

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.; defining the
 4 term "fractional aircraft ownership program"; creating
 5 s. 212.0597, F.S.; providing a maximum tax on the sale
 6 or use of fractional aircraft ownership interests;
 7 amending s. 212.08, F.S.; providing tax exemptions on
 8 the sale or use of aircraft primarily used in a
 9 fractional aircraft ownership program and any parts
 10 and labor used in the completion, maintenance, repair,
 11 and overhaul of such aircraft; providing an effective
 12 date.

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 14 WHEREAS, Florida has identified the aviation and aerospace
 15 industries for economic development, and

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

19 WHEREAS, Florida employs approximately 80,000 people in the
 20 aviation and aerospace industries at an average annual wage of
 21 \$52,000, and

22 WHEREAS, Florida has the third-largest aviation
 23 maintenance, repair, and overhaul cluster in the United States
 24 and has strategies directed toward expanding these aviation
 25 support services, and

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

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

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

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

(34) "Fractional aircraft ownership program" means a program that meets the requirements of 14 C.F.R. part 91, subpart K, relating to fractional ownership operations, except the program must include a minimum of 25 aircraft owned or leased by the business or affiliated group, as defined by s. 1504(a) of the Internal Revenue Code, providing the program. Such aircraft must be used in the fractional aircraft ownership program providing the program.

Section 2. Section 212.0597, Florida Statutes, is created to read:

212.0597 Maximum tax on fractional aircraft ownership interests.--The tax imposed under this chapter, including any discretionary sales surtax under s. 212.055, is limited to \$300 on the sale or use in this state of a fractional ownership interest in aircraft pursuant to a fractional aircraft ownership program. This maximum tax applies to the total consideration paid for the fractional ownership interest, including any amounts paid by the fractional owner as monthly management or maintenance fees. The maximum tax applies only if the fractional

57 ownership interest is sold by or to the operator of the
58 fractional aircraft ownership program or if the fractional
59 ownership interest is transferred upon the approval of the
60 operator of the fractional aircraft ownership program.

61 Section 3. Paragraph (ggg) is added to subsection (7) of
62 section 212.08, Florida Statutes, to read:

63 212.08 Sales, rental, use, consumption, distribution, and
64 storage tax; specified exemptions.--The sale at retail, the
65 rental, the use, the consumption, the distribution, and the
66 storage to be used or consumed in this state of the following
67 are hereby specifically exempt from the tax imposed by this
68 chapter.

69 (7) MISCELLANEOUS EXEMPTIONS.--Exemptions provided to any
70 entity by this chapter do not inure to any transaction that is
71 otherwise taxable under this chapter when payment is made by a
72 representative or employee of the entity by any means,
73 including, but not limited to, cash, check, or credit card, even
74 when that representative or employee is subsequently reimbursed
75 by the entity. In addition, exemptions provided to any entity by
76 this subsection do not inure to any transaction that is
77 otherwise taxable under this chapter unless the entity has
78 obtained a sales tax exemption certificate from the department
79 or the entity obtains or provides other documentation as
80 required by the department. Eligible purchases or leases made
81 with such a certificate must be in strict compliance with this
82 subsection and departmental rules, and any person who makes an
83 exempt purchase with a certificate that is not in strict
84 compliance with this subsection and the rules is liable for and

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85 shall pay the tax. The department may adopt rules to administer
86 this subsection.

87 (ggg) Fractional aircraft ownership programs.--Also exempt
88 from the tax imposed by this chapter is the sale or use of
89 aircraft primarily used in a fractional aircraft ownership
90 program and any parts or labor used in the completion,
91 maintenance, repair, or overhaul of such aircraft. The exemption
92 is not allowed unless the purchaser or lessee furnishes the
93 dealer with a certificate stating that the lease, purchase,
94 repair, or maintenance to be exempted is for aircraft primarily
95 used in a fractional aircraft ownership program and that the
96 purchaser or lessee qualifies for the exemption. If a purchaser
97 or lessee makes tax-exempt purchases on a continual basis, the
98 purchaser or lessee may allow the dealer to keep the certificate
99 on file. The purchaser or lessee must inform the dealer that has
100 the certificate on file if the purchaser or lessee no longer
101 qualifies for the exemption. The department shall determine the
102 format of the certificate.

103 Section 4. This act shall take effect July 1, 2009.