

Bill No. SB 2482

Barcode 735490

CHAMBER ACTION

Senate

House

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The Committee on Finance and Tax (Haridopolos) recommended the following amendment:

**Senate Amendment (with directory and title amendments)**

On page 38, between lines 9 and 10,

insert:

(7) MISCELLANEOUS EXEMPTIONS.--Exemptions provided to any entity by this chapter do not inure to any transaction that is otherwise taxable under this chapter when payment is made by a representative or employee of the entity by any means, including, but not limited to, cash, check, or credit card, even when that representative or employee is subsequently reimbursed by the entity. In addition, exemptions provided to any entity by this subsection do not inure to any transaction that is otherwise taxable under this chapter unless the entity has obtained a sales tax exemption certificate from the department or the entity obtains or provides other documentation as required by the department. Eligible purchases or leases made with such a certificate must be in strict compliance with this subsection and departmental

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1 rules, and any person who makes an exempt purchase with a  
 2 certificate that is not in strict compliance with this  
 3 subsection and the rules is liable for and shall pay the tax.  
 4 The department may adopt rules to administer this subsection.

5 (a) Artificial commemorative flowers.--Exempt from the  
 6 tax imposed by this chapter is the sale of artificial  
 7 commemorative flowers by bona fide nationally chartered  
 8 veterans' organizations.

9 (b) Boiler fuels.--When purchased for use as a  
 10 combustible fuel, purchases of natural gas, residual oil,  
 11 recycled oil, waste oil, solid waste material, coal, sulfur,  
 12 wood, wood residues or wood bark used in an industrial  
 13 manufacturing, processing, compounding, or production process  
 14 at a fixed location in this state are exempt from the taxes  
 15 imposed by this chapter; however, such exemption shall not be  
 16 allowed unless the purchaser signs a certificate stating that  
 17 the fuel to be exempted is for the exclusive use designated  
 18 herein. This exemption does not apply to the use of boiler  
 19 fuels that are not used in manufacturing, processing,  
 20 compounding, or producing items of tangible personal property  
 21 for sale, or to the use of boiler fuels used by any firm  
 22 subject to regulation by the Division of Hotels and  
 23 Restaurants of the Department of Business and Professional  
 24 Regulation.

25 (c) Crustacea bait.--Also exempt from the tax imposed  
 26 by this chapter is the purchase by commercial fishers of bait  
 27 intended solely for use in the entrapment of Callinectes  
 28 sapidus and Menippe mercenaria.

29 (d) Feeds.--Feeds for poultry, ostriches, and  
 30 livestock, including racehorses and dairy cows, are exempt.

31 (e) Film rentals.--Film rentals are exempt when an

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1 admission is charged for viewing such film, and license fees  
2 and direct charges for films, videotapes, and transcriptions  
3 used by television or radio stations or networks are exempt.

4 (f) Flags.--Also exempt are sales of the flag of the  
5 United States and the official state flag of Florida.

6 (g) Florida Retired Educators Association and its  
7 local chapters.--Also exempt from payment of the tax imposed  
8 by this chapter are purchases of office supplies, equipment,  
9 and publications made by the Florida Retired Educators  
10 Association and its local chapters.

11 (h) Guide dogs for the blind.--Also exempt are the  
12 sale or rental of guide dogs for the blind, commonly referred  
13 to as "seeing-eye dogs," and the sale of food or other items  
14 for such guide dogs.

15 1. The department shall issue a consumer's certificate  
16 of exemption to any blind person who holds an identification  
17 card as provided for in s. 413.091 and who either owns or  
18 rents, or contemplates the ownership or rental of, a guide dog  
19 for the blind. The consumer's certificate of exemption shall  
20 be issued without charge and shall be of such size as to be  
21 capable of being carried in a wallet or billfold.

22 2. The department shall make such rules concerning  
23 items exempt from tax under the provisions of this paragraph  
24 as may be necessary to provide that any person authorized to  
25 have a consumer's certificate of exemption need only present  
26 such a certificate at the time of paying for exempt goods and  
27 shall not be required to pay any tax thereon.

28 (i) Hospital meals and rooms.--Also exempt from  
29 payment of the tax imposed by this chapter on rentals and  
30 meals are patients and inmates of any hospital or other  
31 physical plant or facility designed and operated primarily for

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1 the care of persons who are ill, aged, infirm, mentally or  
 2 physically incapacitated, or otherwise dependent on special  
 3 care or attention. Residents of a home for the aged are exempt  
 4 from payment of taxes on meals provided through the facility.  
 5 A home for the aged is defined as a facility that is licensed  
 6 or certified in part or in whole under chapter 400, chapter  
 7 429, or chapter 651, or that is financed by a mortgage loan  
 8 made or insured by the United States Department of Housing and  
 9 Urban Development under s. 202, s. 202 with a s. 8 subsidy, s.  
 10 221(d)(3) or (4), s. 232, or s. 236 of the National Housing  
 11 Act, or other such similar facility designed and operated  
 12 primarily for the care of the aged.

13 (j) Household fuels.--Also exempt from payment of the  
 14 tax imposed by this chapter are sales of utilities to  
 15 residential households or owners of residential models in this  
 16 state by utility companies who pay the gross receipts tax  
 17 imposed under s. 203.01, and sales of fuel to residential  
 18 households or owners of residential models, including oil,  
 19 kerosene, liquefied petroleum gas, coal, wood, and other fuel  
 20 products used in the household or residential model for the  
 21 purposes of heating, cooking, lighting, and refrigeration,  
 22 regardless of whether such sales of utilities and fuels are  
 23 separately metered and billed direct to the residents or are  
 24 metered and billed to the landlord. If any part of the utility  
 25 or fuel is used for a nonexempt purpose, the entire sale is  
 26 taxable. The landlord shall provide a separate meter for  
 27 nonexempt utility or fuel consumption. For the purposes of  
 28 this paragraph, licensed family day care homes shall also be  
 29 exempt.

30 (k) Meals provided by certain nonprofit  
 31 organizations.--There is exempt from the tax imposed by this

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1 chapter the sale of prepared meals by a nonprofit volunteer  
 2 organization to handicapped, elderly, or indigent persons when  
 3 such meals are delivered as a charitable function by the  
 4 organization to such persons at their places of residence.

5 (1) Organizations providing special educational,  
 6 cultural, recreational, and social benefits to minors.--Also  
 7 exempt from the tax imposed by this chapter are sales or  
 8 leases to and sales of donated property by nonprofit  
 9 organizations which are incorporated pursuant to chapter 617  
 10 the primary purpose of which is providing activities that  
 11 contribute to the development of good character or good  
 12 sportsmanship, or to the educational or cultural development,  
 13 of minors. This exemption is extended only to that level of  
 14 the organization that has a salaried executive officer or an  
 15 elected nonsalaried executive officer. For the purpose of this  
 16 paragraph, the term "donated property" means any property  
 17 transferred to such nonprofit organization for less than 50  
 18 percent of its fair market value.

19 (m) Religious institutions.--

20 1. There are exempt from the tax imposed by this  
 21 chapter transactions involving sales or leases directly to  
 22 religious institutions when used in carrying on their  
 23 customary nonprofit religious activities or sales or leases of  
 24 tangible personal property by religious institutions having an  
 25 established physical place for worship at which nonprofit  
 26 religious services and activities are regularly conducted and  
 27 carried on.

28 2. As used in this paragraph, the term "religious  
 29 institutions" means churches, synagogues, and established  
 30 physical places for worship at which nonprofit religious  
 31 services and activities are regularly conducted and carried

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1 on. The term "religious institutions" includes nonprofit  
2 corporations the sole purpose of which is to provide free  
3 transportation services to church members, their families, and  
4 other church attendees. The term "religious institutions" also  
5 includes nonprofit state, nonprofit district, or other  
6 nonprofit governing or administrative offices the function of  
7 which is to assist or regulate the customary activities of  
8 religious institutions. The term "religious institutions" also  
9 includes any nonprofit corporation that is qualified as  
10 nonprofit under s. 501(c)(3) of the Internal Revenue Code of  
11 1986, as amended, and that owns and operates a Florida  
12 television station, at least 90 percent of the programming of  
13 which station consists of programs of a religious nature and  
14 the financial support for which, exclusive of receipts for  
15 broadcasting from other nonprofit organizations, is  
16 predominantly from contributions from the general public. The  
17 term "religious institutions" also includes any nonprofit  
18 corporation that is qualified as nonprofit under s. 501(c)(3)  
19 of the Internal Revenue Code of 1986, as amended, the primary  
20 activity of which is making and distributing audio recordings  
21 of religious scriptures and teachings to blind or visually  
22 impaired persons at no charge. The term "religious  
23 institutions" also includes any nonprofit corporation that is  
24 qualified as nonprofit under s. 501(c)(3) of the Internal  
25 Revenue Code of 1986, as amended, the sole or primary function  
26 of which is to provide, upon invitation, nonprofit religious  
27 services, evangelistic services, religious education,  
28 administrative assistance, or missionary assistance for a  
29 church, synagogue, or established physical place of worship at  
30 which nonprofit religious services and activities are  
31 regularly conducted.

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1 (n) Veterans' organizations.--

2 1. There are exempt from the tax imposed by this  
3 chapter transactions involving sales or leases to qualified  
4 veterans' organizations and their auxiliaries when used in  
5 carrying on their customary veterans' organization activities.

6 2. As used in this paragraph, the term "veterans'  
7 organizations" means nationally chartered or recognized  
8 veterans' organizations, including, but not limited to,  
9 Florida chapters of the Paralyzed Veterans of America,  
10 Catholic War Veterans of the U.S.A., Jewish War Veterans of  
11 the U.S.A., and the Disabled American Veterans, Department of  
12 Florida, Inc., which hold current exemptions from federal  
13 income tax under s. 501(c)(4) or (19) of the Internal Revenue  
14 Code of 1986, as amended.

15 (o) Schools, colleges, and universities.--Also exempt  
16 from the tax imposed by this chapter are sales or leases to  
17 state tax-supported schools, colleges, or universities.

18 (p) Section 501(c)(3) organizations.--Also exempt from  
19 the tax imposed by this chapter are sales or leases to  
20 organizations determined by the Internal Revenue Service to be  
21 currently exempt from federal income tax pursuant to s.  
22 501(c)(3) of the Internal Revenue Code of 1986, as amended,  
23 when such leases or purchases are used in carrying on their  
24 customary nonprofit activities.

25 (q) Resource recovery equipment.--Also exempt is  
26 resource recovery equipment which is owned and operated by or  
27 on behalf of any county or municipality, certified by the  
28 Department of Environmental Protection under the provisions of  
29 s. 403.715.

30 (r) School books and school lunches.--This exemption  
31 applies to school books used in regularly prescribed courses

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1 of study, and to school lunches served in public, parochial,  
 2 or nonprofit schools operated for and attended by pupils of  
 3 grades K through 12. Yearbooks, magazines, newspapers,  
 4 directories, bulletins, and similar publications distributed  
 5 by such educational institutions to their students are also  
 6 exempt. School books and food sold or served at community  
 7 colleges and other institutions of higher learning are  
 8 taxable.

9 (s) Tasting beverages.--Vinous and alcoholic beverages  
 10 provided by distributors or vendors for the purpose of "wine  
 11 tasting" and "spirituous beverage tasting" as contemplated  
 12 under the provisions of ss. 564.06 and 565.12, respectively,  
 13 are exempt from the tax imposed by this chapter.

14 (t) Boats temporarily docked in state.--

15 1. Notwithstanding the provisions of chapter 328,  
 16 pertaining to the registration of vessels, a boat upon which  
 17 the state sales or use tax has not been paid is exempt from  
 18 the use tax under this chapter if it enters and remains in  
 19 this state for a period not to exceed a total of 20 days in  
 20 any calendar year calculated from the date of first dockage or  
 21 slippage at a facility, registered with the department, that  
 22 rents dockage or slippage space in this state. If a boat  
 23 brought into this state for use under this paragraph is placed  
 24 in a facility, registered with the department, for repairs,  
 25 alterations, refitting, or modifications and such repairs,  
 26 alterations, refitting, or modifications are supported by  
 27 written documentation, the 20-day period shall be tolled  
 28 during the time the boat is physically in the care, custody,  
 29 and control of the repair facility, including the time spent  
 30 on sea trials conducted by the facility. The 20-day time  
 31 period may be tolled only once within a calendar year when a



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1 boat is placed for the first time that year in the physical  
2 care, custody, and control of a registered repair facility;  
3 however, the owner may request and the department may grant an  
4 additional tolling of the 20-day period for purposes of  
5 repairs that arise from a written guarantee given by the  
6 registered repair facility, which guarantee covers only those  
7 repairs or modifications made during the first tolled period.  
8 Within 72 hours after the date upon which the registered  
9 repair facility took possession of the boat, the facility must  
10 have in its possession, on forms prescribed by the department,  
11 an affidavit which states that the boat is under its care,  
12 custody, and control and that the owner does not use the boat  
13 while in the facility. Upon completion of the repairs,  
14 alterations, refitting, or modifications, the registered  
15 repair facility must, within 72 hours after the date of  
16 release, have in its possession a copy of the release form  
17 which shows the date of release and any other information the  
18 department requires. The repair facility shall maintain a log  
19 that documents all alterations, additions, repairs, and sea  
20 trials during the time the boat is under the care, custody,  
21 and control of the facility. The affidavit shall be  
22 maintained by the registered repair facility as part of its  
23 records for as long as required by s. 213.35. When, within 6  
24 months after the date of its purchase, a boat is brought into  
25 this state under this paragraph, the 6-month period provided  
26 in s. 212.05(1)(a)2. or s. 212.06(8) shall be tolled.

27       2. During the period of repairs, alterations,  
28 refitting, or modifications and during the 20-day period  
29 referred to in subparagraph 1., the boat may be listed for  
30 sale, contracted for sale, or sold exclusively by a broker or  
31 dealer registered with the department without incurring a use

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1 tax under this chapter; however, the sales tax levied under  
2 this chapter applies to such sale.

3           3. The mere storage of a boat at a registered repair  
4 facility does not qualify as a tax-exempt use in this state.

5           4. As used in this paragraph, "registered repair  
6 facility" means:

7           a. A full-service facility that:

8               (I) Is located on a navigable body of water;

9               (II) Has haulout capability such as a dry dock, travel  
10 lift, railway, or similar equipment to service craft under the  
11 care, custody, and control of the facility;

12               (III) Has adequate piers and storage facilities to  
13 provide safe berthing of vessels in its care, custody, and  
14 control; and

15               (IV) Has necessary shops and equipment to provide  
16 repair or warranty work on vessels under the care, custody,  
17 and control of the facility;

18           b. A marina that:

19               (I) Is located on a navigable body of water;

20               (II) Has adequate piers and storage facilities to  
21 provide safe berthing of vessels in its care, custody, and  
22 control; and

23               (III) Has necessary shops and equipment to provide  
24 repairs or warranty work on vessels; or

25           c. A shoreside facility that:

26               (I) Is located on a navigable body of water;

27               (II) Has adequate piers and storage facilities to  
28 provide safe berthing of vessels in its care, custody, and  
29 control; and

30               (III) Has necessary shops and equipment to provide  
31 repairs or warranty work.

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1           (u) Volunteer fire departments.--Also exempt are  
 2 firefighting and rescue service equipment and supplies  
 3 purchased by volunteer fire departments, duly chartered under  
 4 the Florida Statutes as corporations not for profit.

5           (v) Professional services.--

6           1. Also exempted are professional, insurance, or  
 7 personal service transactions that involve sales as  
 8 inconsequential elements for which no separate charges are  
 9 made.

10           2. The personal service transactions exempted pursuant  
 11 to subparagraph 1. do not exempt the sale of information  
 12 services involving the furnishing of printed, mimeographed, or  
 13 multigraphed matter, or matter duplicating written or printed  
 14 matter in any other manner, other than professional services  
 15 and services of employees, agents, or other persons acting in  
 16 a representative or fiduciary capacity or information services  
 17 furnished to newspapers and radio and television stations. As  
 18 used in this subparagraph, the term "information services"  
 19 includes the services of collecting, compiling, or analyzing  
 20 information of any kind or nature and furnishing reports  
 21 thereof to other persons.

22           3. This exemption does not apply to any service  
 23 warranty transaction taxable under s. 212.0506.

24           4. This exemption does not apply to any service  
 25 transaction taxable under s. 212.05(1)(i).

26           (w) Certain newspaper, magazine, and newsletter  
 27 subscriptions, shoppers, and community newspapers.--Likewise  
 28 exempt are newspaper, magazine, and newsletter subscriptions  
 29 in which the product is delivered to the customer by mail.  
 30 Also exempt are free, circulated publications that are  
 31 published on a regular basis, the content of which is

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1 primarily advertising, and that are distributed through the  
 2 mail, home delivery, or newsstands. The exemption for  
 3 newspaper, magazine, and newsletter subscriptions which is  
 4 provided in this paragraph applies only to subscriptions  
 5 entered into after March 1, 1997.

6 (x) Sporting equipment brought into the  
 7 state.--Sporting equipment brought into Florida, for a period  
 8 of not more than 4 months in any calendar year, used by an  
 9 athletic team or an individual athlete in a sporting event is  
 10 exempt from the use tax if such equipment is removed from the  
 11 state within 7 days after the completion of the event.

12 (y) Charter fishing vessels.--The charge for  
 13 chartering any boat or vessel, with the crew furnished, solely  
 14 for the purpose of fishing is exempt from the tax imposed  
 15 under s. 212.04 or s. 212.05. This exemption does not apply  
 16 to any charge to enter or stay upon any "head-boat," party  
 17 boat, or other boat or vessel. Nothing in this paragraph  
 18 shall be construed to exempt any boat from sales or use tax  
 19 upon the purchase thereof except as provided in paragraph (t)  
 20 and s. 212.05.

21 (z) Vending machines sponsored by nonprofit or  
 22 charitable organizations.--Also exempt are food or drinks for  
 23 human consumption sold for 25 cents or less through a  
 24 coin-operated vending machine sponsored by a nonprofit  
 25 corporation qualified as nonprofit pursuant to s. 501(c)(3) or  
 26 (4) of the Internal Revenue Code of 1986, as amended.

27 (aa) Certain commercial vehicles.--Also exempt is the  
 28 sale, lease, or rental of a commercial motor vehicle as  
 29 defined in s. 207.002(2), when the following conditions are  
 30 met:

- 31 1. The sale, lease, or rental occurs between two

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1 commonly owned and controlled corporations;

2           2. Such vehicle was titled and registered in this  
3 state at the time of the sale, lease, or rental; and

4           3. Florida sales tax was paid on the acquisition of  
5 such vehicle by the seller, lessor, or renter.

6           (bb) Community cemeteries.--Also exempt are purchases  
7 by any nonprofit corporation that has qualified under s.  
8 501(c)(13) of the Internal Revenue Code of 1986, as amended,  
9 and is operated for the purpose of maintaining a cemetery that  
10 was donated to the community by deed.

11           (cc) Works of art.--

12           1. Also exempt are works of art sold to or used by an  
13 educational institution.

14           2. This exemption also applies to the sale to or use  
15 in this state of any work of art by any person if it was  
16 purchased or imported exclusively for the purpose of being  
17 donated to any educational institution, or loaned to and made  
18 available for display by any educational institution, provided  
19 that the term of the loan agreement is for at least 10 years.

20           3. The exemption provided by this paragraph for  
21 donations is allowed only if the person who purchased the work  
22 of art transfers title to the donated work of art to an  
23 educational institution. Such transfer of title shall be  
24 evidenced by an affidavit meeting requirements established by  
25 rule to document entitlement to the exemption. Nothing in this  
26 paragraph shall preclude a work of art donated to an  
27 educational institution from remaining in the possession of  
28 the donor or purchaser, as long as title to the work of art  
29 lies with the educational institution.

30           4. A work of art is presumed to have been purchased in  
31 or imported into this state exclusively for loan as provided

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1 in subparagraph 2., if it is so loaned or placed in storage in  
 2 preparation for such a loan within 90 days after purchase or  
 3 importation, whichever is later; but a work of art is not  
 4 deemed to be placed in storage in preparation for loan for  
 5 purposes of this exemption if it is displayed at any place  
 6 other than an educational institution.

7           5. The exemptions provided by this paragraph are  
 8 allowed only if the person who purchased the work of art gives  
 9 to the vendor an affidavit meeting the requirements,  
 10 established by rule, to document entitlement to the exemption.  
 11 The person who purchased the work of art shall forward a copy  
 12 of such affidavit to the Department of Revenue at the time it  
 13 is issued to the vendor.

14           6. The exemption for loans provided by subparagraph 2.  
 15 applies only for the period during which a work of art is in  
 16 the possession of the educational institution or is in storage  
 17 before transfer of possession to that institution; and when it  
 18 ceases to be so possessed or held, tax based upon the sales  
 19 price paid by the owner is payable, and the statute of  
 20 limitations provided in s. 95.091 shall begin to run at that  
 21 time. However, tax shall not become due if the work of art is  
 22 donated to an educational institution after the loan ceases.

23           7. Any educational institution to which a work of art  
 24 has been donated pursuant to this paragraph shall make  
 25 available to the department the title to the work of art and  
 26 any other relevant information. Any educational institution  
 27 which has received a work of art on loan pursuant to this  
 28 paragraph shall make available to the department information  
 29 relating to the work of art. Any educational institution that  
 30 transfers from its possession a work of art as defined by this  
 31 paragraph which has been loaned to it must notify the

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1 Department of Revenue within 60 days after the transfer.

2 8. For purposes of the exemptions provided by this  
3 paragraph, the term:

4 a. "Educational institutions" includes state  
5 tax-supported, parochial, church, and nonprofit private  
6 schools, colleges, or universities that conduct regular  
7 classes and courses of study required for accreditation by or  
8 membership in the Southern Association of Colleges and  
9 Schools, the Florida Council of Independent Schools, or the  
10 Florida Association of Christian Colleges and Schools, Inc.;  
11 nonprofit private schools that conduct regular classes and  
12 courses of study accepted for continuing education credit by a  
13 board of the Division of Medical Quality Assurance of the  
14 Department of Health; or nonprofit libraries, art galleries,  
15 performing arts centers that provide educational programs to  
16 school children, which programs involve performances or other  
17 educational activities at the performing arts center and serve  
18 a minimum of 50,000 school children a year, and museums open  
19 to the public.

20 b. "Work of art" includes pictorial representations,  
21 sculpture, jewelry, antiques, stamp collections and coin  
22 collections, and other tangible personal property, the value  
23 of which is attributable predominantly to its artistic,  
24 historical, political, cultural, or social importance.

25 (dd) Taxicab leases.--The lease of or license to use a  
26 taxicab or taxicab-related equipment and services provided by  
27 a taxicab company to an independent taxicab operator are  
28 exempt, provided, however, the exemptions provided under this  
29 paragraph only apply if sales or use tax has been paid on the  
30 acquisition of the taxicab and its related equipment.

31 (ee) Aircraft repair and maintenance labor

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1 charges.--There shall be exempt from the tax imposed by this  
 2 chapter all labor charges for the repair and maintenance of  
 3 qualified aircraft, aircraft of more than 15,000 pounds  
 4 maximum certified takeoff weight, and rotary wing aircraft of  
 5 more than 10,000 pounds maximum certified takeoff weight.  
 6 Except as otherwise provided in this chapter, charges for  
 7 parts and equipment furnished in connection with such labor  
 8 charges are taxable.

9 (ff) Certain electricity or steam uses.--

10 1. Subject to the provisions of subparagraph 4.,  
 11 charges for electricity or steam used to operate machinery and  
 12 equipment at a fixed location in this state when such  
 13 machinery and equipment is used to manufacture, process,  
 14 compound, produce, or prepare for shipment items of tangible  
 15 personal property for sale, or to operate pollution control  
 16 equipment, recycling equipment, maintenance equipment, or  
 17 monitoring or control equipment used in such operations are  
 18 exempt to the extent provided in this paragraph. If 75 percent  
 19 or more of the electricity or steam used at the fixed location  
 20 is used to operate qualifying machinery or equipment, 100  
 21 percent of the charges for electricity or steam used at the  
 22 fixed location are exempt. If less than 75 percent but 50  
 23 percent or more of the electricity or steam used at the fixed  
 24 location is used to operate qualifying machinery or equipment,  
 25 50 percent of the charges for electricity or steam used at the  
 26 fixed location are exempt. If less than 50 percent of the  
 27 electricity or steam used at the fixed location is used to  
 28 operate qualifying machinery or equipment, none of the charges  
 29 for electricity or steam used at the fixed location are  
 30 exempt.

31 2. This exemption applies only to industries



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1 classified under SIC Industry Major Group Numbers 10, 12, 13,  
 2 14, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34,  
 3 35, 36, 37, 38, and 39 and Industry Group Number 212. As used  
 4 in this paragraph, "SIC" means those classifications contained  
 5 in the Standard Industrial Classification Manual, 1987, as  
 6 published by the Office of Management and Budget, Executive  
 7 Office of the President.

8           3. Possession by a seller of a written certification  
 9 by the purchaser, certifying the purchaser's entitlement to an  
 10 exemption permitted by this subsection, relieves the seller  
 11 from the responsibility of collecting the tax on the  
 12 nontaxable amounts, and the department shall look solely to  
 13 the purchaser for recovery of such tax if it determines that  
 14 the purchaser was not entitled to the exemption.

15           4. Such exemption shall be applied as follows:  
 16 beginning July 1, 2000, 100 percent of the charges for such  
 17 electricity or steam shall be exempt.

18           (gg) Fair associations.--Also exempt from the tax  
 19 imposed by this chapter is the sale, use, lease, rental, or  
 20 grant of a license to use, made directly to or by a fair  
 21 association, of real or tangible personal property; any charge  
 22 made by a fair association, or its agents, for parking,  
 23 admissions, or for temporary parking of vehicles used for  
 24 sleeping quarters; rentals, subleases, and sublicenses of real  
 25 or tangible personal property between the owner of the central  
 26 amusement attraction and any owner of an amusement ride, as  
 27 those terms are used in ss. 616.15(1)(b) and 616.242(3)(a),  
 28 for the furnishing of amusement rides at a public fair or  
 29 exposition; and other transactions of a fair association which  
 30 are incurred directly by the fair association in the  
 31 financing, construction, and operation of a fair, exposition,

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1 or other event or facility that is authorized by s. 616.08. As  
 2 used in this paragraph, the terms "fair association" and  
 3 "public fair or exposition" have the same meaning as those  
 4 terms are defined in s. 616.001. This exemption does not apply  
 5 to the sale of tangible personal property made by a fair  
 6 association through an agent or independent contractor; sales  
 7 of admissions and tangible personal property by a  
 8 concessionaire, vendor, exhibitor, or licensee; or rentals and  
 9 subleases of tangible personal property or real property  
 10 between the owner of the central amusement attraction and a  
 11 concessionaire, vendor, exhibitor, or licensee, except for the  
 12 furnishing of amusement rides, which transactions are exempt.

13       (hh) Solar energy systems.--Also exempt are solar  
 14 energy systems or any component thereof. The Florida Solar  
 15 Energy Center shall from time to time certify to the  
 16 department a list of equipment and requisite hardware  
 17 considered to be a solar energy system or a component thereof.

18       (ii) Nonprofit cooperative hospital laundries.--Also  
 19 exempt from the tax imposed by this chapter are sales or  
 20 leases to nonprofit organizations that are incorporated under  
 21 chapter 617 and which are treated, for federal income tax  
 22 purposes, as cooperatives under subchapter T of the Internal  
 23 Revenue Code, whose sole purpose is to offer laundry supplies  
 24 and services to their members, which members must all be  
 25 exempt from federal income tax pursuant to s. 501(c)(3) of the  
 26 Internal Revenue Code.

27       (jj) Complimentary meals.--Also exempt from the tax  
 28 imposed by this chapter are food or drinks that are furnished  
 29 as part of a packaged room rate by any person offering for  
 30 rent or lease any transient living accommodations as described  
 31 in s. 509.013(4)(a) which are licensed under part I of chapter

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1 509 and which are subject to the tax under s. 212.03, if a  
 2 separate charge or specific amount for the food or drinks is  
 3 not shown. Such food or drinks are considered to be sold at  
 4 retail as part of the total charge for the transient living  
 5 accommodations. Moreover, the person offering the  
 6 accommodations is not considered to be the consumer of items  
 7 purchased in furnishing such food or drinks and may purchase  
 8 those items under conditions of a sale for resale.

9 (kk) Nonprofit corporation conducting the correctional  
 10 work programs.--Products sold pursuant to s. 946.515 by the  
 11 corporation organized pursuant to part II of chapter 946 are  
 12 exempt from the tax imposed by this chapter. This exemption  
 13 applies retroactively to July 1, 1983.

14 (ll) Parent-teacher organizations, parent-teacher  
 15 associations, and schools having grades K through 12.--

16 1. Sales or leases to parent-teacher organizations and  
 17 associations the purpose of which is to raise funds for  
 18 schools that teach grades K through 12 and that are associated  
 19 with schools having grades K through 12 are exempt from the  
 20 tax imposed by this chapter.

21 2. Parent-teacher organizations and associations  
 22 described in subparagraph 1., and schools having grades K  
 23 through 12, may pay tax to their suppliers on the cost price  
 24 of school materials and supplies purchased, rented, or leased  
 25 for resale or rental to students in grades K through 12, of  
 26 items sold for fundraising purposes, and of items sold through  
 27 vending machines located on the school premises, in lieu of  
 28 collecting the tax imposed by this chapter from the purchaser.  
 29 This paragraph also applies to food or beverages sold through  
 30 vending machines located in the student lunchroom or dining  
 31 room of a school having kindergarten through grade 12.

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1 (mm) Mobile home lot improvements.--Items purchased by  
 2 developers for use in making improvements to a mobile home lot  
 3 owned by the developer may be purchased tax-exempt as a sale  
 4 for resale if made pursuant to a contract that requires the  
 5 developer to sell a mobile home to a purchaser, place the  
 6 mobile home on the lot, and make the improvements to the lot  
 7 for a single lump-sum price. The developer must collect and  
 8 remit sales tax on the entire lump-sum price.

9 (nn) Veterans Administration.--When a veteran of the  
 10 armed forces purchases an aircraft, boat, mobile home, motor  
 11 vehicle, or other vehicle from a dealer pursuant to the  
 12 provisions of 38 U.S.C. s. 3902(a), or any successor provision  
 13 of the United States Code, the amount that is paid directly to  
 14 the dealer by the Veterans Administration is not taxable.  
 15 However, any portion of the purchase price which is paid  
 16 directly to the dealer by the veteran is taxable.

17 (oo) Complimentary items.--There is exempt from the  
 18 tax imposed by this chapter:

19 1. Any food or drink, whether or not cooked or  
 20 prepared on the premises, provided without charge as a sample  
 21 or for the convenience of customers by a dealer that primarily  
 22 sells food product items at retail.

23 2. Any item given to a customer as part of a price  
 24 guarantee plan related to point-of-sale errors by a dealer  
 25 that primarily sells food products at retail.

26  
 27 The exemptions in this paragraph do not apply to businesses  
 28 with the primary activity of serving prepared meals or  
 29 alcoholic beverages for immediate consumption.

30 (pp) Donated foods or beverages.--Any food or beverage  
 31 donated by a dealer that sells food products at retail to a

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1 food bank or an organization that holds a current exemption  
 2 from federal corporate income tax pursuant to s. 501(c) of the  
 3 Internal Revenue Code of 1986, as amended, is exempt from the  
 4 tax imposed by this chapter.

5 (qq) Racing dogs.--The sale of a racing dog by its  
 6 owner is exempt if the owner is also the breeder of the  
 7 animal.

8 (rr) Equipment used in aircraft repair and  
 9 maintenance.--There shall be exempt from the tax imposed by  
 10 this chapter replacement engines, parts, and equipment used in  
 11 the repair or maintenance of qualified aircraft, aircraft of  
 12 more than 15,000 pounds maximum certified takeoff weight, and  
 13 rotary wing aircraft of more than 10,300 pounds maximum  
 14 certified takeoff weight, when such parts or equipment are  
 15 installed on such aircraft that is being repaired or  
 16 maintained in this state.

17 (ss) Aircraft sales or leases.--The sale or lease of a  
 18 qualified aircraft or an aircraft of more than 15,000 pounds  
 19 maximum certified takeoff weight for use by a common carrier  
 20 is exempt from the tax imposed by this chapter. As used in  
 21 this paragraph, "common carrier" means an airline operating  
 22 under Federal Aviation Administration regulations contained in  
 23 Title 14, chapter I, part 121 or part 129 of the Code of  
 24 Federal Regulations.

25 (tt) Nonprofit water systems.--Sales or leases to a  
 26 not-for-profit corporation which holds a current exemption  
 27 from federal income tax under s. 501(c)(4) or (12) of the  
 28 Internal Revenue Code, as amended, are exempt from the tax  
 29 imposed by this chapter if the sole or primary function of the  
 30 corporation is to construct, maintain, or operate a water  
 31 system in this state.

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1 (uu) Library cooperatives.--Sales or leases to library  
2 cooperatives certified under s. 257.41(2) are exempt from the  
3 tax imposed by this chapter.

4 (vv) Advertising agencies.--

5 1. As used in this paragraph, the term "advertising  
6 agency" means any firm that is primarily engaged in the  
7 business of providing advertising materials and services to  
8 its clients.

9 2. The sale of advertising services by an advertising  
10 agency to a client is exempt from the tax imposed by this  
11 chapter. Also exempt from the tax imposed by this chapter are  
12 items of tangible personal property such as photographic  
13 negatives and positives, videos, films, galleys, mechanicals,  
14 veloxes, illustrations, digital audiotapes, analog tapes,  
15 printed advertisement copies, compact discs for the purpose of  
16 recording, digital equipment, and artwork and the services  
17 used to produce those items if the items are:

18 a. Sold to an advertising agency that is acting as an  
19 agent for its clients pursuant to contract, and are created  
20 for the performance of advertising services for the clients;

21 b. Produced, fabricated, manufactured, or otherwise  
22 created by an advertising agency for its clients, and are used  
23 in the performance of advertising services for the clients; or

24 c. Sold by an advertising agency to its clients in the  
25 performance of advertising services for the clients, whether  
26 or not the charges for these items are marked up or separately  
27 stated.

28  
29 The exemption provided by this subparagraph does not apply  
30 when tangible personal property such as film, paper, and  
31 videotapes is purchased to create items such as photographic

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1 negatives and positives, videos, films, galleys, mechanicals,  
 2 veloxes, illustrations, and artwork that are sold to an  
 3 advertising agency or produced in-house by an advertising  
 4 agency on behalf of its clients.

5           3. The items exempted from tax under subparagraph 2.  
 6 and the creative services used by an advertising agency to  
 7 design the advertising for promotional goods such as displays,  
 8 display containers, exhibits, newspaper inserts, brochures,  
 9 catalogues, direct mail letters or flats, shirts, hats, pens,  
 10 pencils, key chains, or other printed goods or materials are  
 11 not subject to tax. However, when such promotional goods are  
 12 produced or reproduced for distribution, tax applies to the  
 13 sales price charged to the client for such promotional goods.

14           4. For items purchased by an advertising agency and  
 15 exempt from tax under this paragraph, possession of an  
 16 exemption certificate from the advertising agency certifying  
 17 the agency's entitlement to exemption relieves the vendor of  
 18 the responsibility of collecting the tax on the sale of such  
 19 items to the advertising agency, and the department shall look  
 20 solely to the advertising agency for recovery of tax if it  
 21 determines that the advertising agency was not entitled to the  
 22 exemption.

23           5. The exemptions provided by this paragraph apply  
 24 retroactively, except that all taxes that have been collected  
 25 must be remitted, and taxes that have been remitted before  
 26 July 1, 1999, on transactions that are subject to exemption  
 27 under this paragraph are not subject to refund.

28           6. The department may adopt rules that interpret or  
 29 define the provisions of these exemptions and provide examples  
 30 regarding the application of these exemptions.

31           (wv) Bullion.--The sale of gold, silver, or platinum

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1 bullion, or any combination thereof, in a single transaction  
 2 is exempt if the sales price exceeds \$500. The dealer must  
 3 maintain proper documentation, as prescribed by rule of the  
 4 department, to identify that portion of a transaction which  
 5 involves the sale of gold, silver, or platinum bullion and is  
 6 exempt under this paragraph.

7 (xx) Certain repair and labor charges.--

8 1. Subject to the provisions of subparagraphs 2. and  
 9 3., there is exempt from the tax imposed by this chapter all  
 10 labor charges for the repair of, and parts and materials used  
 11 in the repair of and incorporated into, industrial machinery  
 12 and equipment which is used for the manufacture, processing,  
 13 compounding, production, or preparation for shipping of items  
 14 of tangible personal property at a fixed location within this  
 15 state.

16 2. This exemption applies only to industries  
 17 classified under SIC Industry Major Group Numbers 10, 12, 13,  
 18 14, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34,  
 19 35, 36, 37, 38, and 39 and Industry Group Number 212. As used  
 20 in this subparagraph, "SIC" means those classifications  
 21 contained in the Standard Industrial Classification Manual,  
 22 1987, as published by the Office of Management and Budget,  
 23 Executive Office of the President.

24 3. This exemption shall be applied as follows:

25 a. Beginning July 1, 2000, 50 percent of such charges  
 26 for repair parts and labor shall be exempt.

27 b. Beginning July 1, 2001, 75 percent of such charges  
 28 for repair parts and labor shall be exempt.

29 c. Beginning July 1, 2002, 100 percent of such charges  
 30 for repair parts and labor shall be exempt.

31 (yy) Film and other printing supplies.--Also exempt



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1 are the following materials purchased, produced, or created by  
 2 businesses classified under SIC Industry Numbers 275, 276,  
 3 277, 278, or 279 for use in producing graphic matter for sale:  
 4 film, photographic paper, dyes used for embossing and  
 5 engraving, artwork, typography, lithographic plates, and  
 6 negatives. As used in this paragraph, "SIC" means those  
 7 classifications contained in the Standard Industrial  
 8 Classification Manual, 1987, as published by the Office of  
 9 Management and Budget, Executive Office of the President.

10        (zz) People-mover systems.--People-mover systems, and  
 11 parts thereof, which are purchased or manufactured by  
 12 contractors employed either directly by or as agents for the  
 13 United States Government, the state, a county, a municipality,  
 14 a political subdivision of the state, or the public operator  
 15 of a public-use airport as defined by s. 332.004(14) are  
 16 exempt from the tax imposed by this chapter when the systems  
 17 or parts go into or become part of publicly owned facilities.  
 18 In the case of contractors who manufacture and install such  
 19 systems and parts, this exemption extends to the purchase of  
 20 component parts and all other manufacturing and fabrication  
 21 costs. The department may provide a form to be used by  
 22 contractors to provide to suppliers of people-mover systems or  
 23 parts to certify the contractors' eligibility for the  
 24 exemption provided under this paragraph. As used in this  
 25 paragraph, "people-mover systems" includes wheeled passenger  
 26 vehicles and related control and power distribution systems  
 27 that are part of a transportation system for use by the  
 28 general public, regardless of whether such vehicles are  
 29 operator-controlled or driverless, self-propelled or propelled  
 30 by external power and control systems, or conducted on roads,  
 31 rails, guidebeams, or other permanent structures that are an

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1 integral part of such transportation system. "Related control  
 2 and power distribution systems" includes any electrical or  
 3 electronic control or signaling equipment, but does not  
 4 include the embedded wiring, conduits, or cabling used to  
 5 transmit electrical or electronic signals among such control  
 6 equipment, power distribution equipment, signaling equipment,  
 7 and wheeled vehicles.

8 (aaa) Florida Fire and Emergency Services  
 9 Foundation.--Sales or leases to the Florida Fire and Emergency  
 10 Services Foundation are exempt from the tax imposed by this  
 11 chapter.

12 (bbb) Railroad roadway materials.--Also exempt from  
 13 the tax imposed by this chapter are railroad roadway materials  
 14 used in the construction, repair, or maintenance of railways.  
 15 Railroad roadway materials shall include rails, ties,  
 16 ballasts, communication equipment, signal equipment, power  
 17 transmission equipment, and any other track materials.

18 (ccc) Equipment, machinery, and other materials for  
 19 renewable energy technologies.--

20 1. As used in this paragraph, the term:

21 a. "Biodiesel" means the mono-alkyl esters of  
 22 long-chain fatty acids derived from plant or animal matter for  
 23 use as a source of energy and meeting the specifications for  
 24 biodiesel and biodiesel blends with petroleum products as  
 25 adopted by the Department of Agriculture and Consumer  
 26 Services. Biodiesel may refer to biodiesel blends designated  
 27 BXX, where XX represents the volume percentage of biodiesel  
 28 fuel in the blend.

29 b. "Ethanol" means nominally anhydrous denatured  
 30 alcohol produced by the fermentation of plant sugars meeting  
 31 the specifications for fuel ethanol and fuel ethanol blends

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1 with petroleum products as adopted by the Department of  
 2 Agriculture and Consumer Services. Ethanol may refer to fuel  
 3 ethanol blends designated EXX, where XX represents the volume  
 4 percentage of fuel ethanol in the blend.

5 c. "Hydrogen fuel cells" means equipment using  
 6 hydrogen or a hydrogen-rich fuel in an electrochemical process  
 7 to generate energy, electricity, or the transfer of heat.

8 2. The sale or use of the following in the state is  
 9 exempt from the tax imposed by this chapter:

10 a. Hydrogen-powered vehicles, materials incorporated  
 11 into hydrogen-powered vehicles, and hydrogen-fueling stations,  
 12 up to a limit of \$2 million in tax each state fiscal year for  
 13 all taxpayers.

14 b. Commercial stationary hydrogen fuel cells, up to a  
 15 limit of \$1 million in tax each state fiscal year for all  
 16 taxpayers.

17 c. Materials used in the distribution of biodiesel  
 18 (B10-B100) and ethanol (E10-100), including fueling  
 19 infrastructure, transportation, and storage, up to a limit of  
 20 \$1 million in tax each state fiscal year for all taxpayers.  
 21 Gasoline fueling station pump retrofits for ethanol (E10-E100)  
 22 distribution qualify for the exemption provided in this  
 23 sub-subparagraph.

24 3. The Department of Environmental Protection shall  
 25 provide to the department a list of items eligible for the  
 26 exemption provided in this paragraph.

27 4.a. The exemption provided in this paragraph shall be  
 28 available to a purchaser only through a refund of previously  
 29 paid taxes.

30 b. To be eligible to receive the exemption provided in  
 31 this paragraph, a purchaser shall file an application with the

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1 Department of Environmental Protection. The application shall  
2 be developed by the Department of Environmental Protection, in  
3 consultation with the department, and shall require:

4 (I) The name and address of the person claiming the  
5 refund.

6 (II) A specific description of the purchase for which  
7 a refund is sought, including, when applicable, a serial  
8 number or other permanent identification number.

9 (III) The sales invoice or other proof of purchase  
10 showing the amount of sales tax paid, the date of purchase,  
11 and the name and address of the sales tax dealer from whom the  
12 property was purchased.

13 (IV) A sworn statement that the information provided  
14 is accurate and that the requirements of this paragraph have  
15 been met.

16 c. Within 30 days after receipt of an application, the  
17 Department of Environmental Protection shall review the  
18 application and shall notify the applicant of any  
19 deficiencies. Upon receipt of a completed application, the  
20 Department of Environmental Protection shall evaluate the  
21 application for exemption and issue a written certification  
22 that the applicant is eligible for a refund or issue a written  
23 denial of such certification within 60 days after receipt of  
24 the application. The Department of Environmental Protection  
25 shall provide the department with a copy of each certification  
26 issued upon approval of an application.

27 d. Each certified applicant shall be responsible for  
28 forwarding a certified copy of the application and copies of  
29 all required documentation to the department within 6 months  
30 after certification by the Department of Environmental  
31 Protection.

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1 e. The provisions of s. 212.095 do not apply to any  
2 refund application made pursuant to this paragraph. A refund  
3 approved pursuant to this paragraph shall be made within 30  
4 days after formal approval by the department.

5 f. The department may adopt all rules pursuant to ss.  
6 120.536(1) and 120.54 to administer this paragraph, including  
7 rules establishing forms and procedures for claiming this  
8 exemption.

9 g. The Department of Environmental Protection shall be  
10 responsible for ensuring that the total amounts of the  
11 exemptions authorized do not exceed the limits as specified in  
12 subparagraph 2.

13 5. The Department of Environmental Protection shall  
14 determine and publish on a regular basis the amount of sales  
15 tax funds remaining in each fiscal year.

16 6. This paragraph expires July 1, 2010.

17 (ddd) Advertising materials distributed free of charge  
18 by mail in an envelope.--Likewise exempt are materials  
19 consisting exclusively of advertisements, such as individual  
20 coupons or other individual cards, sheets, or pages of printed  
21 advertising, that are distributed free of charge by mail in an  
22 envelope for 10 or more persons on a monthly, bimonthly, or  
23 other regular basis.

24 (eee) Certain delivery charges.--Separately stated  
25 charges that can be avoided at the option of the purchaser for  
26 the delivery, inspection, placement, or removal from packaging  
27 or shipping materials of furniture or appliances by the  
28 selling dealer at the premises of the purchaser or the removal  
29 of similar items from the premises of the purchaser are  
30 exempt. If any charge for delivery, inspection, placement, or  
31 removal of furniture or appliances includes the modification,

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1 assembly, or construction of such furniture or appliances,  
2 then all of the charges are taxable.

3  
4

5 ===== D I R E C T O R Y   C L A U S E   A M E N D M E N T =====

6 And the directory clause is amended as follows:

7           On page 25, lines 10 and 11, delete those lines

8

9 and insert: subsection (5) of section 212.08, Florida  
10 Statutes, are amended, and paragraph (eee) is added to  
11 subsection (7) of that section, to read:

12

13

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

15 And the title is amended as follows:

16           On page 2, line 22, after the semicolon,

17

18 insert:

19           providing a sales tax exemption for certain  
20           delivery charges;

21

22

23

24

25

26

27

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31