

1 A bill to be entitled
 2 An act relating to the tax on sales, use, and other
 3 transactions; amending s. 212.02, F.S.; providing a
 4 definition; amending s. 212.08, F.S.; exempting the sales
 5 or use of certain aircraft, related construction,
 6 maintenance, repair, and overhaul parts and labor, and
 7 fractional aircraft ownership interests relating to a
 8 fraction aircraft ownership program; providing
 9 requirements and procedures for such exemption; providing
 10 an effective date.

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 12 WHEREAS, Florida has identified aviation and aerospace as a
 13 targeted industry for economic development purposes, and

14 WHEREAS, Florida has determined that the synergy in the
 15 space, aerospace, and aviation industries attracts the world's
 16 leading businesses to this state, and

17 WHEREAS, Florida employs approximately 80,000 people in the
 18 aviation and aerospace industries at an average annual wage of
 19 approximately \$52,000, and

20 WHEREAS, Florida has the third largest aviation
 21 maintenance, repair, and overhaul cluster in the United States
 22 and has focused strategies for expanding these aviation support
 23 services, and

24 WHEREAS, Florida intends to remain competitive with other
 25 states as additional innovative commercial air transportation
 26 products are developed, NOW, THEREFORE,

27
 28 Be It Enacted by the Legislature of the State of Florida:

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30 Section 1. Subsection (34) is added to section 212.02,
31 Florida Statutes, to read:

32 212.02 Definitions.--The following terms and phrases when
33 used in this chapter have the meanings ascribed to them in this
34 section, except where the context clearly indicates a different
35 meaning:

36 (34) "Fractional aircraft ownership program" means a
37 program that meets the requirements set forth in Federal
38 Aviation Administration Regulation Title 14, chapter I, part 91,
39 subpart K, C.F.R., except that the program must include a
40 minimum of 25 aircraft owned or leased by the business or
41 affiliated group providing the program.

42 Section 2. Subsection (19) is added to section 212.08,
43 Florida Statutes, to read:

44 212.08 Sales, rental, use, consumption, distribution, and
45 storage tax; specified exemptions.--The sale at retail, the
46 rental, the use, the consumption, the distribution, and the
47 storage to be used or consumed in this state of the following
48 are hereby specifically exempt from the tax imposed by this
49 chapter.

50 (19) FRACTIONAL AIRCRAFT OWNERSHIP PROGRAMS.--Also exempt
51 from the tax imposed by this chapter is the sale or use of:

52 (a) Aircraft for primary use in a fractional aircraft
53 ownership program.

54 (b) Any parts or labor used in the completion,
55 maintenance, repair, or overhaul of aircraft for primary use in
56 a fractional aircraft ownership program.

57 (c) A fractional ownership interest in aircraft pursuant
58 to a fractional aircraft ownership program, including amounts
59 paid by the fractional owner as monthly management or
60 maintenance fees.

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62 The exemptions provided in paragraphs (a) and (b) are allowed
63 only if the purchaser or lessee furnishes to the dealer a
64 certificate stating that the lease, purchase, repair, or
65 maintenance to be exempted is for the exclusive use of the
66 purchaser or lessee and that the purchaser or lessee otherwise
67 qualifies for the exemption as provided in this subsection. If a
68 purchaser or lessee makes tax-exempt purchases on a continual
69 basis, the purchaser or lessee may tender the certificate to the
70 dealer once and allow the dealer to keep the certificate on
71 file. The purchaser or lessee shall inform the dealer that has a
72 certificate of the purchaser or lessee on file when the
73 purchaser or lessee no longer qualifies for the exemption. The
74 department shall determine the format of the certificate.

75 Section 3. This act shall take effect July 1, 2007.