

A bill to be entitled

An act relating to agricultural usage sales and use tax exemptions; amending s. 212.0501, F.S.; excluding from application of the sales and use tax diesel fuel used in certain farming vehicles or for certain farming purposes; amending s. 212.08, F.S.; exempting from the sales and use tax electricity used for specified agricultural purposes; providing application; providing a conclusive presumption of taxable use under certain circumstances; providing an effective date.

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

Section 1. Subsection (3) of section 212.0501, Florida Statutes, is amended to read:

212.0501 Tax on diesel fuel for business purposes; purchase, storage, and use.--

(3) For purposes of this section, "consumption, use, or storage by a trade or business" does not include those uses of diesel fuel specifically exempt on account of residential purposes, or in any tractor, vehicle, or other equipment used exclusively on a farm or for processing farm products on the farm, no part of which diesel fuel is used in any licensed motor vehicle on the public highways of this state ~~on account of agricultural purposes as defined in s. 212.08(5)~~, or the purchase or storage of diesel fuel held for resale.

Section 2. Paragraph (e) of subsection (5) of section 212.08, Florida Statutes, is amended to read:

HB 743

2006

29 212.08 Sales, rental, use, consumption, distribution, and
30 storage tax; specified exemptions.--The sale at retail, the
31 rental, the use, the consumption, the distribution, and the
32 storage to be used or consumed in this state of the following
33 are hereby specifically exempt from the tax imposed by this
34 chapter.

35 (5) EXEMPTIONS; ACCOUNT OF USE.--

36 (e)1. Gas used for certain agricultural purposes.--Butane
37 gas, propane gas, natural gas, and all other forms of liquefied
38 petroleum gases are exempt from the tax imposed by this chapter
39 if used in any tractor, vehicle, or other farm equipment which
40 is used exclusively on a farm or for processing farm products on
41 the farm and no part of which gas is used in any vehicle or
42 equipment driven or operated on the public highways of this
43 state. This restriction does not apply to the movement of farm
44 vehicles or farm equipment between farms. The transporting of
45 bees by water and the operating of equipment used in the apiary
46 of a beekeeper is also deemed an exempt use.

47 2. Electricity used for certain agricultural
48 purposes.--Electricity used directly and exclusively on a farm
49 or for processing farm products on the farm is exempt from the
50 tax imposed by this chapter. This exemption applies only if the
51 electricity used for the exempt purposes is separately metered.
52 If the electricity is not separately metered, it is conclusively
53 presumed that some portion of the electricity is used for a
54 nonexempt purpose, and all of the electricity used for such
55 purposes is taxable.

56 Section 3. This act shall take effect July 1, 2006.