

1                                   A bill to be entitled  
 2           An act relating to reimbursement of federal excise taxes  
 3           on motor fuel; creating s. 686.701, F.S.; providing  
 4           requirements and limitations on reimbursement provisions  
 5           of certain fuel supply contracts; providing notice  
 6           requirements; providing for payment security requirements;  
 7           providing for electronic transfer of funds; specifying  
 8           application to contracts; providing an effective date.

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

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 12           Section 1.   Section 686.701, Florida Statutes, is created  
 13   to read:

14           686.701 Reimbursement of federal excise taxes on motor  
 15   fuel.--

16           (1) (a) If a fuel supply contract requires one party to  
 17   reimburse another party for the federal excise tax imposed by 26  
 18   U.S.C. s. 4081 or s. 4091, whether as a separate item or as part  
 19   of the contract price, the reimbursing party, at its option and  
 20   notwithstanding contrary terms of the contract, shall not be  
 21   required to make the reimbursement more than one business day  
 22   before the day on which the reimbursed party must remit the  
 23   taxes to the Internal Revenue Service.

24           (b) Exercise of the option provided by this section shall  
 25   not relieve the reimbursing party of its obligation to make the  
 26   reimbursement as required by the contract, but shall affect only  
 27   the timing of that reimbursement.

28           (2) (a) Written notice of the reimbursing party's intent to

29 exercise the option provided in subsection (1) shall be given to  
30 the reimbursed party.

31 (b) The notice shall state the effective date of the  
32 exercise of the option, which shall be no earlier than 30 days  
33 after the notice of intent is received by the reimbursed party  
34 or the beginning of the reimbursed party's next federal tax  
35 quarter, whichever is later.

36 (3) (a) If a reimbursing party exercises the option  
37 provided in subsection (1), the reimbursed party may demand  
38 security for the payment of the taxes in proportion to the  
39 amount the taxes represent compared to the security demanded on  
40 the contract as a whole.

41 (b) The reimbursed party may also require reimbursement to  
42 be made by electronic transfer of funds, but may not change the  
43 other payment terms of the contract without a valid business  
44 reason.

45 (4) (a) This section applies to all wholesale transactions  
46 with terminal suppliers that are:

47 1. Continuing contracts with no fixed expiration date and  
48 are in effect on July 1, 2009; or

49 2. Contracts entered into or renewed after July 1, 2009.

50 (b) All contracts in effect on July 1, 2009, that contain  
51 a fixed expiration date shall be governed by the law in  
52 existence prior to July 1, 2009.

53 Section 2. This act shall take effect July 1, 2009.