

HB 743

2006
CS

CHAMBER ACTION

1 The Agriculture Committee recommends the following:

2
3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

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

15
16 Be It Enacted by the Legislature of the State of Florida:

17
18 Section 1. Subsection (3) of section 212.0501, Florida
19 Statutes, is amended to read:

20 212.0501 Tax on diesel fuel for business purposes;
21 purchase, storage, and use.--

22 (3) For purposes of this section, "consumption, use, or
23 storage by a trade or business" does not include those uses of

HB 743

2006
CS

24 diesel fuel specifically exempt on account of residential
 25 purposes, or in any tractor, vehicle, or other equipment used
 26 exclusively on a farm or for processing farm products on the
 27 farm, no part of which diesel fuel is used in any licensed motor
 28 vehicle on the public highways of this state ~~on account of~~
 29 ~~agricultural purposes as defined in s. 212.08(5)~~, or the
 30 purchase or storage of diesel fuel held for resale.

31 Section 2. Paragraph (e) of subsection (5) of section
 32 212.08, Florida Statutes, is amended to read:

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

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

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

HB 743

2006
CS

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

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