

ENROLLED
CS/CS/HB 375

2009 Legislature

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, whether as a separate item or as part of the
19 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

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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.