

By the Committees on Finance and Tax; Health Regulation; and
Senator Rich

593-05942-08

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1 A bill to be entitled

2 An act relating to the tax exemption for nonprofit
3 cooperative hospital laundries; amending s. 212.08, F.S.;
4 requiring a member of a nonprofit cooperative to
5 immediately divest itself of participation in the
6 cooperative if it loses its nonprofit status; providing
7 that the provision of emergency services to a nonmember
8 business does not invalidate the certificate of tax
9 exemption; providing an effective date.

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

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13 Section 1. Paragraph (ii) of subsection (7) of section
14 212.08, Florida Statutes, is amended to read:

15 212.08 Sales, rental, use, consumption, distribution, and
16 storage tax; specified exemptions.--The sale at retail, the
17 rental, the use, the consumption, the distribution, and the
18 storage to be used or consumed in this state of the following are
19 hereby specifically exempt from the tax imposed by this chapter.

20 (7) MISCELLANEOUS EXEMPTIONS.--Exemptions provided to any
21 entity by this chapter do not inure to any transaction that is
22 otherwise taxable under this chapter when payment is made by a
23 representative or employee of the entity by any means, including,
24 but not limited to, cash, check, or credit card, even when that
25 representative or employee is subsequently reimbursed by the
26 entity. In addition, exemptions provided to any entity by this
27 subsection do not inure to any transaction that is otherwise
28 taxable under this chapter unless the entity has obtained a sales
29 tax exemption certificate from the department or the entity

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30 obtains or provides other documentation as required by the
31 department. Eligible purchases or leases made with such a
32 certificate must be in strict compliance with this subsection and
33 departmental rules, and any person who makes an exempt purchase
34 with a certificate that is not in strict compliance with this
35 subsection and the rules is liable for and shall pay the tax. The
36 department may adopt rules to administer this subsection.

37 (ii) Nonprofit cooperative hospital laundries.--Also exempt
38 ~~from the tax imposed by this chapter~~ are sales or leases to
39 nonprofit organizations that are incorporated under chapter 617
40 and which are treated, for federal income tax purposes, as
41 cooperatives under subchapter T of the Internal Revenue Code,
42 whose sole purpose is to offer laundry supplies and services to
43 their members who, ~~which members~~ must all be exempt from federal
44 income tax pursuant to s. 501(c)(3) of the Internal Revenue Code.
45 A member of a nonprofit cooperative hospital laundry whose
46 Internal Revenue Code status changes must, within 90 days after
47 such change, divest all participation in the cooperative. The
48 provision of laundry supplies and services to a nonmember
49 business pursuant to a declaration of an emergency under s.
50 252.36(2) and a written emergency plan of operation executed by
51 the members of the cooperative does not invalidate or cause the
52 denial of the cooperative's certificate of exemption.

53 Section 2. This act shall take effect July 1, 2008.