

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

12
13 WHEREAS, Florida has identified aviation and aerospace as
14 industries suitable for economic development, and

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

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

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

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

28

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

30

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

33 212.02 Definitions.—The following terms and phrases when
34 used in this chapter have the meanings ascribed to them in this
35 section, except where the context clearly indicates a different
36 meaning:

37 (34) "Fractional aircraft ownership program" means a
38 program that meets the requirements of 14 C.F.R. part 91,
39 subpart K, relating to fractional ownership operations, except
40 that the program must include a minimum of 25 aircraft owned or
41 leased by the program manager and used in the program.

42 Section 2. Paragraph (ggg) is added to subsection (7) of
43 section 212.08, Florida Statutes, to read:

44 212.08 Sales, rental, use, consumption, distribution, and
45 storage tax; specified exemptions.—The sale at retail, the
46 rental, the use, the consumption, the distribution, and the
47 storage to be used or consumed in this state of the following
48 are hereby specifically exempt from the tax imposed by this
49 chapter.

50 (7) MISCELLANEOUS EXEMPTIONS.—Exemptions provided to any
51 entity by this chapter do not inure to any transaction that is
52 otherwise taxable under this chapter when payment is made by a
53 representative or employee of the entity by any means,
54 including, but not limited to, cash, check, or credit card, even
55 when that representative or employee is subsequently reimbursed
56 by the entity. In addition, exemptions provided to any entity by

57 | this subsection do not inure to any transaction that is
58 | otherwise taxable under this chapter unless the entity has
59 | obtained a sales tax exemption certificate from the department
60 | or the entity obtains or provides other documentation as
61 | required by the department. Eligible purchases or leases made
62 | with such a certificate must be in strict compliance with this
63 | subsection and departmental rules, and any person who makes an
64 | exempt purchase with a certificate that is not in strict
65 | compliance with this subsection and the rules is liable for and
66 | shall pay the tax. The department may adopt rules to administer
67 | this subsection.

68 | (ggg) Fractional aircraft ownership programs.—The sale or
69 | use of aircraft primarily used in a fractional aircraft
70 | ownership program or of any parts or labor used in the
71 | completion, maintenance, repair, or overhaul of such aircraft is
72 | exempt from the tax imposed by this chapter. The exemption is
73 | not allowed unless the program manager of the fractional
74 | aircraft ownership program furnishes the dealer with a
75 | certificate stating that the lease, purchase, repair, or
76 | maintenance is for aircraft primarily used in a fractional
77 | aircraft ownership program and that the program manager
78 | qualifies for the exemption. If a program manager makes tax-
79 | exempt purchases on a continual basis, the program manager may
80 | allow the dealer to keep the certificate on file. The program
81 | manager must inform a dealer that keeps the certificate on file
82 | if the program manager no longer qualifies for the exemption.
83 | The department may adopt rules to administer this paragraph,
84 | including rules determining the format of the certificate.

CS/HB 913

2010

85 Section 3. Section 212.0597, Florida Statutes, is created
86 to read:

87 212.0597 Maximum tax on fractional aircraft ownership
88 interests.—The maximum tax imposed under this chapter, including
89 any discretionary sales surtax under s. 212.055, is limited to
90 \$300 on the sale or use in this state of a fractional ownership
91 interest in aircraft pursuant to a fractional aircraft ownership
92 program. The tax applies to the total consideration paid for the
93 fractional ownership interest, including any amounts paid by the
94 fractional owner as monthly management or maintenance fees. The
95 tax applies only if the fractional ownership interest is sold by
96 the program manager of the fractional aircraft ownership
97 program, or if the fractional ownership interest is transferred
98 upon the approval of the program manager of the fractional
99 aircraft ownership program.

100 Section 4. This act shall take effect July 1, 2010.