

By Senator Bogdanoff

25-01483-11

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1                                   A bill to be entitled  
2           An act relating to replacing revenue from the required  
3           local effort school property tax with revenue from a  
4           state sales tax increase; providing legislative intent  
5           and findings; amending ss. 212.03, 212.031, 212.04,  
6           212.05, 212.0501, 212.0506, 212.06, and 212.08, F.S.;  
7           providing for a 2.5 cent increase in the tax on sales,  
8           use, and other transactions; amending s. 212.12, F.S.;  
9           revising brackets for calculating sales tax amounts;  
10          amending s. 212.20, F.S.; providing for reservation  
11          and allocation of revenues from the additional 2.5  
12          cent increase in the tax rate; amending ss. 11.45,  
13          202.18, 218.245, 218.65, 288.11621, and 288.1169,  
14          F.S.; conforming cross-references; amending s.  
15          1011.62, F.S.; conforming provisions relating to  
16          calculating the required local effort for school  
17          funding; amending s. 1011.71, F.S.; deleting a  
18          requirement that a district school board levy the  
19          minimum millage rate necessary to provide the  
20          district's required local effort; amending s. 218.67,  
21          F.S.; conforming provisions relating to funding for  
22          fiscally constrained counties; amending s. 1002.32,  
23          F.S.; conforming provisions relating to funding for  
24          developmental research schools; amending s. 1011.02,  
25          F.S.; conforming provisions relating to the adoption  
26          of a district school board budget; amending s.  
27          200.065, F.S.; revising the notice form relating to a  
28          district school board's proposed tax increase for  
29          required local effort; providing effective dates.

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WHEREAS, job creation is the number-one goal of Florida residents, and

WHEREAS, in addition to tourism and agriculture, growth is one of the three pillars of Florida's economy, and

WHEREAS, although Florida does not levy a state income tax, it is widely known that property taxes are often a barrier to growth and business expansion of existing Florida businesses and expansion and relocation to Florida for businesses currently located outside of Florida, and

WHEREAS, decreases in fixed-cost asset taxes, including, but not limited to, property taxes, that must be paid whether or not a profit is made and revenue-neutral replacement of the fixed-cost asset taxes with variable cost transaction and consumption taxes will benefit businesses that are considering expansion in and relocation to Florida, and

WHEREAS, decreases in property taxes will allow Florida homeowners and renters to choose where to direct the money they save through reduced property taxes and rent, and

WHEREAS, approximately 25 percent of sales taxes are paid by Florida visitors, and

WHEREAS, the required local effort school property tax that is required by the state to be levied by the local governments to fund public education is approximately \$8 billion and is often 30 percent or more of the overall property tax levied by most Florida local governments, and

WHEREAS, there is no statutory provision that requires public education to be funded by property taxes rather than by other methods of taxation, NOW, THEREFORE,

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59  
60 Be It Enacted by the Legislature of the State of Florida:

61  
62 Section 1. Legislative intent and findings.—

63 (1) The Legislature intends to stimulate growth, business  
64 expansion, and job creation through revenue-neutral tax reform.

65 Therefore, the Legislature finds that:

66 (a) The required local effort school property tax shall be  
67 replaced in a revenue-neutral manner by a 2.5 cent sales tax  
68 increase.

69 (b) The required local effort school property tax shall be  
70 eliminated from the local property tax levy beginning in  
71 November 2012, and a 2.5 cent sales tax increase shall become  
72 effective beginning January 1, 2012, in order to build up funds  
73 for replacing the required local effort dollar for dollar.

74 (c) The formulas currently used for determining required  
75 local effort shall be maintained, but future monetary increases  
76 or decreases required by such formulas shall be generated on a  
77 dollar-for-dollar basis from a 2.5 cent sales tax increase  
78 rather than from the adjustment of property tax millage.

79 (d) It is financially prudent to allow the buildup of a  
80 revenue reserve from the increase in the sales tax to shield  
81 against any potential economic downturn and to ensure that  
82 sufficient funds are available for replacing the currently  
83 required local effort school property tax. However, if the  
84 reserve exceeds 50 percent of the estimated annual amount that  
85 would otherwise have to come from the required local effort, the  
86 Legislature intends to distribute the excess reserve to local  
87 school boards on a dollar-for-dollar basis to reduce local

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88 option school property taxes.

89 (2) The Legislature intends for the specific sales tax  
90 increase provided for in this act to be a replacement for the  
91 required local effort school property tax and for such tax to be  
92 known and referred to as the "Specified Education Sales Tax."

93 Section 2. Subsections (1), (3), and (6) of section 212.03,  
94 Florida Statutes, are amended to read:

95 212.03 Transient rentals tax; rate, procedure, enforcement,  
96 exemptions.—

97 (1) (a) It is hereby declared to be the legislative intent  
98 that every person is exercising a taxable privilege who engages  
99 in the business of renting, leasing, letting, or granting a  
100 license to use any living quarters or sleeping or housekeeping  
101 accommodations in, from, or a part of, or in connection with any  
102 hotel, apartment house, roominghouse, tourist or trailer camp,  
103 mobile home park, recreational vehicle park, condominium, or  
104 timeshare resort. However, any person who rents, leases, lets,  
105 or grants a license to others to use, occupy, or enter upon any  
106 living quarters or sleeping or housekeeping accommodations in  
107 any apartment house, roominghouse, tourist camp, trailer camp,  
108 mobile home park, recreational vehicle park, condominium, or  
109 timeshare resort and who exclusively enters into a bona fide  
110 written agreement for continuous residence for longer than 6  
111 months in duration at such property is not exercising a taxable  
112 privilege. For the exercise of such taxable privilege, a tax is  
113 hereby levied in an amount equal to 8.5 ~~6~~ percent of and on the  
114 total rental charged for such living quarters or sleeping or  
115 housekeeping accommodations by the person charging or collecting  
116 the rental. Such tax shall apply to hotels, apartment houses,

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117 roominghouses, tourist or trailer camps, mobile home parks,  
118 recreational vehicle parks, condominiums, or timeshare resorts,  
119 whether or not these facilities have dining rooms, cafes, or  
120 other places where meals or lunches are sold or served to  
121 guests.

122 (b)1. Tax shall be due on the consideration paid for  
123 occupancy in the county pursuant to a regulated short-term  
124 product, as defined in s. 721.05, or occupancy in the county  
125 pursuant to a product that would be deemed a regulated short-  
126 term product if the agreement to purchase the short-term right  
127 was executed in this state. Such tax shall be collected on the  
128 last day of occupancy within the county unless such  
129 consideration is applied to the purchase of a timeshare estate.  
130 The occupancy of an accommodation of a timeshare resort pursuant  
131 to a timeshare plan, a multisite timeshare plan, or an exchange  
132 transaction in an exchange program, as defined in s. 721.05, by  
133 the owner of a timeshare interest or such owner's guest, which  
134 guest is not paying monetary consideration to the owner or to a  
135 third party for the benefit of the owner, is not a privilege  
136 subject to taxation under this section. A membership or  
137 transaction fee paid by a timeshare owner that does not provide  
138 the timeshare owner with the right to occupy any specific  
139 timeshare unit but merely provides the timeshare owner with the  
140 opportunity to exchange a timeshare interest through an exchange  
141 program is a service charge and not subject to taxation under  
142 this section.

143 2. Consideration paid for the purchase of a timeshare  
144 license in a timeshare plan, as defined in s. 721.05, is rent  
145 subject to taxation under this section.

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146 (3) When rentals are received by way of property, goods,  
147 wares, merchandise, services, or other things of value, the tax  
148 shall be at the rate of 8.5 ~~6~~ percent of the value of the  
149 property, goods, wares, merchandise, services, or other things  
150 of value.

151 (6) It is the legislative intent that every person is  
152 engaging in a taxable privilege who leases or rents parking or  
153 storage spaces for motor vehicles in parking lots or garages,  
154 who leases or rents docking or storage spaces for boats in boat  
155 docks or marinas, or who leases or rents tie-down or storage  
156 space for aircraft at airports. For the exercise of this  
157 privilege, a tax is hereby levied at the rate of 8.5 ~~6~~ percent  
158 on the total rental charged.

159 Section 3. Paragraphs (c) and (d) of subsection (1) of  
160 section 212.031, Florida Statutes, are amended to read:

161 212.031 Tax on rental or license fee for use of real  
162 property.—

163 (1)

164 (c) For the exercise of such privilege, a tax is levied in  
165 an amount equal to 8.5 ~~6~~ percent of and on the total rent or  
166 license fee charged for such real property by the person  
167 charging or collecting the rental or license fee. The total rent  
168 or license fee charged for such real property shall include  
169 payments for the granting of a privilege to use or occupy real  
170 property for any purpose and shall include base rent, percentage  
171 rents, or similar charges. Such charges shall be included in the  
172 total rent or license fee subject to tax under this section  
173 whether or not they can be attributed to the ability of the  
174 lessor's or licensor's property as used or operated to attract

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175 customers. Payments for intrinsically valuable personal property  
176 such as franchises, trademarks, service marks, logos, or patents  
177 are not subject to tax under this section. In the case of a  
178 contractual arrangement that provides for both payments taxable  
179 as total rent or license fee and payments not subject to tax,  
180 the tax shall be based on a reasonable allocation of such  
181 payments and shall not apply to that portion which is for the  
182 nontaxable payments.

183 (d) When the rental or license fee of any such real  
184 property is paid by way of property, goods, wares, merchandise,  
185 services, or other thing of value, the tax shall be at the rate  
186 of 8.5 ~~6~~ percent of the value of the property, goods, wares,  
187 merchandise, services, or other thing of value.

188 Section 4. Paragraph (b) of subsection (1) and paragraph  
189 (a) of subsection (2) of section 212.04, Florida Statutes, are  
190 amended to read:

191 212.04 Admissions tax; rate, procedure, enforcement.—

192 (1)

193 (b) For the exercise of such privilege, a tax is levied at  
194 the rate of 8.5 ~~6~~ percent of sales price, or the actual value  
195 received from such admissions, which 8.5 ~~6~~ percent shall be  
196 added to and collected with all such admissions from the  
197 purchaser thereof, and such tax shall be paid for the exercise  
198 of the privilege as defined in the preceding paragraph. Each  
199 ticket must show on its face the actual sales price of the  
200 admission, or each dealer selling the admission must prominently  
201 display at the box office or other place where the admission  
202 charge is made a notice disclosing the price of the admission,  
203 and the tax shall be computed and collected on the basis of the

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204 actual price of the admission charged by the dealer. The sale  
205 price or actual value of admission shall, for the purpose of  
206 this chapter, be that price remaining after deduction of federal  
207 taxes and state or locally imposed or authorized seat  
208 surcharges, taxes, or fees, if any, imposed upon such admission.  
209 The sale price or actual value does not include separately  
210 stated ticket service charges that are imposed by a facility  
211 ticket office or a ticketing service and added to a separately  
212 stated, established ticket price. The rate of tax on each  
213 admission shall be according to the brackets established by s.  
214 212.12(9).

215 (2)(a)1. No tax shall be levied on admissions to athletic  
216 or other events sponsored by elementary schools, junior high  
217 schools, middle schools, high schools, community colleges,  
218 public or private colleges and universities, deaf and blind  
219 schools, facilities of the youth services programs of the  
220 Department of Children and Family Services, and state  
221 correctional institutions when only student, faculty, or inmate  
222 talent is used. However, this exemption shall not apply to  
223 admission to athletic events sponsored by a state university,  
224 and the proceeds of the tax collected on such admissions shall  
225 be retained and used by each institution to support women's  
226 athletics as provided in s. 1006.71(2)(c).

227 2.a. No tax shall be levied on dues, membership fees, and  
228 admission charges imposed by not-for-profit sponsoring  
229 organizations. To receive this exemption, the sponsoring  
230 organization must qualify as a not-for-profit entity under the  
231 provisions of s. 501(c)(3) of the Internal Revenue Code of 1954,  
232 as amended.



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233           b. No tax shall be levied on admission charges to an event  
234 sponsored by a governmental entity, sports authority, or sports  
235 commission when held in a convention hall, exhibition hall,  
236 auditorium, stadium, theater, arena, civic center, performing  
237 arts center, or publicly owned recreational facility and when  
238 100 percent of the risk of success or failure lies with the  
239 sponsor of the event and 100 percent of the funds at risk for  
240 the event belong to the sponsor, and student or faculty talent  
241 is not exclusively used. As used in this sub-subparagraph, the  
242 terms "sports authority" and "sports commission" mean a  
243 nonprofit organization that is exempt from federal income tax  
244 under s. 501(c)(3) of the Internal Revenue Code and that  
245 contracts with a county or municipal government for the purpose  
246 of promoting and attracting sports-tourism events to the  
247 community with which it contracts.

248           3. No tax shall be levied on an admission paid by a  
249 student, or on the student's behalf, to any required place of  
250 sport or recreation if the student's participation in the sport  
251 or recreational activity is required as a part of a program or  
252 activity sponsored by, and under the jurisdiction of, the  
253 student's educational institution, provided his or her  
254 attendance is as a participant and not as a spectator.

255           4. No tax shall be levied on admissions to the National  
256 Football League championship game or Pro Bowl; on admissions to  
257 any semifinal game or championship game of a national collegiate  
258 tournament; on admissions to a Major League Baseball, National  
259 Basketball Association, or National Hockey League all-star game;  
260 on admissions to the Major League Baseball Home Run Derby held  
261 before the Major League Baseball All-Star Game; or on admissions

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262 to the National Basketball Association Rookie Challenge,  
263 Celebrity Game, 3-Point Shooting Contest, or Slam Dunk  
264 Challenge.

265 5. A participation fee or sponsorship fee imposed by a  
266 governmental entity as described in s. 212.08(6) for an athletic  
267 or recreational program is exempt when the governmental entity  
268 by itself, or in conjunction with an organization exempt under  
269 s. 501(c)(3) of the Internal Revenue Code of 1954, as amended,  
270 sponsors, administers, plans, supervises, directs, and controls  
271 the athletic or recreational program.

272 6. Also exempt from the tax imposed by this section to the  
273 extent provided in this subparagraph are admissions to live  
274 theater, live opera, or live ballet productions in this state  
275 which are sponsored by an organization that has received a  
276 determination from the Internal Revenue Service that the  
277 organization is exempt from federal income tax under s.  
278 501(c)(3) of the Internal Revenue Code of 1954, as amended, if  
279 the organization actively participates in planning and  
280 conducting the event, is responsible for the safety and success  
281 of the event, is organized for the purpose of sponsoring live  
282 theater, live opera, or live ballet productions in this state,  
283 has more than 10,000 subscribing members and has among the  
284 stated purposes in its charter the promotion of arts education  
285 in the communities which it serves, and will receive at least 20  
286 percent of the net profits, if any, of the events which the  
287 organization sponsors and will bear the risk of at least 20  
288 percent of the losses, if any, from the events which it sponsors  
289 if the organization employs other persons as agents to provide  
290 services in connection with a sponsored event. Prior to March 1

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291 of each year, such organization may apply to the department for  
292 a certificate of exemption for admissions to such events  
293 sponsored in this state by the organization during the  
294 immediately following state fiscal year. The application shall  
295 state the total dollar amount of admissions receipts collected  
296 by the organization or its agents from such events in this state  
297 sponsored by the organization or its agents in the year  
298 immediately preceding the year in which the organization applies  
299 for the exemption. Such organization shall receive the exemption  
300 only to the extent of \$1.5 million multiplied by the ratio that  
301 such receipts bear to the total of such receipts of all  
302 organizations applying for the exemption in such year; however,  
303 in no event shall such exemption granted to any organization  
304 exceed 8.5 ~~6~~ percent of such admissions receipts collected by  
305 the organization or its agents in the year immediately preceding  
306 the year in which the organization applies for the exemption.  
307 Each organization receiving the exemption shall report each  
308 month to the department the total admissions receipts collected  
309 from such events sponsored by the organization during the  
310 preceding month and shall remit to the department an amount  
311 equal to 8.5 ~~6~~ percent of such receipts reduced by any amount  
312 remaining under the exemption. Tickets for such events sold by  
313 such organizations shall not reflect the tax otherwise imposed  
314 under this section.

315 7. Also exempt from the tax imposed by this section are  
316 entry fees for participation in freshwater fishing tournaments.

317 8. Also exempt from the tax imposed by this section are  
318 participation or entry fees charged to participants in a game,  
319 race, or other sport or recreational event if spectators are

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320 charged a taxable admission to such event.

321 9. No tax shall be levied on admissions to any postseason  
322 collegiate football game sanctioned by the National Collegiate  
323 Athletic Association.

324 Section 5. Subsection (1) of section 212.05, Florida  
325 Statutes, is amended to read:

326 212.05 Sales, storage, use tax.—It is hereby declared to be  
327 the legislative intent that every person is exercising a taxable  
328 privilege who engages in the business of selling tangible  
329 personal property at retail in this state, including the  
330 business of making mail order sales, or who rents or furnishes  
331 any of the things or services taxable under this chapter, or who  
332 stores for use or consumption in this state any item or article  
333 of tangible personal property as defined herein and who leases  
334 or rents such property within the state.

335 (1) For the exercise of such privilege, a tax is levied on  
336 each taxable transaction or incident, which tax is due and  
337 payable as follows:

338 (a)1.a. At the rate of 8.5 ~~6~~ percent of the sales price of  
339 each item or article of tangible personal property when sold at  
340 retail in this state, computed on each taxable sale for the  
341 purpose of remitting the amount of tax due the state, and  
342 including each and every retail sale.

343 b. Each occasional or isolated sale of an aircraft, boat,  
344 mobile home, or motor vehicle of a class or type which is  
345 required to be registered, licensed, titled, or documented in  
346 this state or by the United States Government shall be subject  
347 to tax at the rate provided in this paragraph. The department  
348 shall by rule adopt any nationally recognized publication for

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349 valuation of used motor vehicles as the reference price list for  
350 any used motor vehicle which is required to be licensed pursuant  
351 to s. 320.08(1), (2), (3)(a), (b), (c), or (e), or (9). If any  
352 party to an occasional or isolated sale of such a vehicle  
353 reports to the tax collector a sales price which is less than 80  
354 percent of the average loan price for the specified model and  
355 year of such vehicle as listed in the most recent reference  
356 price list, the tax levied under this paragraph shall be  
357 computed by the department on such average loan price unless the  
358 parties to the sale have provided to the tax collector an  
359 affidavit signed by each party, or other substantial proof,  
360 stating the actual sales price. Any party to such sale who  
361 reports a sales price less than the actual sales price is guilty  
362 of a misdemeanor of the first degree, punishable as provided in  
363 s. 775.082 or s. 775.083. The department shall collect or  
364 attempt to collect from such party any delinquent sales taxes.  
365 In addition, such party shall pay any tax due and any penalty  
366 and interest assessed plus a penalty equal to twice the amount  
367 of the additional tax owed. Notwithstanding any other provision  
368 of law, the Department of Revenue may waive or compromise any  
369 penalty imposed pursuant to this subparagraph.

370 2. This paragraph does not apply to the sale of a boat or  
371 aircraft by or through a registered dealer under this chapter to  
372 a purchaser who, at the time of taking delivery, is a  
373 nonresident of this state, does not make his or her permanent  
374 place of abode in this state, and is not engaged in carrying on  
375 in this state any employment, trade, business, or profession in  
376 which the boat or aircraft will be used in this state, or is a  
377 corporation none of the officers or directors of which is a

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378 resident of, or makes his or her permanent place of abode in,  
379 this state, or is a noncorporate entity that has no individual  
380 vested with authority to participate in the management,  
381 direction, or control of the entity's affairs who is a resident  
382 of, or makes his or her permanent abode in, this state. For  
383 purposes of this exemption, either a registered dealer acting on  
384 his or her own behalf as seller, a registered dealer acting as  
385 broker on behalf of a seller, or a registered dealer acting as  
386 broker on behalf of the purchaser may be deemed to be the  
387 selling dealer. This exemption shall not be allowed unless:

388       a. The purchaser removes a qualifying boat, as described in  
389 sub-subparagraph f., from the state within 90 days after the  
390 date of purchase or extension, or the purchaser removes a  
391 nonqualifying boat or an aircraft from this state within 10 days  
392 after the date of purchase or, when the boat or aircraft is  
393 repaired or altered, within 20 days after completion of the  
394 repairs or alterations;

395       b. The purchaser, within 30 days from the date of  
396 departure, shall provide the department with written proof that  
397 the purchaser licensed, registered, titled, or documented the  
398 boat or aircraft outside the state. If such written proof is  
399 unavailable, within 30 days the purchaser shall provide proof  
400 that the purchaser applied for such license, title,  
401 registration, or documentation. The purchaser shall forward to  
402 the department proof of title, license, registration, or  
403 documentation upon receipt;

404       c. The purchaser, within 10 days of removing the boat or  
405 aircraft from Florida, shall furnish the department with proof  
406 of removal in the form of receipts for fuel, dockage, slippage,

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407 tie-down, or hangaring from outside of Florida. The information  
408 so provided must clearly and specifically identify the boat or  
409 aircraft;

410 d. The selling dealer, within 5 days of the date of sale,  
411 shall provide to the department a copy of the sales invoice,  
412 closing statement, bills of sale, and the original affidavit  
413 signed by the purchaser attesting that he or she has read the  
414 provisions of this section;

415 e. The seller makes a copy of the affidavit a part of his  
416 or her record for as long as required by s. 213.35; and

417 f. Unless the nonresident purchaser of a boat of 5 net tons  
418 of admeasurement or larger intends to remove the boat from this  
419 state within 10 days after the date of purchase or when the boat  
420 is repaired or altered, within 20 days after completion of the  
421 repairs or alterations, the nonresident purchaser shall apply to  
422 the selling dealer for a decal which authorizes 90 days after  
423 the date of purchase for removal of the boat. The nonresident  
424 purchaser of a qualifying boat may apply to the selling dealer  
425 within 60 days after the date of purchase for an extension decal  
426 that authorizes the boat to remain in this state for an  
427 additional 90 days, but not more than a total of 180 days,  
428 before the nonresident purchaser is required to pay the tax  
429 imposed by this chapter. The department is authorized to issue  
430 decals in advance to dealers. The number of decals issued in  
431 advance to a dealer shall be consistent with the volume of the  
432 dealer's past sales of boats which qualify under this sub-  
433 subparagraph. The selling dealer or his or her agent shall mark  
434 and affix the decals to qualifying boats in the manner  
435 prescribed by the department, prior to delivery of the boat.

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436 (I) The department is hereby authorized to charge dealers a  
437 fee sufficient to recover the costs of decals issued, except the  
438 extension decal shall cost \$425.

439 (II) The proceeds from the sale of decals will be deposited  
440 into the administrative trust fund.

441 (III) Decals shall display information to identify the boat  
442 as a qualifying boat under this sub-subparagraph, including, but  
443 not limited to, the decal's date of expiration.

444 (IV) The department is authorized to require dealers who  
445 purchase decals to file reports with the department and may  
446 prescribe all necessary records by rule. All such records are  
447 subject to inspection by the department.

448 (V) Any dealer or his or her agent who issues a decal  
449 falsely, fails to affix a decal, mismarks the expiration date of  
450 a decal, or fails to properly account for decals will be  
451 considered prima facie to have committed a fraudulent act to  
452 evade the tax and will be liable for payment of the tax plus a  
453 mandatory penalty of 200 percent of the tax, and shall be liable  
454 for fine and punishment as provided by law for a conviction of a  
455 misdemeanor of the first degree, as provided in s. 775.082 or s.  
456 775.083.

457 (VI) Any nonresident purchaser of a boat who removes a  
458 decal prior to permanently removing the boat from the state, or  
459 defaces, changes, modifies, or alters a decal in a manner  
460 affecting its expiration date prior to its expiration, or who  
461 causes or allows the same to be done by another, will be  
462 considered prima facie to have committed a fraudulent act to  
463 evade the tax and will be liable for payment of the tax plus a  
464 mandatory penalty of 200 percent of the tax, and shall be liable



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465 for fine and punishment as provided by law for a conviction of a  
466 misdemeanor of the first degree, as provided in s. 775.082 or s.  
467 775.083.

468 (VII) The department is authorized to adopt rules necessary  
469 to administer and enforce this subparagraph and to publish the  
470 necessary forms and instructions.

471 (VIII) The department is hereby authorized to adopt  
472 emergency rules pursuant to s. 120.54(4) to administer and  
473 enforce the provisions of this subparagraph.

474

475 If the purchaser fails to remove the qualifying boat from this  
476 state within the maximum 180 days after purchase or a  
477 nonqualifying boat or an aircraft from this state within 10 days  
478 after purchase or, when the boat or aircraft is repaired or  
479 altered, within 20 days after completion of such repairs or  
480 alterations, or permits the boat or aircraft to return to this  
481 state within 6 months from the date of departure, except as  
482 provided in s. 212.08(7) (ggg), or if the purchaser fails to  
483 furnish the department with any of the documentation required by  
484 this subparagraph within the prescribed time period, the  
485 purchaser shall be liable for use tax on the cost price of the  
486 boat or aircraft and, in addition thereto, payment of a penalty  
487 to the Department of Revenue equal to the tax payable. This  
488 penalty shall be in lieu of the penalty imposed by s. 212.12(2).  
489 The maximum 180-day period following the sale of a qualifying  
490 boat tax-exempt to a nonresident may not be tolled for any  
491 reason.

492 (b) At the rate of 8.5 ~~6~~ percent of the cost price of each  
493 item or article of tangible personal property when the same is

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494 not sold but is used, consumed, distributed, or stored for use  
495 or consumption in this state; however, for tangible property  
496 originally purchased exempt from tax for use exclusively for  
497 lease and which is converted to the owner's own use, tax may be  
498 paid on the fair market value of the property at the time of  
499 conversion. If the fair market value of the property cannot be  
500 determined, use tax at the time of conversion shall be based on  
501 the owner's acquisition cost. Under no circumstances may the  
502 aggregate amount of sales tax from leasing the property and use  
503 tax due at the time of conversion be less than the total sales  
504 tax that would have been due on the original acquisition cost  
505 paid by the owner.

506 (c) At the rate of 8.5 ~~6~~ percent of the gross proceeds  
507 derived from the lease or rental of tangible personal property,  
508 as defined herein; however, the following special provisions  
509 apply to the lease or rental of motor vehicles:

510 1. When a motor vehicle is leased or rented for a period of  
511 less than 12 months:

512 a. If the motor vehicle is rented in Florida, the entire  
513 amount of such rental is taxable, even if the vehicle is dropped  
514 off in another state.

515 b. If the motor vehicle is rented in another state and  
516 dropped off in Florida, the rental is exempt from Florida tax.

517 2. Except as provided in subparagraph 3., for the lease or  
518 rental of a motor vehicle for a period of not less than 12  
519 months, sales tax is due on the lease or rental payments if the  
520 vehicle is registered in this state; provided, however, that no  
521 tax shall be due if the taxpayer documents use of the motor  
522 vehicle outside this state and tax is being paid on the lease or

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523 rental payments in another state.

524 3. The tax imposed by this chapter does not apply to the  
525 lease or rental of a commercial motor vehicle as defined in s.  
526 316.003(66) (a) to one lessee or rentee for a period of not less  
527 than 12 months when tax was paid on the purchase price of such  
528 vehicle by the lessor. To the extent tax was paid with respect  
529 to the purchase of such vehicle in another state, territory of  
530 the United States, or the District of Columbia, the Florida tax  
531 payable shall be reduced in accordance with the provisions of s.  
532 212.06(7). This subparagraph shall only be available when the  
533 lease or rental of such property is an established business or  
534 part of an established business or the same is incidental or  
535 germane to such business.

536 (d) At the rate of 8.5 ~~6~~ percent of the lease or rental  
537 price paid by a lessee or rentee, or contracted or agreed to be  
538 paid by a lessee or rentee, to the owner of the tangible  
539 personal property.

540 (e)1. At the rate of 8.5 ~~6~~ percent on charges for:

541 a. Prepaid calling arrangements. The tax on charges for  
542 prepaid calling arrangements shall be collected at the time of  
543 sale and remitted by the selling dealer.

544 (I) "Prepaid calling arrangement" means the separately  
545 stated retail sale by advance payment of communications services  
546 that consist exclusively of telephone calls originated by using  
547 an access number, authorization code, or other means that may be  
548 manually, electronically, or otherwise entered and that are sold  
549 in predetermined units or dollars whose number declines with use  
550 in a known amount.

551 (II) If the sale or recharge of the prepaid calling

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552 arrangement does not take place at the dealer's place of  
553 business, it shall be deemed to take place at the customer's  
554 shipping address or, if no item is shipped, at the customer's  
555 address or the location associated with the customer's mobile  
556 telephone number.

557 (III) The sale or recharge of a prepaid calling arrangement  
558 shall be treated as a sale of tangible personal property for  
559 purposes of this chapter, whether or not a tangible item  
560 evidencing such arrangement is furnished to the purchaser, and  
561 such sale within this state subjects the selling dealer to the  
562 jurisdiction of this state for purposes of this subsection.

563 b. The installation of telecommunication and telegraphic  
564 equipment.

565 c. Electrical power or energy, except that the tax rate for  
566 charges for electrical power or energy is 9.5 7 percent.

567 2. The provisions of s. 212.17(3), regarding credit for tax  
568 paid on charges subsequently found to be worthless, shall be  
569 equally applicable to any tax paid under the provisions of this  
570 section on charges for prepaid calling arrangements,  
571 telecommunication or telegraph services, or electric power  
572 subsequently found to be uncollectible. The word "charges" in  
573 this paragraph does not include any excise or similar tax levied  
574 by the Federal Government, any political subdivision of the  
575 state, or any municipality upon the purchase, sale, or recharge  
576 of prepaid calling arrangements or upon the purchase or sale of  
577 telecommunication, television system program, or telegraph  
578 service or electric power, which tax is collected by the seller  
579 from the purchaser.

580 (f) At the rate of 8.5 6 percent on the sale, rental, use,

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581 consumption, or storage for use in this state of machines and  
582 equipment, and parts and accessories therefor, used in  
583 manufacturing, processing, compounding, producing, mining, or  
584 quarrying personal property for sale or to be used in furnishing  
585 communications, transportation, or public utility services.

586 (g)1. At the rate of 8.5 ~~6~~ percent on the retail price of  
587 newspapers and magazines sold or used in Florida.

588 2. Notwithstanding other provisions of this chapter,  
589 inserts of printed materials which are distributed with a  
590 newspaper or magazine are a component part of the newspaper or  
591 magazine, and neither the sale nor use of such inserts is  
592 subject to tax when:

593 a. Printed by a newspaper or magazine publisher or  
594 commercial printer and distributed as a component part of a  
595 newspaper or magazine, which means that the items after being  
596 printed are delivered directly to a newspaper or magazine  
597 publisher by the printer for inclusion in editions of the  
598 distributed newspaper or magazine;

599 b. Such publications are labeled as part of the designated  
600 newspaper or magazine publication into which they are to be  
601 inserted; and

602 c. The purchaser of the insert presents a resale  
603 certificate to the vendor stating that the inserts are to be  
604 distributed as a component part of a newspaper or magazine.

605 (h)1. A tax is imposed at the rate of 6.5 ~~4~~ percent on the  
606 charges for the use of coin-operated amusement machines. The tax  
607 shall be calculated by dividing the gross receipts from such  
608 charges for the applicable reporting period by a divisor,  
609 determined as provided in this subparagraph, to compute gross

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610 taxable sales, and then subtracting gross taxable sales from  
611 gross receipts to arrive at the amount of tax due. For counties  
612 that do not impose a discretionary sales surtax, the divisor is  
613 equal to 1.065 ~~1.04~~; for counties that impose a 0.5 percent  
614 discretionary sales surtax, the divisor is equal to 1.07 ~~1.045~~;  
615 for counties that impose a 1 percent discretionary sales surtax,  
616 the divisor is equal to 1.075 ~~1.050~~; and for counties that  
617 impose a 2 percent sales surtax, the divisor is equal to 1.085  
618 ~~1.060~~. If a county imposes a discretionary sales surtax that is  
619 not listed in this subparagraph, the department shall make the  
620 applicable divisor available in an electronic format or  
621 otherwise. Additional divisors shall bear the same mathematical  
622 relationship to the next higher and next lower divisors as the  
623 new surtax rate bears to the next higher and next lower surtax  
624 rates for which divisors have been established. When a machine  
625 is activated by a slug, token, coupon, or any similar device  
626 which has been purchased, the tax is on the price paid by the  
627 user of the device for such device.

628 2. As used in this paragraph, the term "operator" means any  
629 person who possesses a coin-operated amusement machine for the  
630 purpose of generating sales through that machine and who is  
631 responsible for removing the receipts from the machine.

632 a. If the owner of the machine is also the operator of it,  
633 he or she shall be liable for payment of the tax without any  
634 deduction for rent or a license fee paid to a location owner for  
635 the use of any real property on which the machine is located.

636 b. If the owner or lessee of the machine is also its  
637 operator, he or she shall be liable for payment of the tax on  
638 the purchase or lease of the machine, as well as the tax on

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639 sales generated through the machine.

640 c. If the proprietor of the business where the machine is  
641 located does not own the machine, he or she shall be deemed to  
642 be the lessee and operator of the machine and is responsible for  
643 the payment of the tax on sales, unless such responsibility is  
644 otherwise provided for in a written agreement between him or her  
645 and the machine owner.

646 3.a. An operator of a coin-operated amusement machine may  
647 not operate or cause to be operated in this state any such  
648 machine until the operator has registered with the department  
649 and has conspicuously displayed an identifying certificate  
650 issued by the department. The identifying certificate shall be  
651 issued by the department upon application from the operator. The  
652 identifying certificate shall include a unique number, and the  
653 certificate shall be permanently marked with the operator's  
654 name, the operator's sales tax number, and the maximum number of  
655 machines to be operated under the certificate. An identifying  
656 certificate shall not be transferred from one operator to  
657 another. The identifying certificate must be conspicuously  
658 displayed on the premises where the coin-operated amusement  
659 machines are being operated.

660 b. The operator of the machine must obtain an identifying  
661 certificate before the machine is first operated in the state  
662 and by July 1 of each year thereafter. The annual fee for each  
663 certificate shall be based on the number of machines identified  
664 on the application times \$30 and is due and payable upon  
665 application for the identifying device. The application shall  
666 contain the operator's name, sales tax number, business address  
667 where the machines are being operated, and the number of

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668 machines in operation at that place of business by the operator.  
669 No operator may operate more machines than are listed on the  
670 certificate. A new certificate is required if more machines are  
671 being operated at that location than are listed on the  
672 certificate. The fee for the new certificate shall be based on  
673 the number of additional machines identified on the application  
674 form times \$30.

675 c. A penalty of \$250 per machine is imposed on the operator  
676 for failing to properly obtain and display the required  
677 identifying certificate. A penalty of \$250 is imposed on the  
678 lessee of any machine placed in a place of business without a  
679 proper current identifying certificate. Such penalties shall  
680 apply in addition to all other applicable taxes, interest, and  
681 penalties.

682 d. Operators of coin-operated amusement machines must  
683 obtain a separate sales and use tax certificate of registration  
684 for each county in which such machines are located. One sales  
685 and use tax certificate of registration is sufficient for all of  
686 the operator's machines within a single county.

687 4. The provisions of this paragraph do not apply to coin-  
688 operated amusement machines owned and operated by churches or  
689 synagogues.

690 5. In addition to any other penalties imposed by this  
691 chapter, a person who knowingly and willfully violates any  
692 provision of this paragraph commits a misdemeanor of the second  
693 degree, punishable as provided in s. 775.082 or s. 775.083.

694 6. The department may adopt rules necessary to administer  
695 the provisions of this paragraph.

696 (i)1. At the rate of 8.5 ~~6~~ percent on charges for all:



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697 a. Detective, burglar protection, and other protection  
698 services (NAICS National Numbers 561611, 561612, 561613, and  
699 561621). Any law enforcement officer, as defined in s. 943.10,  
700 who is performing approved duties as determined by his or her  
701 local law enforcement agency in his or her capacity as a law  
702 enforcement officer, and who is subject to the direct and  
703 immediate command of his or her law enforcement agency, and in  
704 the law enforcement officer's uniform as authorized by his or  
705 her law enforcement agency, is performing law enforcement and  
706 public safety services and is not performing detective, burglar  
707 protection, or other protective services, if the law enforcement  
708 officer is performing his or her approved duties in a  
709 geographical area in which the law enforcement officer has  
710 arrest jurisdiction. Such law enforcement and public safety  
711 services are not subject to tax irrespective of whether the duty  
712 is characterized as "extra duty," "off-duty," or "secondary  
713 employment," and irrespective of whether the officer is paid  
714 directly or through the officer's agency by an outside source.  
715 The term "law enforcement officer" includes full-time or part-  
716 time law enforcement officers, and any auxiliary law enforcement  
717 officer, when such auxiliary law enforcement officer is working  
718 under the direct supervision of a full-time or part-time law  
719 enforcement officer.

720 b. Nonresidential cleaning, excluding cleaning of the  
721 interiors of transportation equipment, and nonresidential  
722 building pest control services (NAICS National Numbers 561710  
723 and 561720).

724 2. As used in this paragraph, "NAICS" means those  
725 classifications contained in the North American Industry

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726 Classification System, as published in 2007 by the Office of  
727 Management and Budget, Executive Office of the President.

728 3. Charges for detective, burglar protection, and other  
729 protection security services performed in this state but used  
730 outside this state are exempt from taxation. Charges for  
731 detective, burglar protection, and other protection security  
732 services performed outside this state and used in this state are  
733 subject to tax.

734 4. If a transaction involves both the sale or use of a  
735 service taxable under this paragraph and the sale or use of a  
736 service or any other item not taxable under this chapter, the  
737 consideration paid must be separately identified and stated with  
738 respect to the taxable and exempt portions of the transaction or  
739 the entire transaction shall be presumed taxable. The burden  
740 shall be on the seller of the service or the purchaser of the  
741 service, whichever applicable, to overcome this presumption by  
742 providing documentary evidence as to which portion of the  
743 transaction is exempt from tax. The department is authorized to  
744 adjust the amount of consideration identified as the taxable and  
745 exempt portions of the transaction; however, a determination  
746 that the taxable and exempt portions are inaccurately stated and  
747 that the adjustment is applicable must be supported by  
748 substantial competent evidence.

749 5. Each seller of services subject to sales tax pursuant to  
750 this paragraph shall maintain a monthly log showing each  
751 transaction for which sales tax was not collected because the  
752 services meet the requirements of subparagraph 3. for out-of-  
753 state use. The log must identify the purchaser's name, location  
754 and mailing address, and federal employer identification number,

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755 if a business, or the social security number, if an individual,  
756 the service sold, the price of the service, the date of sale,  
757 the reason for the exemption, and the sales invoice number. The  
758 monthly log shall be maintained pursuant to the same  
759 requirements and subject to the same penalties imposed for the  
760 keeping of similar records pursuant to this chapter.

761 (j)1. Notwithstanding any other provision of this chapter,  
762 there is hereby levied a tax on the sale, use, consumption, or  
763 storage for use in this state of any coin or currency, whether  
764 in circulation or not, when such coin or currency:

765 a. Is not legal tender;

766 b. If legal tender, is sold, exchanged, or traded at a rate  
767 in excess of its face value; or

768 c. Is sold, exchanged, or traded at a rate based on its  
769 precious metal content.

770 2. Such tax shall be at a rate of 8.5 ~~6~~ percent of the  
771 price at which the coin or currency is sold, exchanged, or  
772 traded, except that, with respect to a coin or currency which is  
773 legal tender of the United States and which is sold, exchanged,  
774 or traded, such tax shall not be levied.

775 3. There are exempt from this tax exchanges of coins or  
776 currency which are in general circulation in, and legal tender  
777 of, one nation for coins or currency which are in general  
778 circulation in, and legal tender of, another nation when  
779 exchanged solely for use as legal tender and at an exchange rate  
780 based on the relative value of each as a medium of exchange.

781 4. With respect to any transaction that involves the sale  
782 of coins or currency taxable under this paragraph in which the  
783 taxable amount represented by the sale of such coins or currency

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784 exceeds \$500, the entire amount represented by the sale of such  
785 coins or currency is exempt from the tax imposed under this  
786 paragraph. The dealer must maintain proper documentation, as  
787 prescribed by rule of the department, to identify that portion  
788 of a transaction which involves the sale of coins or currency  
789 and is exempt under this subparagraph.

790 (k) At the rate of 8.5 ~~6~~ percent of the sales price of each  
791 gallon of diesel fuel not taxed under chapter 206 purchased for  
792 use in a vessel.

793 (l) Florists located in this state are liable for sales tax  
794 on sales to retail customers regardless of where or by whom the  
795 items sold are to be delivered. Florists located in this state  
796 are not liable for sales tax on payments received from other  
797 florists for items delivered to customers in this state.

798 (m) Operators of game concessions or other concessionaires  
799 who customarily award tangible personal property as prizes may,  
800 in lieu of paying tax on the cost price of such property, pay  
801 tax on 25 percent of the gross receipts from such concession  
802 activity.

803 Section 6. Subsection (2) of section 212.0501, Florida  
804 Statutes, is amended to read:

805 212.0501 Tax on diesel fuel for business purposes;  
806 purchase, storage, and use.—

807 (2) Each person who purchases diesel fuel for consumption,  
808 use, or storage by a trade or business shall register as a  
809 dealer and remit a use tax, at the rate of 8.5 ~~6~~ percent, on the  
810 total cost price of diesel fuel consumed.

811 Section 7. Subsection (2) of section 212.0506, Florida  
812 Statutes, is amended to read:

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813 212.0506 Taxation of service warranties.—

814 (2) For exercising such privilege, a tax is levied on each  
815 taxable transaction or incident, which tax is due and payable at  
816 the rate of 8.5 ~~6~~ percent on the total consideration received or  
817 to be received by any person for issuing and delivering any  
818 service warranty.

819 Section 8. Paragraph (a) of subsection (1) of section  
820 212.06, Florida Statutes, is amended to read:

821 212.06 Sales, storage, use tax; collectible from dealers;  
822 "dealer" defined; dealers to collect from purchasers;  
823 legislative intent as to scope of tax.—

824 (1)(a) The aforesaid tax at the rate of 8.5 ~~6~~ percent of  
825 the retail sales price as of the moment of sale, 8.5 ~~6~~ percent  
826 of the cost price as of the moment of purchase, or 8.5 ~~6~~ percent  
827 of the cost price as of the moment of commingling with the  
828 general mass of property in this state, as the case may be,  
829 shall be collectible from all dealers as herein defined on the  
830 sale at retail, the use, the consumption, the distribution, and  
831 the storage for use or consumption in this state of tangible  
832 personal property or services taxable under this chapter. The  
833 full amount of the tax on a credit sale, installment sale, or  
834 sale made on any kind of deferred payment plan shall be due at  
835 the moment of the transaction in the same manner as on a cash  
836 sale.

837 Section 9. Paragraph (c) of subsection (11) of section  
838 212.08, Florida Statutes, is amended to read:

839 212.08 Sales, rental, use, consumption, distribution, and  
840 storage tax; specified exemptions.—The sale at retail, the  
841 rental, the use, the consumption, the distribution, and the

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842 storage to be used or consumed in this state of the following  
843 are hereby specifically exempt from the tax imposed by this  
844 chapter.

845 (11) PARTIAL EXEMPTION; FLYABLE AIRCRAFT.—

846 (c) The maximum tax collectible under this subsection may  
847 not exceed 8.5 ~~6~~ percent of the sales price of such aircraft. No  
848 Florida tax may be imposed on the sale of such aircraft if the  
849 state in which the aircraft will be domiciled does not allow  
850 Florida sales or use tax to be credited against its sales or use  
851 tax. Furthermore, no tax may be imposed on the sale of such  
852 aircraft if the state in which the aircraft will be domiciled  
853 has enacted a sales and use tax exemption for flyable aircraft  
854 or if the aircraft will be domiciled outside the United States.

855 Section 10. Subsections (9), (10), and (11) of section  
856 212.12, Florida Statutes, are amended to read:

857 212.12 Dealer's credit for collecting tax; penalties for  
858 noncompliance; powers of Department of Revenue in dealing with  
859 delinquents; brackets applicable to taxable transactions;  
860 records required.—

861 (9) Taxes imposed by this chapter upon the privilege of the  
862 use, consumption, storage for consumption, or sale of tangible  
863 personal property, admissions, license fees, rentals,  
864 communication services, and upon the sale or use of services as  
865 herein taxed shall be collected upon the basis of an addition of  
866 the tax imposed by this chapter to the total price of such  
867 admissions, license fees, rentals, communication or other  
868 services, or sale price of such article or articles that are  
869 purchased, sold, or leased at any one time by or to a customer  
870 or buyer; the dealer, or person charged herein, is required to

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871 pay a privilege tax in the amount of the tax imposed by this  
872 chapter on the total of his or her gross sales of tangible  
873 personal property, admissions, license fees, rentals, and  
874 communication services or to collect a tax upon the sale or use  
875 of services, and such person or dealer shall add the tax imposed  
876 by this chapter to the price, license fee, rental, or  
877 admissions, and communication or other services and collect the  
878 total sum from the purchaser, admittee, licensee, lessee, or  
879 consumer. The department shall make available in an electronic  
880 format or otherwise the tax amounts and the following brackets  
881 applicable to all transactions taxable at the rate of 8.5 ~~6~~  
882 percent:

883 (a) On single sales of less than 10 cents, no tax shall be  
884 added.

885 (b) On single sales in amounts from 10 cents to 11 ~~16~~  
886 cents, both inclusive, 1 cent shall be added for taxes.

887 (c) On sales in amounts from 12 ~~17~~ cents to 23 ~~33~~ cents,  
888 both inclusive, 2 cents shall be added for taxes.

889 (d) On sales in amounts from 24 ~~34~~ cents to 35 ~~50~~ cents,  
890 both inclusive, 3 cents shall be added for taxes.

891 (e) On sales in amounts from 36 ~~51~~ cents to 47 ~~66~~ cents,  
892 both inclusive, 4 cents shall be added for taxes.

893 (f) On sales in amounts from 48 ~~67~~ cents to 59 ~~83~~ cents,  
894 both inclusive, 5 cents shall be added for taxes.

895 (g) On sales in amounts from 60 ~~84~~ cents to 71 cents ~~\$1~~,  
896 both inclusive, 6 cents shall be added for taxes.

897 (h) On sales in amounts from 72 cents to 83 cents, both  
898 inclusive, 7 cents shall be added for taxes.

899 (i) On sales in amounts from 84 cents to \$1, both

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900 inclusive, 8 cents shall be added for taxes.

901 (j)~~(h)~~ On sales in amounts of more than \$1, 8.5 ~~6~~ percent  
902 shall be charged upon each dollar of price, plus the appropriate  
903 bracket charge upon any fractional part of a dollar.

904 (10) In counties which have adopted a discretionary sales  
905 surtax at the rate of 1 percent, the department shall make  
906 available in an electronic format or otherwise the tax amounts  
907 and the following brackets applicable to all taxable  
908 transactions that would otherwise have been transactions taxable  
909 at the rate of 8.5 ~~6~~ percent:

910 (a) On single sales of less than 10 cents, no tax shall be  
911 added.

912 (b) On single sales in amounts from 10 cents to 11 ~~14~~  
913 cents, both inclusive, 1 cent shall be added for taxes.

914 (c) On sales in amounts from 12 ~~15~~ cents to 22 ~~28~~ cents,  
915 both inclusive, 2 cents shall be added for taxes.

916 (d) On sales in amounts from 23 ~~29~~ cents to 33 ~~42~~ cents,  
917 both inclusive, 3 cents shall be added for taxes.

918 (e) On sales in amounts from 34 ~~43~~ cents to 44 ~~57~~ cents,  
919 both inclusive, 4 cents shall be added for taxes.

920 (f) On sales in amounts from 45 ~~58~~ cents to 55 ~~71~~ cents,  
921 both inclusive, 5 cents shall be added for taxes.

922 (g) On sales in amounts from 56 ~~72~~ cents to 66 ~~85~~ cents,  
923 both inclusive, 6 cents shall be added for taxes.

924 (h) On sales in amounts from 67 ~~86~~ cents to 77 cents ~~\$1~~,  
925 both inclusive, 7 cents shall be added for taxes.

926 (i) On sales in amounts from 78 cents to 88 cents, both  
927 inclusive, 8 cents shall be added for taxes.

928 (j) On sales in amounts from 89 cents to \$1, both



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929 inclusive, 9 cents shall be added for taxes.

930 (k)~~(i)~~ On sales in amounts from \$1 up to, and including,  
931 the first \$5,000 in price, 9.5 7 percent shall be charged upon  
932 each dollar of price, plus the appropriate bracket charge upon  
933 any fractional part of a dollar.

934 (l)~~(j)~~ On sales in amounts of more than \$5,000 in price,  
935 9.5 7 percent shall be added upon the first \$5,000 in price, and  
936 8.5 6 percent shall be added upon each dollar of price in excess  
937 of the first \$5,000 in price, plus the bracket charges upon any  
938 fractional part of a dollar as provided for in subsection (9).

939 (11) The department shall make available in an electronic  
940 format or otherwise the tax amounts and brackets applicable to  
941 all taxable transactions that occur in counties that have a  
942 surtax at a rate other than 1 percent which transactions would  
943 otherwise have been transactions taxable at the rate of 8.5 6  
944 percent. Likewise, the department shall make available in an  
945 electronic format or otherwise the tax amounts and brackets  
946 applicable to transactions taxable at 9.5 7 percent pursuant to  
947 s. 212.05(1)(e) and on transactions which would otherwise have  
948 been so taxable in counties which have adopted a discretionary  
949 sales surtax.

950 Section 11. Subsection (6) of section 212.20, Florida  
951 Statutes, is amended to read:

952 212.20 Funds collected, disposition; additional powers of  
953 department; operational expense; refund of taxes adjudicated  
954 unconstitutionally collected.—

955 (6) Distribution of all proceeds under this chapter and s.  
956 202.18(1)(b) and (2)(b) shall be as follows:

957 (a) Proceeds from the convention development taxes

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958 authorized under s. 212.0305 shall be reallocated to the  
959 Convention Development Tax Clearing Trust Fund.

960 (b) Proceeds from discretionary sales surtaxes imposed  
961 pursuant to ss. 212.054 and 212.055 shall be reallocated to the  
962 Discretionary Sales Surtax Clearing Trust Fund.

963 (c) Proceeds from the fees imposed under ss. 212.05(1)(h)3.  
964 and 212.18(3) shall remain with the General Revenue Fund.

965 (d) Twenty-nine percent of the proceeds of all other taxes  
966 and fees imposed pursuant to this chapter shall be reserved in  
967 the General Revenue Fund exclusively as a replacement for funds  
968 previously generated by the required local effort for all school  
969 districts and shall be allocated for school district funding in  
970 accordance with the formula provided in s. 1011.62(4).

971 (e)~~(d)~~ The proceeds of all other taxes and fees imposed  
972 pursuant to this chapter or remitted pursuant to s. 202.18(1)(b)  
973 and (2)(b) shall be distributed as follows:

974 1. In any fiscal year, the greater of \$500 million, minus  
975 an amount equal to 4.6 percent of the proceeds of the taxes  
976 collected pursuant to chapter 201, or 5.2 percent of all other  
977 taxes and fees imposed pursuant to this chapter or remitted  
978 pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in  
979 monthly installments into the General Revenue Fund.

980 2. After the distribution under subparagraph 1., 8.814  
981 percent of the amount remitted by a sales tax dealer located  
982 within a participating county pursuant to s. 218.61 shall be  
983 transferred into the Local Government Half-cent Sales Tax  
984 Clearing Trust Fund. Beginning July 1, 2003, the amount to be  
985 transferred shall be reduced by 0.1 percent, and the department  
986 shall distribute this amount to the Public Employees Relations

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987 Commission Trust Fund less \$5,000 each month, which shall be  
988 added to the amount calculated in subparagraph 3. and  
989 distributed accordingly.

990 3. After the distribution under subparagraphs 1. and 2.,  
991 0.095 percent shall be transferred to the Local Government Half-  
992 cent Sales Tax Clearing Trust Fund and distributed pursuant to  
993 s. 218.65.

994 4. After the distributions under subparagraphs 1., 2., and  
995 3., 2.0440 percent of the available proceeds shall be  
996 transferred monthly to the Revenue Sharing Trust Fund for  
997 Counties pursuant to s. 218.215.

998 5. After the distributions under subparagraphs 1., 2., and  
999 3., 1.3409 percent of the available proceeds shall be  
1000 transferred monthly to the Revenue Sharing Trust Fund for  
1001 Municipalities pursuant to s. 218.215. If the total revenue to  
1002 be distributed pursuant to this subparagraph is at least as  
1003 great as the amount due from the Revenue Sharing Trust Fund for  
1004 Municipalities and the former Municipal Financial Assistance  
1005 Trust Fund in state fiscal year 1999-2000, no municipality shall  
1006 receive less than the amount due from the Revenue Sharing Trust  
1007 Fund for Municipalities and the former Municipal Financial  
1008 Assistance Trust Fund in state fiscal year 1999-2000. If the  
1009 total proceeds to be distributed are less than the amount  
1010 received in combination from the Revenue Sharing Trust Fund for  
1011 Municipalities and the former Municipal Financial Assistance  
1012 Trust Fund in state fiscal year 1999-2000, each municipality  
1013 shall receive an amount proportionate to the amount it was due  
1014 in state fiscal year 1999-2000.

1015 6. Of the remaining proceeds:

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1016 a. In each fiscal year, the sum of \$29,915,500 shall be  
1017 divided into as many equal parts as there are counties in the  
1018 state, and one part shall be distributed to each county. The  
1019 distribution among the several counties must begin each fiscal  
1020 year on or before January 5th and continue monthly for a total  
1021 of 4 months. If a local or special law required that any moneys  
1022 accruing to a county in fiscal year 1999-2000 under the then-  
1023 existing provisions of s. 550.135 be paid directly to the  
1024 district school board, special district, or a municipal  
1025 government, such payment must continue until the local or  
1026 special law is amended or repealed. The state covenants with  
1027 holders of bonds or other instruments of indebtedness issued by  
1028 local governments, special districts, or district school boards  
1029 before July 1, 2000, that it is not the intent of this  
1030 subparagraph to adversely affect the rights of those holders or  
1031 relieve local governments, special districts, or district school  
1032 boards of the duty to meet their obligations as a result of  
1033 previous pledges or assignments or trusts entered into which  
1034 obligated funds received from the distribution to county  
1035 governments under then-existing s. 550.135. This distribution  
1036 specifically is in lieu of funds distributed under s. 550.135  
1037 before July 1, 2000.

1038 b. The department shall distribute \$166,667 monthly  
1039 pursuant to s. 288.1162 to each applicant certified as a  
1040 facility for a new or retained professional sports franchise  
1041 pursuant to s. 288.1162. Up to \$41,667 shall be distributed  
1042 monthly by the department to each certified applicant as defined  
1043 in s. 288.11621 for a facility for a spring training franchise.  
1044 However, not more than \$416,670 may be distributed monthly in

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1045 the aggregate to all certified applicants for facilities for  
1046 spring training franchises. Distributions begin 60 days after  
1047 such certification and continue for not more than 30 years,  
1048 except as otherwise provided in s. 288.11621. A certified  
1049 applicant identified in this sub-subparagraph may not receive  
1050 more in distributions than expended by the applicant for the  
1051 public purposes provided for in s. 288.1162(5) or s.  
1052 288.11621(3).

1053 c. Beginning 30 days after notice by the Office of Tourism,  
1054 Trade, and Economic Development to the Department of Revenue  
1055 that an applicant has been certified as the professional golf  
1056 hall of fame pursuant to s. 288.1168 and is open to the public,  
1057 \$166,667 shall be distributed monthly, for up to 300 months, to  
1058 the applicant.

1059 d. Beginning 30 days after notice by the Office of Tourism,  
1060 Trade, and Economic Development to the Department of Revenue  
1061 that the applicant has been certified as the International Game  
1062 Fish Association World Center facility pursuant to s. 288.1169,  
1063 and the facility is open to the public, \$83,333 shall be  
1064 distributed monthly, for up to 168 months, to the applicant.  
1065 This distribution is subject to reduction pursuant to s.  
1066 288.1169. A lump sum payment of \$999,996 shall be made, after  
1067 certification and before July 1, 2000.

1068 7. All other proceeds must remain in the General Revenue  
1069 Fund.

1070 Section 12. Paragraph (a) of subsection (5) of section  
1071 11.45, Florida Statutes, is amended to read:

1072 11.45 Definitions; duties; authorities; reports; rules.—

1073 (5) PETITION FOR AN AUDIT BY THE AUDITOR GENERAL.—

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1074 (a) The Legislative Auditing Committee shall direct the  
1075 Auditor General to make an audit of any municipality whenever  
1076 petitioned to do so by at least 20 percent of the registered  
1077 electors in the last general election of that municipality  
1078 pursuant to this subsection. The supervisor of elections of the  
1079 county in which the municipality is located shall certify  
1080 whether or not the petition contains the signatures of at least  
1081 20 percent of the registered electors of the municipality. After  
1082 the completion of the audit, the Auditor General shall determine  
1083 whether the municipality has the fiscal resources necessary to  
1084 pay the cost of the audit. The municipality shall pay the cost  
1085 of the audit within 90 days after the Auditor General's  
1086 determination that the municipality has the available resources.  
1087 If the municipality fails to pay the cost of the audit, the  
1088 Department of Revenue shall, upon certification of the Auditor  
1089 General, withhold from that portion of the distribution pursuant  
1090 to s. 212.20(6) (e) ~~(d)~~5. which is distributable to such  
1091 municipality, a sum sufficient to pay the cost of the audit and  
1092 shall deposit that sum into the General Revenue Fund of the  
1093 state.

1094 Section 13. Paragraph (b) of subsection (2) of section  
1095 202.18, Florida Statutes, is amended to read:

1096 202.18 Allocation and disposition of tax proceeds.—The  
1097 proceeds of the communications services taxes remitted under  
1098 this chapter shall be treated as follows:

1099 (2) The proceeds of the taxes remitted under s.  
1100 202.12(1)(b) shall be divided as follows:

1101 (b) Sixty-three percent of the remainder shall be allocated  
1102 to the state and distributed pursuant to s. 212.20(6), except

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1103 that the proceeds allocated pursuant to s. 212.20(6) (e) ~~(d)~~2.  
1104 shall be prorated to the participating counties in the same  
1105 proportion as that month's collection of the taxes and fees  
1106 imposed pursuant to chapter 212 and paragraph (1)(b).

1107 Section 14. Subsection (3) of section 218.245, Florida  
1108 Statutes, is amended to read:

1109 218.245 Revenue sharing; apportionment.—

1110 (3) Revenues attributed to the increase in distribution to  
1111 the Revenue Sharing Trust Fund for Municipalities pursuant to s.  
1112 212.20(6) (e) ~~(d)~~5. from 1.0715 percent to 1.3409 percent provided  
1113 in chapter 2003-402, Laws of Florida, shall be distributed to  
1114 each eligible municipality and any unit of local government that  
1115 is consolidated as provided by s. 9, Art. VIII of the State  
1116 Constitution of 1885, as preserved by s. 6(e), Art. VIII, 1968  
1117 revised constitution, as follows: each eligible local  
1118 government's allocation shall be based on the amount it received  
1119 from the half-cent sales tax under s. 218.61 in the prior state  
1120 fiscal year divided by the total receipts under s. 218.61 in the  
1121 prior state fiscal year for all eligible local governments.

1122 However, for the purpose of calculating this distribution, the  
1123 amount received from the half-cent sales tax under s. 218.61 in  
1124 the prior state fiscal year by a unit of local government which  
1125 is consolidated as provided by s. 9, Art. VIII of the State  
1126 Constitution of 1885, as amended, and as preserved by s. 6(e),  
1127 Art. VIII, of the Constitution as revised in 1968, shall be  
1128 reduced by 50 percent for such local government and for the  
1129 total receipts. For eligible municipalities that began  
1130 participating in the allocation of half-cent sales tax under s.  
1131 218.61 in the previous state fiscal year, their annual receipts

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1132 shall be calculated by dividing their actual receipts by the  
1133 number of months they participated, and the result multiplied by  
1134 12.

1135 Section 15. Subsections (5), (6), and (7) of section  
1136 218.65, Florida Statutes, are amended to read:

1137 218.65 Emergency distribution.—

1138 (5) At the beginning of each fiscal year, the Department of  
1139 Revenue shall calculate a base allocation for each eligible  
1140 county equal to the difference between the current per capita  
1141 limitation times the county's population, minus prior year  
1142 ordinary distributions to the county pursuant to ss.

1143 212.20(6) (e)~~(d)~~2., 218.61, and 218.62. If moneys deposited into  
1144 the Local Government Half-cent Sales Tax Clearing Trust Fund  
1145 pursuant to s. 212.20(6) (e)~~(d)~~3., excluding moneys appropriated  
1146 for supplemental distributions pursuant to subsection (8), for  
1147 the current year are less than or equal to the sum of the base  
1148 allocations, each eligible county shall receive a share of the  
1149 appropriated amount proportional to its base allocation. If the  
1150 deposited amount exceeds the sum of the base allocations, each  
1151 county shall receive its base allocation, and the excess  
1152 appropriated amount, less any amounts distributed under  
1153 subsection (6), shall be distributed equally on a per capita  
1154 basis among the eligible counties.

1155 (6) If moneys deposited in the Local Government Half-cent  
1156 Sales Tax Clearing Trust Fund pursuant to s. 212.20(6) (e)~~(d)~~3.  
1157 exceed the amount necessary to provide the base allocation to  
1158 each eligible county, the moneys in the trust fund may be used  
1159 to provide a transitional distribution, as specified in this  
1160 subsection, to certain counties whose population has increased.



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1161 The transitional distribution shall be made available to each  
1162 county that qualified for a distribution under subsection (2) in  
1163 the prior year but does not, because of the requirements of  
1164 paragraph (2)(a), qualify for a distribution in the current  
1165 year. Beginning on July 1 of the year following the year in  
1166 which the county no longer qualifies for a distribution under  
1167 subsection (2), the county shall receive two-thirds of the  
1168 amount received in the prior year, and beginning July 1 of the  
1169 second year following the year in which the county no longer  
1170 qualifies for a distribution under subsection (2), the county  
1171 shall receive one-third of the amount it received in the last  
1172 year it qualified for the distribution under subsection (2). If  
1173 insufficient moneys are available in the Local Government Half-  
1174 cent Sales Tax Clearing Trust Fund to fully provide such a  
1175 transitional distribution to each county that meets the  
1176 eligibility criteria in this section, each eligible county shall  
1177 receive a share of the available moneys proportional to the  
1178 amount it would have received had moneys been sufficient to  
1179 fully provide such a transitional distribution to each eligible  
1180 county.

1181 (7) There is hereby annually appropriated from the Local  
1182 Government Half-cent Sales Tax Clearing Trust Fund the  
1183 distribution provided in s. 212.20(6) (e) ~~(d)~~3. to be used for  
1184 emergency and supplemental distributions pursuant to this  
1185 section.

1186 Section 16. Subsection (3) of section 288.11621, Florida  
1187 Statutes, is amended to read:

1188 288.11621 Spring training baseball franchises.—

1189 (3) USE OF FUNDS.—

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1190 (a) A certified applicant may use funds provided under s.  
1191 212.20(6) (e) ~~(d)~~ 6.b. only to:

1192 1. Serve the public purpose of acquiring, constructing,  
1193 reconstructing, or renovating a facility for a spring training  
1194 franchise.

1195 2. Pay or pledge for the payment of debt service on, or to  
1196 fund debt service reserve funds, arbitrage rebate obligations,  
1197 or other amounts payable with respect thereto, bonds issued for  
1198 the acquisition, construction, reconstruction, or renovation of  
1199 such facility, or for the reimbursement of such costs or the  
1200 refinancing of bonds issued for such purposes.

1201 3. Assist in the relocation of a spring training franchise  
1202 from one unit of local government to another only if the  
1203 governing board of the current host local government by a  
1204 majority vote agrees to relocation.

1205 (b) State funds awarded to a certified applicant for a  
1206 facility for a spring training franchise may not be used to  
1207 subsidize facilities that are privately owned, maintained, and  
1208 used only by a spring training franchise.

1209 (c) The Department of Revenue may not distribute funds to  
1210 an applicant certified on or after July 1, 2010, until it  
1211 receives notice from the office that the certified applicant has  
1212 encumbered funds under subparagraph (a)2.

1213 (d)1. All certified applicants must place unexpended state  
1214 funds received pursuant to s. 212.20(6) (e) ~~(d)~~ 6.b. in a trust  
1215 fund or separate account for use only as authorized in this  
1216 section.

1217 2. A certified applicant may request that the Department of  
1218 Revenue suspend further distributions of state funds made

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1219 available under s. 212.20(6) (e) ~~(d)~~ 6.b. for 12 months after  
1220 expiration of an existing agreement with a spring training  
1221 franchise to provide the certified applicant with an opportunity  
1222 to enter into a new agreement with a spring training franchise,  
1223 at which time the distributions shall resume.

1224 3. The expenditure of state funds distributed to an  
1225 applicant certified before July 1, 2010, must begin within 48  
1226 months after the initial receipt of the state funds. In  
1227 addition, the construction of, or capital improvements to, a  
1228 spring training facility must be completed within 24 months  
1229 after the project's commencement.

1230 Section 17. Subsection (6) of section 288.1169, Florida  
1231 Statutes, is amended to read:

1232 288.1169 International Game Fish Association World Center  
1233 facility.—

1234 (6) The Department of Commerce must recertify every 10  
1235 years that the facility is open, that the International Game  
1236 Fish Association World Center continues to be the only  
1237 international administrative headquarters, fishing museum, and  
1238 Hall of Fame in the United States recognized by the  
1239 International Game Fish Association, and that the project is  
1240 meeting the minimum projections for attendance or sales tax  
1241 revenues as required at the time of original certification. If  
1242 the facility is not recertified during this 10-year review as  
1243 meeting the minimum projections, then funding shall be abated  
1244 until certification criteria are met. If the project fails to  
1245 generate \$1 million of annual revenues pursuant to paragraph  
1246 (2) (e), the distribution of revenues pursuant to s. 212.20(6) (e)  
1247 ~~(d)~~ 6.d. shall be reduced to an amount equal to \$83,333

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1248 multiplied by a fraction, the numerator of which is the actual  
1249 revenues generated and the denominator of which is \$1 million.  
1250 Such reduction remains in effect until revenues generated by the  
1251 project in a 12-month period equal or exceed \$1 million.

1252 Section 18. Effective November 1, 2012, subsection (4) of  
1253 section 1011.62, Florida Statutes, is amended to read:

1254 1011.62 Funds for operation of schools.—If the annual  
1255 allocation from the Florida Education Finance Program to each  
1256 district for operation of schools is not determined in the  
1257 annual appropriations act or the substantive bill implementing  
1258 the annual appropriations act, it shall be determined as  
1259 follows:

1260 (4) COMPUTATION FOR ALLOCATING SPECIFIED EDUCATION SALES  
1261 TAX PROCEEDS OF DISTRICT REQUIRED LOCAL EFFORT.—The Legislature  
1262 shall prescribe the aggregate amount of revenue from property  
1263 taxes that would otherwise be required local effort for all  
1264 school districts collectively if proceeds of the specified  
1265 education sales tax were not available as an item in the General  
1266 Appropriations Act for each fiscal year. The amount that shall  
1267 be appropriated to each district shall be provided provide  
1268 annually from funds reserved in the General Revenue Fund under  
1269 s. 212.20(6)(d), and shall replace revenue that would otherwise  
1270 have to be raised by local property taxes, toward the cost of  
1271 the Florida Education Finance Program for kindergarten through  
1272 grade 12 programs using the following calculations shall be  
1273 ealculated as follows:

1274 (a) *Estimated taxable value calculations.*—

1275 1.a. Not later than 2 working days prior to July 19, the  
1276 Department of Revenue shall certify to the Commissioner of

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1277 Education its most recent estimate of the taxable value for  
1278 school purposes in each school district and the total for all  
1279 school districts in the state for the current calendar year  
1280 based on the latest available data obtained from the local  
1281 property appraisers. The value certified shall be the taxable  
1282 value for school purposes for that year, and no further  
1283 adjustments shall be made, except those made pursuant to  
1284 paragraphs (c) and (d), or an assessment roll change required by  
1285 final judicial decisions as specified in paragraph (12) (b). Not  
1286 later than July 19, the Commissioner of Education shall compute  
1287 a millage rate, rounded to the next highest one one-thousandth  
1288 of a mill, which, if ~~when~~ applied to 96 percent of the estimated  
1289 state total taxable value for school purposes, would generate  
1290 the prescribed aggregate amount of revenue from property taxes  
1291 that would otherwise be required local effort for that year for  
1292 all districts if proceeds of the specified education sales tax  
1293 were not available. ~~The Commissioner of Education shall certify~~  
1294 ~~to each district school board the millage rate, computed as~~  
1295 ~~prescribed in this subparagraph, as the minimum millage rate~~  
1296 ~~necessary to provide the district required local effort for that~~  
1297 ~~year.~~

1298 b. The General Appropriations Act shall direct the  
1299 computation of the statewide adjusted aggregate amount ~~for~~  
1300 required ~~local effort~~ for all school districts collectively ~~from~~  
1301 ~~ad valorem taxes~~ to ensure that no school district's allocation  
1302 ~~revenue~~ from proceeds of the specified education sales tax  
1303 ~~required local effort millage~~ will produce more than 90 percent  
1304 of the district's total Florida Education Finance Program  
1305 calculation as calculated and adopted by the Legislature, and

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1306 the estimated adjustment of the ~~required local effort~~ millage  
 1307 rate of each district that would produce ~~produces~~ more than 90  
 1308 percent of its total Florida Education Finance Program  
 1309 entitlement to a level that would be required to ~~will~~ produce  
 1310 only 90 percent of its total Florida Education Finance Program  
 1311 entitlement in the July calculation if proceeds of the specified  
 1312 education sales tax were not available.

1313 2. On the same date as the certification in sub-  
 1314 subparagraph 1.a., the Department of Revenue shall certify to  
 1315 the Commissioner of Education for each district:

1316 a. Each year for which the property appraiser has certified  
 1317 the taxable value pursuant to s. 193.122(2) or (3), if  
 1318 applicable, since the prior certification under sub-subparagraph  
 1319 1.a.

1320 b. For each year identified in sub-subparagraph a., the  
 1321 taxable value certified by the appraiser pursuant to s.  
 1322 193.122(2) or (3), if applicable, since the prior certification  
 1323 under sub-subparagraph 1.a. This is the certification that  
 1324 reflects all final administrative actions of the value  
 1325 adjustment board.

1326 (b) *Equalization of proceeds from the specified education*  
 1327 *sales tax ~~required local effort.~~*

1328 1. The Department of Revenue shall include with its  
 1329 certifications provided pursuant to paragraph (a) its most  
 1330 recent determination of the assessment level of the prior year's  
 1331 assessment roll for each county and for the state as a whole.

1332 2. The Commissioner of Education shall adjust the estimated  
 1333 ~~required local effort~~ millage that would otherwise be required  
 1334 of each district for the current year if proceeds from the

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1335 specified education sales tax were not available, computed  
1336 pursuant to paragraph (a), as follows:

1337 a. The equalization factor for the prior year's assessment  
1338 roll of each district shall be multiplied by 96 percent of the  
1339 taxable value for school purposes shown on that roll and by the  
1340 prior year's estimate of ~~required local effort~~ millage under  
1341 this subsection, exclusive of any equalization adjustment made  
1342 pursuant to this paragraph. The dollar amount so computed shall  
1343 be the additional amount required from the proceeds of the  
1344 specified education sales tax ~~required local effort~~ for  
1345 equalization for the current year.

1346 b. Such equalization factor shall be computed as the  
1347 quotient of the prior year's assessment level of the state as a  
1348 whole divided by the prior year's assessment level of the  
1349 county, from which quotient shall be subtracted 1.

1350 c. The dollar amount of additional proceeds required from  
1351 the specified education sales tax ~~local effort~~ for equalization  
1352 for each district shall be converted to an estimated a millage  
1353 rate that would otherwise be required if proceeds from the  
1354 specified education sales tax were not available, based on 96  
1355 percent of the current year's taxable value for that district,  
1356 and added to the estimated ~~required local effort~~ millage  
1357 determined pursuant to paragraph (a) that would otherwise be  
1358 required if proceeds from the specified education sales tax were  
1359 not available.

1360 3. ~~Notwithstanding the limitations imposed pursuant to s.~~  
1361 ~~1011.71(1),~~ The total estimated ~~required local effort~~ millage,  
1362 including additional proceeds ~~required local effort~~ for  
1363 equalization, shall be an amount not to exceed 10 minus the

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1364 maximum millage allowed as nonvoted discretionary millage,  
1365 exclusive of millage authorized pursuant to s. 1011.71(2).  
1366 Nothing herein shall be construed to allow a millage in excess  
1367 of that authorized in s. 9, Art. VII of the State Constitution.

1368 4. For the purposes of this chapter, the term "assessment  
1369 level" means the value-weighted mean assessment ratio for the  
1370 county or state as a whole, as determined pursuant to s.  
1371 195.096, or as subsequently adjusted. However, for those parcels  
1372 studied pursuant to s. 195.096(3)(a)1. which are receiving the  
1373 assessment limitation set forth in s. 193.155, and for which the  
1374 assessed value is less than the just value, the department shall  
1375 use the assessed value in the numerator and the denominator of  
1376 such assessment ratio. In the event a court has adjudicated that  
1377 the department failed to establish an accurate estimate of an  
1378 assessment level of a county and recomputation resulting in an  
1379 accurate estimate based upon the evidence before the court was  
1380 not possible, that county shall be presumed to have an  
1381 assessment level equal to that of the state as a whole.

1382 5. If, in the prior year, taxes were levied against an  
1383 interim assessment roll pursuant to s. 193.1145, the assessment  
1384 level and prior year's nonexempt assessed valuation used for the  
1385 purposes of this paragraph shall be those of the interim  
1386 assessment roll.

1387 (c) *Exclusion.*—

1388 1. In those instances in which:

1389 a. There is litigation either attacking the authority of  
1390 the property appraiser to include certain property on the tax  
1391 assessment roll as taxable property or contesting the assessed  
1392 value of certain property on the tax assessment roll, and



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1393 b. The assessed value of the property in contest involves  
1394 more than 6 percent of the total nonexempt assessment roll, the  
1395 plaintiff shall provide to the district school board of the  
1396 county in which the property is located and to the Department of  
1397 Education a certified copy of the petition and receipt for the  
1398 good faith payment at the time they are filed with the court.

1399 2. For purposes of computing the amount of revenue from  
1400 property taxes that would otherwise be required if proceeds from  
1401 the specified education sales tax were not available local  
1402 effort for each district affected by such petition, the  
1403 Department of Education shall exclude from the district's total  
1404 nonexempt assessment roll the assessed value of the property in  
1405 contest and shall add an appropriate the amount for allocation  
1406 to the district from the proceeds of the specified education  
1407 sales tax of the good faith payment to the district's required  
1408 local effort.

1409 (d) *Recomputation.*—Following final adjudication of any  
1410 litigation on the basis of which an adjustment in taxable value  
1411 was made pursuant to paragraph (c), the department shall  
1412 recompute the amount of revenue from property taxes that would  
1413 otherwise have been required from local effort for each district  
1414 for each year affected by such adjustments, utilizing taxable  
1415 values approved by the court, and shall adjust subsequent  
1416 allocations from the proceeds of the specified education sales  
1417 tax to such districts accordingly.

1418 ~~(e) *Prior period funding adjustment millage.*~~

1419 ~~1. There shall be an additional millage to be known as the~~  
1420 ~~Prior Period Funding Adjustment Millage levied by a school~~  
1421 ~~district if the prior period unrealized required local effort~~

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1422 ~~funds are greater than zero. The Commissioner of Education shall~~  
1423 ~~calculate the amount of the prior period unrealized required~~  
1424 ~~local effort funds as specified in subparagraph 2. and the~~  
1425 ~~millage required to generate that amount as specified in this~~  
1426 ~~subparagraph. The Prior Period Funding Adjustment Millage shall~~  
1427 ~~be the quotient of the prior period unrealized required local~~  
1428 ~~effort funds divided by the current year taxable value certified~~  
1429 ~~to the Commissioner of Education pursuant to sub-subparagraph~~  
1430 ~~(a)1.a. This levy shall be in addition to the required local~~  
1431 ~~effort millage certified pursuant to this subsection. Such~~  
1432 ~~millage shall not affect the calculation of the current year's~~  
1433 ~~required local effort, and the funds generated by such levy~~  
1434 ~~shall not be included in the district's Florida Education~~  
1435 ~~Finance Program allocation for that fiscal year. For purposes of~~  
1436 ~~the millage to be included on the Notice of Proposed Taxes, the~~  
1437 ~~Commissioner of Education shall adjust the required local effort~~  
1438 ~~millage computed pursuant to paragraph (a) as adjusted by~~  
1439 ~~paragraph (b) for the current year for any district that levies~~  
1440 ~~a Prior Period Funding Adjustment Millage to include all Prior~~  
1441 ~~Period Funding Adjustment Millage. For the purpose of this~~  
1442 ~~paragraph, there shall be a Prior Period Funding Adjustment~~  
1443 ~~Millage levied for each year certified by the Department of~~  
1444 ~~Revenue pursuant to sub-subparagraph (a)2.a. since the previous~~  
1445 ~~year certification and for which the calculation in sub-~~  
1446 ~~subparagraph 2.b. is greater than zero.~~

1447 ~~2.a. As used in this subparagraph, the term:~~

1448 ~~(I) "Prior year" means a year certified under sub-~~  
1449 ~~subparagraph (a)2.a.~~

1450 ~~(II) "Preliminary taxable value" means:~~

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1451 ~~(A) If the prior year is the 2009-2010 fiscal year or~~  
1452 ~~later, the taxable value certified to the Commissioner of~~  
1453 ~~Education pursuant to sub-subparagraph (a)1.a.~~

1454 ~~(B) If the prior year is the 2008-2009 fiscal year or~~  
1455 ~~earlier, the taxable value certified pursuant to the final~~  
1456 ~~calculation as specified in former paragraph (b) as that~~  
1457 ~~paragraph existed in the prior year.~~

1458 ~~(III) "Final taxable value" means the district's taxable~~  
1459 ~~value as certified by the property appraiser pursuant to s.~~  
1460 ~~193.122(2) or (3), if applicable. This is the certification that~~  
1461 ~~reflects all final administrative actions of the value~~  
1462 ~~adjustment board.~~

1463 ~~b. For purposes of this subsection and with respect to each~~  
1464 ~~year certified pursuant to sub-subparagraph (a)2.a., if the~~  
1465 ~~district's prior year preliminary taxable value is greater than~~  
1466 ~~the district's prior year final taxable value, the prior period~~  
1467 ~~unrealized required local effort funds are the difference~~  
1468 ~~between the district's prior year preliminary taxable value and~~  
1469 ~~the district's prior year final taxable value, multiplied by the~~  
1470 ~~prior year district required local effort millage. If the~~  
1471 ~~district's prior year preliminary taxable value is less than the~~  
1472 ~~district's prior year final taxable value, the prior period~~  
1473 ~~unrealized required local effort funds are zero.~~

1474 Section 19. Effective November 1, 2012, subsection (1) of  
1475 section 1011.71, Florida Statutes, is amended to read:

1476 1011.71 District school tax.—

1477 (1) ~~If the district school tax is not provided in the~~  
1478 ~~General Appropriations Act or the substantive bill implementing~~  
1479 ~~the General Appropriations Act, each district school board~~

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1480 ~~desiring to participate in the state allocation of funds for~~  
1481 ~~current operation as prescribed by s. 1011.62(12) shall levy on~~  
1482 ~~the taxable value for school purposes of the district, exclusive~~  
1483 ~~of millage voted under the provisions of s. 9(b) or s. 12, Art.~~  
1484 ~~VII of the State Constitution, a millage rate not to exceed the~~  
1485 ~~amount certified by the commissioner as the minimum millage rate~~  
1486 ~~necessary to provide the district required local effort for the~~  
1487 ~~current year, pursuant to s. 1011.62(4)(a)1. In addition to the~~  
1488 ~~required local effort millage levy, Each district school board~~  
1489 may levy a nonvoted current operating discretionary millage. The  
1490 Legislature shall prescribe annually in the appropriations act  
1491 the maximum amount of millage a district may levy.

1492 Section 20. Effective November 1, 2012, section 218.67,  
1493 Florida Statutes, is amended to read:

1494 218.67 Distribution for fiscally constrained counties.—

1495 (1) Each county that is entirely within a rural area of  
1496 critical economic concern as designated by the Governor pursuant  
1497 to s. 288.0656 or each county for which the value of a mill will  
1498 raise no more than \$5 million in revenue, based on the taxable  
1499 value certified pursuant to s. 1011.62(4)(a)1.a., from the  
1500 previous July 1, shall be considered a fiscally constrained  
1501 county.

1502 (2) Each fiscally constrained county government that  
1503 participates in the local government half-cent sales tax shall  
1504 be eligible to receive an additional distribution from the Local  
1505 Government Half-cent Sales Tax Clearing Trust Fund, as provided  
1506 in s. 202.18(2)(c)1., in addition to its regular monthly  
1507 distribution provided under this part and any emergency or  
1508 supplemental distribution under s. 218.65.

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1509 (3) The amount to be distributed to each fiscally  
1510 constrained county shall be determined by the Department of  
1511 Revenue at the beginning of the fiscal year, using the prior  
1512 fiscal year's July 1 taxable value certified pursuant to s.  
1513 1011.62(4)(a)1.a., tax data, population as defined in s. 218.21,  
1514 and millage rate levied for the prior fiscal year. The amount  
1515 distributed shall be allocated based upon the following factors:

1516 (a) The relative revenue-raising-capacity factor shall be  
1517 the ability of the eligible county to generate ad valorem  
1518 revenues from 1 mill of taxation on a per capita basis. A county  
1519 that raises no more than \$25 per capita from 1 mill shall be  
1520 assigned a value of 1; a county that raises more than \$25 but no  
1521 more than \$30 per capita from 1 mill shall be assigned a value  
1522 of 0.75; and a county that raises more than \$30 but no more than  
1523 \$50 per capita from 1 mill shall be assigned a value of 0.5. No  
1524 value shall be assigned to counties that raise more than \$50 per  
1525 capita from 1 mill of ad valorem taxation.

1526 (b) The local-effort factor shall be a measure of the  
1527 relative level of property tax revenues that would otherwise  
1528 have been required local effort of the eligible county if  
1529 proceeds from the specified education sales tax were not  
1530 available as indicated by the estimated millage rate ~~levied~~ for  
1531 the prior fiscal year. The local-effort factor shall be the most  
1532 recently adopted countywide operating millage rate plus an  
1533 estimated amount of millage that would have been required if  
1534 proceeds from the specified education sales tax were not  
1535 available for each eligible county multiplied by 0.1.

1536 (c) Each eligible county's proportional allocation of the  
1537 total amount available to be distributed to all of the eligible

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1538 counties shall be in the same proportion as the sum of the  
1539 county's two factors is to the sum of the two factors for all  
1540 eligible counties. The counties that are eligible to receive an  
1541 allocation under this subsection and the amount available to be  
1542 distributed to such counties shall not include counties  
1543 participating in the phaseout period under subsection (4) or the  
1544 amounts they remain eligible to receive during the phaseout.

1545 (4) For those counties that no longer qualify under the  
1546 requirements of subsection (1) after the effective date of this  
1547 act, there shall be a 2-year phaseout period. Beginning on July  
1548 1 of the year following the year in which the value of a mill  
1549 for that county exceeds \$5 million in revenue, the county shall  
1550 receive two-thirds of the amount received in the prior year, and  
1551 beginning on July 1 of the second year following the year in  
1552 which the value of a mill for that county exceeds \$5 million in  
1553 revenue, the county shall receive one-third of the amount  
1554 received in the last year that the county qualified as a  
1555 fiscally constrained county. Following the 2-year phaseout  
1556 period, the county shall no longer be eligible to receive any  
1557 distributions under this section unless the county can be  
1558 considered a fiscally constrained county as provided in  
1559 subsection (1).

1560 (5) The revenues received under this section may be used by  
1561 a county for any public purpose, except that such revenues may  
1562 not be used to pay debt service on bonds, notes, certificates of  
1563 participation, or any other forms of indebtedness.

1564 Section 21. Effective November 1, 2012, paragraph (a) of  
1565 subsection (9) of section 1002.32, Florida Statutes, is amended  
1566 to read:

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1567 1002.32 Developmental research (laboratory) schools.—

1568 (9) FUNDING.—Funding for a lab school, including a charter  
1569 lab school, shall be provided as follows:

1570 (a) Each lab school shall be allocated its proportional  
1571 share of operating funds from the Florida Education Finance  
1572 Program as provided in s. 1011.62 based on the county in which  
1573 the lab school is located and the General Appropriations Act.  
1574 The nonvoted ad valorem millage that would otherwise be required  
1575 for lab schools shall be allocated from state funds. The  
1576 required ~~local effort~~ funds calculated pursuant to s. 1011.62  
1577 shall be allocated from state funds to the schools as a part of  
1578 the allocation of operating funds pursuant to s. 1011.62. Each  
1579 eligible lab school in operation as of September 1, 2002, shall  
1580 also receive a proportional share of the sparsity supplement as  
1581 calculated pursuant to s. 1011.62. In addition, each lab school  
1582 shall receive its proportional share of all categorical funds,  
1583 with the exception of s. 1011.68, and new categorical funds  
1584 enacted after July 1, 1994, for the purpose of elementary or  
1585 secondary academic program enhancement. The sum of funds  
1586 available as provided in this paragraph shall be included  
1587 annually in the Florida Education Finance Program and  
1588 appropriate categorical programs funded in the General  
1589 Appropriations Act.

1590 Section 22. Effective November 1, 2012, section 1011.02,  
1591 Florida Statutes, is amended to read:

1592 1011.02 District school boards to adopt tentative budget.—

1593 (1) On or before the date prescribed in rules of the State  
1594 Board of Education, each district school board shall receive and  
1595 examine the tentative budget submitted by the district school

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1596 superintendent, and shall require such changes to be made, in  
1597 keeping with the purposes of the school code, as may be to the  
1598 best interest of the school program in the district.

1599 (2) The district school board shall determine, within  
1600 prescribed limits, the reserves to be allotted for  
1601 contingencies, and the cash balance to be carried forward at the  
1602 end of the year. If the district school board shall require any  
1603 changes to be made in receipts, in the reserves for  
1604 contingencies, or in the cash balance to be carried forward at  
1605 the end of the year, it shall also require necessary changes to  
1606 be made in the appropriations for expenditures so that the  
1607 budget, as changed, will not contain appropriations for  
1608 expenditures and reserves in excess of, or less than, estimated  
1609 receipts and balances.

1610 (3) The proposed budget shall include the anticipated an  
1611 amount of proceeds from the specified education sales tax that  
1612 the district school board expects to receive ~~for local required~~  
1613 ~~effort~~ for current operation, in accordance with the  
1614 requirements of s. 1011.62(4).

1615 (4) When a tentative budget has been prepared in accordance  
1616 with rules of the State Board of Education, the proposed  
1617 expenditures, plus transfers, and balances shall not exceed the  
1618 estimated income, transfers, and balances. The budget and each  
1619 of the parts thereof shall balance.

1620 (5) The district school board shall adopt a tentative  
1621 budget.

1622 Section 23. Effective November 1, 2012, paragraph (c) of  
1623 subsection (3) of section 200.065, Florida Statutes, is amended  
1624 to read:



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1625 200.065 Method of fixing millage.—

1626 (3) The advertisement shall be no less than one-quarter  
1627 page in size of a standard size or a tabloid size newspaper, and  
1628 the headline in the advertisement shall be in a type no smaller  
1629 than 18 point. The advertisement shall not be placed in that  
1630 portion of the newspaper where legal notices and classified  
1631 advertisements appear. The advertisement shall be published in a  
1632 newspaper of general paid circulation in the county or in a  
1633 geographically limited insert of such newspaper. The geographic  
1634 boundaries in which such insert is circulated shall include the  
1635 geographic boundaries of the taxing authority. It is the  
1636 legislative intent that, whenever possible, the advertisement  
1637 appear in a newspaper that is published at least 5 days a week  
1638 unless the only newspaper in the county is published less than 5  
1639 days a week, or that the advertisement appear in a  
1640 geographically limited insert of such newspaper which insert is  
1641 published throughout the taxing authority's jurisdiction at  
1642 least twice each week. It is further the legislative intent that  
1643 the newspaper selected be one of general interest and readership  
1644 in the community and not one of limited subject matter, pursuant  
1645 to chapter 50.

1646 (c) For school districts which have proposed a millage rate  
1647 in excess of 100 percent of the rolled-back rate computed  
1648 pursuant to subsection (1) and which propose to levy nonvoted  
1649 millage in excess of the minimum amount required pursuant to s.  
1650 1011.60(6), the advertisement shall be in the following form:

1651 NOTICE OF PROPOSED TAX INCREASE

1652 The ...(name of school district)... will soon consider a  
1653 measure to increase its property tax levy.

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1654 Last year's property tax levy:  
 1655       A. Initially proposed tax levy       \$XX,XXX,XXX  
 1656       B. Less tax reductions due to Value Adjustment Board and  
 1657 other assessment changes (\$XX,XXX,XXX)  
 1658       C. Actual property tax levy       \$XX,XXX,XXX

1659 This year's proposed tax levy \$XX,XXX,XXX  
 1660       A portion of the tax levy is required under state law in  
 1661 order for the school board to receive \$...(amount A)... in state  
 1662 education grants. The required portion has ...(increased or  
 1663 decreased)... by ...(amount B)... percent and represents  
 1664 approximately ...(amount C)... of the total proposed taxes.

1665       The remainder of the taxes is proposed solely at the  
 1666 discretion of the school board.

1667       All concerned citizens are invited to a public hearing on  
 1668 the tax increase to be held on ...(date and time)... at  
 1669 ...(meeting place)....

1670       A DECISION on the proposed tax increase and the budget will  
 1671 be made at this hearing.

1672  
 1673       ~~1. AMOUNT A shall be an estimate, provided by the~~  
 1674 Department of Education, of the amount to be received in the  
 1675 current fiscal year by the district from state appropriations  
 1676 for the Florida Education Finance Program.

1677       ~~2. AMOUNT B shall be the percent increase over the rolled-~~  
 1678 ~~back rate necessary to levy only the required local effort in~~  
 1679 ~~the current fiscal year, computed as though in the preceding~~  
 1680 ~~fiscal year only the required local effort was levied.~~

1681       ~~3. AMOUNT C shall be the quotient of required local-effort~~  
 1682 ~~millage divided by the total proposed nonvoted millage, rounded~~

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1683 ~~to the nearest tenth and stated in words; however, the stated~~  
1684 ~~amount shall not exceed nine-tenths.~~

1685       Section 24. Except as otherwise expressly provided in this  
1686 act, and except for this section, which shall take effect upon  
1687 this act becoming a law, this act shall take effect January 1,  
1688 2012.