

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Finance and Tax Committee

BILL: SB 2320

INTRODUCER: Senator Posey

SUBJECT: Sales Tax Exemption/Ostrich Feed

DATE: March 28, 2008

REVISED: 4/2/2008

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Weidenbenner</u>	<u>Poole</u>	<u>AG</u>	Favorable
2.	<u>ODonnell</u>	<u>Johansen</u>	<u>FT</u>	TP'd
3.	<u> </u>	<u> </u>	<u>GA</u>	<u> </u>
4.	<u> </u>	<u> </u>	<u> </u>	<u> </u>
5.	<u> </u>	<u> </u>	<u> </u>	<u> </u>
6.	<u> </u>	<u> </u>	<u> </u>	<u> </u>

I. Summary:

This bill removes the sales tax exemption for ostrich feed sales.

This bill substantially amends section 212.08 of the Florida Statutes.

II. Present Situation:

Section 212.08, F.S., provides for specific exemptions from the sales and use tax imposed by chapter 212, F.S. The statutes currently provide more than 200 non-service exemptions. Exemptions generally identify specific items, exempting items when used for particular purposes and exempting purchases or sales by certain types of organizations, such as the government, churches, and charities. Subsection (7) of section 212.08, F.S., provides for 55 miscellaneous exemptions.

Since 1992, the sales of ostrich feed have been exempt from sales tax, pursuant to the miscellaneous sales tax exemptions provided for under paragraph (d) of subsection (7) of section 212.08, F.S. The initial purpose of the exemption was to aid in the establishment of a commercial ostrich industry in the state of Florida. The ostrich farm industry has not established itself since the exemption was adopted in 1992 and is no longer considered a viable industry in Florida

III. Effect of Proposed Changes:

Section 1 removes the sales tax exemption for ostrich feed sales.

Section 2 provides that this act shall take effect July 1, 2008.

IV. Fiscal Impact Statement:

A. Tax/Fee Issues:

The Revenue Estimating Conference (REC) has not reviewed this bill. The REC review in 2007 estimated that the loss of sales tax revenue would be insignificant and it is not expected to have a different impact this year.

B. Private Sector Impact:

Purchasers of ostrich feed in Florida will have to pay sales tax.

C. Government Sector Impact:

None.

V. Technical Deficiencies:

None.

VI. Related Issues:

None.

VII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.