

1                   A bill to be entitled  
 2           An act relating to biodiesel fuel; amending s. 206.874,  
 3           F.S.; exempting biodiesel fuel manufactured by a public or  
 4           private secondary school from taxation under certain  
 5           circumstances; specifying the circumstances under which a  
 6           public or private secondary school that manufactures  
 7           biodiesel fuel is exempt from certain registration  
 8           requirements; 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 206.874, Florida Statutes, is amended  
 13   to read:

14           206.874   Exemptions.—

15           (1)   The provisions of this part requiring the payment of  
 16   taxes do not apply to any of the following:

17           (a)   The removal from a terminal or refinery of, or the  
 18   entry or sale of, any diesel fuel if all of the following apply:

19           1.   The person otherwise liable for tax is a diesel fuel  
 20   registrant;

21           2.   In the case of a removal from a terminal, the terminal  
 22   is an approved terminal; and

23           3.   The diesel fuel satisfies the dyeing and marking  
 24   requirements of s. 206.8741.

25           (b)   Any entry by a licensed importer into this state of  
 26   diesel fuel on which taxes have been imposed by this chapter on  
 27   a diesel fuel registrant pursuant to an agreement entered into  
 28   with the department as provided by s. 206.872.

29 (c) The removal of diesel fuel if all of the following  
 30 apply:

31 1. The diesel fuel is removed by rail car from an approved  
 32 refinery or terminal and is received at an approved refinery or  
 33 terminal; and

34 2. The refinery and the terminal are operated by the same  
 35 diesel fuel registrant.

36 (d) Diesel fuel which, pursuant to the contract of sale,  
 37 is required to be shipped and is shipped to a point outside of  
 38 this state by a supplier by means of any of the following:

39 1. Facilities operated by the supplier.

40 2. Delivery by the supplier to a carrier, customs broker,  
 41 or forwarding agent, whether hired by the purchaser or not, for  
 42 shipment to such out-of-state point.

43 3. Delivery by the supplier to any vessel clearing from a  
 44 port of this state for a port outside of this state and actually  
 45 exported from this state in the vessel.

46 (e) Diesel fuel which is destined for delivery to a  
 47 location outside of this state on which the diesel fuel  
 48 registrant is required to collect the taxes of the destination  
 49 state pursuant to an agreement with the state of destination.

50 (2) Backup tax does not apply to delivery in this state of  
 51 diesel fuel into the fuel tank of a diesel-powered motor vehicle  
 52 as provided in s. 206.873 for use on a farm for farming  
 53 purposes.

54 (3) Dyed diesel fuel may be purchased and used only for  
 55 the following purposes:

56 (a) Use on a farm for farming purposes.

- 57 (b) Exclusive use of a local government.
- 58 (c) Use in a vehicle owned by an aircraft museum.
- 59 (d) Exclusive use of the American Red Cross.
- 60 (e) Use in a vessel employed in the business of commercial
- 61 transportation of persons or property or in commercial fishing.
- 62 (f) Use in a bus engaged in the transportation of students
- 63 and employees of schools.
- 64 (g) Use in a local bus service that is open to the public
- 65 and travels regular routes.
- 66 (h) Exclusive use of a nonprofit educational facility.
- 67 (i) Use in a motor vehicle owned by the United States
- 68 Government which ~~that~~ is not used on a highway.
- 69 (j) Use in a vessel of war.
- 70 (k) Use of diesel fuel for home heating.
- 71 (l) Use in self-propelled off-road equipment or stationary
- 72 equipment subject to tax under s. 212.0501.
- 73 (m) Use by a noncommercial vessel.
- 74 (4) (a) Notwithstanding the provisions of this section
- 75 allowing local governments and school districts to use dyed or
- 76 otherwise untaxed diesel fuel in motor vehicles, each county,
- 77 municipality, and school district, to qualify for such use, must
- 78 first register with the department as a local government user of
- 79 diesel fuel.
- 80 (b) Local government users of diesel fuel shall be
- 81 required to file a return accounting for diesel fuel
- 82 acquisitions, inventory, and use, and remit a tax equal to 3
- 83 cents of the 4-cent tax required under s. 206.87(1) (a), plus the
- 84 taxes required under s. 206.87(1) (b), (c), and (d) each month to

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85 the department.

86 (c) Any county, municipality, or school district not  
87 licensed as a local government user of diesel fuel shall be  
88 liable for the taxes imposed by s. 206.87(1) directly to the  
89 department for any highway use of untaxed diesel fuels.

90 (d) Each county, municipality, or school district may  
91 receive a credit for additional taxes paid under s. 206.87 for  
92 the highway use of diesel fuel, provided the purchases of diesel  
93 fuel meet the requirements relating to refunds for motor fuel  
94 purchases under s. 206.41.

95 (5) (a) Notwithstanding the provisions of this section  
96 allowing local bus transit systems to use dyed or otherwise  
97 untaxed diesel fuel in qualifying motor vehicles providing local  
98 public transportation over regular routes, each qualifying mass  
99 transit provider, to qualify for such use, must first register  
100 with the department as a mass transit system.

101 (b) Mass transit system providers shall be required to  
102 file a return accounting for diesel fuel acquisitions,  
103 inventory, and use, and remit a tax equal to the taxes required  
104 under s. 206.87(1) (a) and (b) each month to the department.

105 (c) Any local provider not licensed as a mass transit  
106 system shall be liable directly to the department for any  
107 highway use of untaxed diesel fuels.

108 (d) Each licensed mass transit system may receive a credit  
109 for additional taxes paid under s. 206.87 for the highway use of  
110 diesel fuel, provided the purchases of diesel fuel meet the  
111 requirements relating to refunds for motor fuel purchases under  
112 s. 206.41.

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113 (6) Diesel fuel contained in the fuel tanks of any motor  
114 vehicle entering this state and used to propel such motor  
115 vehicle into Florida from another state shall be exempt from the  
116 taxes imposed by this part but may be taxed under the provisions  
117 of chapter 207. Diesel fuel supplied by a vehicle manufacturer  
118 and contained in the fuel tanks of a new and untitled motor  
119 vehicle shall be exempt from the taxes imposed by this part.  
120 "Fuel tanks" means the reservoir or receptacle attached to the  
121 motor vehicle by the manufacturer as the container for fuel used  
122 to propel the vehicle.

123 (7) Biodiesel fuel manufactured by a public or private  
124 secondary school that produces less than 1,000 gallons annually  
125 for the sole use of the school, its employees, or its students  
126 is exempt from the tax imposed by this part. A public or private  
127 secondary school that produces less than 1,000 gallons a year of  
128 biodiesel is exempt from the registration requirements of this  
129 chapter.

130 Section 2. This act shall take effect July 1, 2010.