a) of  
 9 subsection (9) of section 290.0056, Florida Statutes, are  
 10 amended to read:

11 290.0056 Enterprise zone development agency.--

12 (2) When the governing body creates an enterprise zone  
 13 development agency, that body shall appoint a board of  
 14 commissioners of the agency, which shall consist of not fewer  
 15 than 8 or more than 13 commissioners. The governing body may  
 16 appoint at least one representative from each of the  
 17 following: the local chamber of commerce; local financial or  
 18 insurance entities; local businesses and, where possible,  
 19 businesses operating within the nominated area; the residents  
 20 residing within the nominated area; nonprofit community-based  
 21 organizations operating within the nominated area; health care  
 22 facilities operating within the nominated area; the regional  
 23 workforce board; the local code enforcement agency; and the  
 24 local law enforcement agency. One of the commissioners on the  
 25 board may be employed in the health care field, provided such  
 26 requirement applies only when a position on the board becomes  
 27 vacant after July 1, 2007, and appointment of a new  
 28 commissioner is required to fill the vacancy or an additional  
 29 member is to be appointed after July 1, 2007. The terms of

30 office of the commissioners shall be for 4 years, except that,  
 31 in making the initial appointments, the governing body shall

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1 appoint two members for terms of 3 years, two members for  
 2 terms of 2 years, and one member for a term of 1 year; the  
 3 remaining initial members shall serve for terms of 4 years. A  
 4 vacancy occurring during a term shall be filled for the  
 5 unexpired term. The importance of including individuals from  
 6 the nominated area shall be considered in making appointments.  
 7 Further, the importance of minority representation on the  
 8 agency shall be considered in making appointments so that the  
 9 agency generally reflects the gender and ethnic composition of  
 10 the community as a whole.

11 (9) The following powers and responsibilities shall be  
 12 performed by the governing body creating the enterprise zone  
 13 development agency acting as the managing agent of the  
 14 enterprise zone development agency, or, contingent upon  
 15 approval by such governing body, such powers and  
 16 responsibilities shall be performed by the enterprise zone  
 17 development agency:

18 (a) To review, process, and certify applications for  
 19 state enterprise zone tax incentives pursuant to ss.  
 20 212.08(5)(g), (h), (r), and (15); 212.096; 220.181; and  
 21 220.182.

22 Section 3. This act shall take effect January 1, 2007.

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

26 And the title is amended as follows:

27 Delete everything before the enacting clause

28  
 29 and insert:

30 A bill to be entitled  
 31 An act relating to enterprise zone incentives

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1 to serve the uninsured; amending s. 212.08,  
2 F.S.; providing for an exemption by refund from  
3 the tax on sales, use, and other transactions  
4 of certain medical equipment or supplies  
5 purchased and used by certain health care  
6 facilities located in enterprise zones;  
7 providing a limitation; providing application  
8 requirements; providing procedures and  
9 limitations for the refund; providing duties of  
10 a local governing body or enterprise zone  
11 development agency; providing duties of the  
12 Department of Revenue; requiring the department  
13 to adopt rules; providing for return of the  
14 refund under certain circumstances; requiring  
15 the department to deduct a portion of refunds  
16 from amounts to be transferred into a certain  
17 trust fund and deposit such amount into the  
18 General Revenue Fund; providing definitions;  
19 providing for expiration under certain  
20 circumstances; amending s. 290.0056, F.S.;  
21 expanding the list of entities from which  
22 appointments may be made to an enterprise zone  
23 development agency's board of commissioners;  
24 providing an additional requirement for the  
25 membership of an enterprise zone development  
26 agency board of commissioners under certain  
27 circumstances; providing a limitation;  
28 providing an effective date.

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