

By the Committee on Budget

576-03495-11

20112124

A bill to be entitled

An act relating to the Department of Revenue; amending s. 195.096, F.S.; extending from once every 2 years to once every 3 years the requirement that the department conduct an in-depth review of the assessment roll of each county; providing for a study of certain classifications constituting 5 percent or more of the total assessed value of real property on the previous assessment roll; replacing assessed value with just value of all real property that the department may combine for purposes of assessment ration studies; amending s. 212.05, F.S.; imposing a tax on the charges for the use of coin-operated amusement machines operated on the licensed premises of a pari-mutuel facility located in certain cities or counties; amending s. 213.69, F.S.; exempting the department from paying charges imposed by the clerks of the court for recording tax liens; providing an effective date.

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

Section 1. Subsection (2) and paragraph (a) of subsection (3) of section 195.096, Florida Statutes, are amended to read:

195.096 Review of assessment rolls.—

(2) The department shall conduct, at least ~~no less~~ frequently than once every 3 ~~2~~ years, an in-depth review of the assessment rolls of each county. The department need not individually study every use-class of property set forth in s. 195.073, but shall at a minimum study the level of assessment in

576-03495-11

20112124

30 relation to just value of each classification specified in
31 subsection (3) if the classification constitutes 5 percent or
32 more of the total assessed value of real property in a county on
33 the previous assessment roll. Such in-depth review may include
34 proceedings of the value adjustment board and the audit or
35 review of procedures used by the counties to appraise property.

36 (a) The department shall, at least 30 days before ~~prior to~~
37 the beginning of an in-depth review in any county, notify the
38 property appraiser in the county of the pending review. At the
39 request of the property appraiser, the department shall consult
40 with the property appraiser regarding the classifications and
41 strata to be studied, in order that the review will be useful to
42 the property appraiser in evaluating his or her procedures.

43 (b) Every property appraiser whose upcoming roll is subject
44 to an in-depth review shall, if requested by the department on
45 or before January 1, deliver upon completion of the assessment
46 roll a list of the parcel numbers of all parcels that did not
47 appear on the assessment roll of the previous year, indicating
48 the parcel number of the parent parcel from which each new
49 parcel was created or "cut out."

50 (c) In conducting assessment ratio studies, the department
51 shall ~~must~~ use all practicable steps, including stratified
52 statistical and analytical reviews and sale-qualification
53 studies, to maximize the representativeness or statistical
54 reliability of samples of properties in tests of each
55 classification, stratum, or roll made the subject of a ratio
56 study published by it. The department shall document and retain
57 records of the measures of representativeness of the properties
58 studied in compliance with this section. Such documentation must

576-03495-11

20112124

59 include a record of findings used as the basis for the approval
60 or disapproval of the tax roll in each county pursuant to s.
61 193.1142. In addition, to the greatest extent practicable, the
62 department shall study assessment roll strata by
63 subclassifications such as value groups and market areas for
64 each classification or stratum to be studied, to maximize the
65 representativeness of ratio study samples. For purposes of this
66 section, the department shall rely primarily on an assessment-
67 to-sales-ratio study in conducting assessment ratio studies in
68 those classifications of property specified in subsection (3)
69 for which there are adequate market sales. The department shall
70 compute the median and the value-weighted mean for each
71 classification or subclassification studied and for the roll as
72 a whole.

73 (d) In the conduct of these reviews, the department shall
74 adhere to all standards to which the property appraisers are
75 required to adhere.

76 (e) The department and each property appraiser shall
77 cooperate in the conduct of these reviews, and each shall make
78 available to the other all matters and records bearing on the
79 preparation and computation of the reviews. The property
80 appraisers shall provide any and all data requested by the
81 department in the conduct of the studies, including electronic
82 data processing tapes. Any and all data and samples developed or
83 obtained by the department in the conduct of the studies shall
84 be confidential and exempt from the provisions of s. 119.07(1)
85 until a presentation of the findings of the study is made to the
86 property appraiser. After the presentation of the findings, the
87 department shall provide any and all data requested by a

576-03495-11

20112124

88 property appraiser developed or obtained in the conduct of the
89 studies, including tapes. Direct reimbursable costs of providing
90 the data shall be borne by the party who requested it. Copies of
91 existing data or records, whether maintained or required
92 pursuant to law or rule, or data or records otherwise
93 maintained, shall be submitted within 30 days from the date
94 requested, in the case of written or printed information, and
95 within 14 days from the date requested, in the case of
96 computerized information.

97 (f) Within 120 days following the receipt of a county
98 assessment roll by the executive director of the department
99 pursuant to s. 193.1142(1), or within 10 days after approval of
100 the assessment roll, whichever is later, the department shall
101 complete the review for that county and forward its findings,
102 including a statement of the confidence interval for the median
103 and such other measures as may be appropriate for each
104 classification or subclassification studied and for the roll as
105 a whole, employing a 95-percent level of confidence, and related
106 statistical and analytical details to the Senate and the House
107 of Representatives committees with oversight responsibilities
108 for taxation, and the appropriate property appraiser. Upon
109 releasing its findings, the department shall notify the
110 chairperson of the appropriate county commission or the
111 corresponding official under a consolidated charter that the
112 department's findings are available upon request. The department
113 shall, within 90 days after receiving a written request from the
114 chairperson of the appropriate county commission or the
115 corresponding official under a consolidated charter, forward a
116 copy of its findings, including the confidence interval for the

576-03495-11

20112124

117 median and such other measures of each classification or
118 subclassification studied and for all the roll as a whole, and
119 related statistical and analytical details, to the requesting
120 party.

121 (3) (a) Upon completion of review pursuant to paragraph
122 (2) (f), the department shall publish the results of reviews
123 conducted under this section. The results must include all
124 statistical and analytical measures computed under this section
125 for the real property assessment roll as a whole, the personal
126 property assessment roll as a whole, and independently for the
127 following real property classes whenever the classes constituted
128 5 percent or more of the total assessed value of real property
129 in a county on the previous tax roll:

130 1. Residential property that consists of one primary living
131 unit, including, but not limited to, single-family residences,
132 condominiums, cooperatives, and mobile homes.

133 2. Residential property that consists of two or more
134 primary living units.

135 3. Agricultural, high-water recharge, historic property
136 used for commercial or certain nonprofit purposes, and other
137 use-valued property.

138 4. Vacant lots.

139 5. Nonagricultural acreage and other undeveloped parcels.

140 6. Improved commercial and industrial property.

141 7. Taxable institutional or governmental, utility, locally
142 assessed railroad, oil, gas and mineral land, subsurface rights,
143 and other real property.

144

145 When one of the above classes constituted less than 5 percent of

576-03495-11

20112124

146 the total just ~~assessed~~ value of all real property in a county
147 on the previous assessment roll, the department may combine it
148 with one or more other classes of real property for purposes of
149 assessment ratio studies or use the weighted average of the
150 other classes for purposes of calculating the level of
151 assessment for all real property in a county. The department
152 shall also publish such results for any subclassifications of
153 the classes or assessment rolls it may have chosen to study.

154 Section 2. Paragraph (h) of subsection (1) of section
155 212.05, Florida Statutes, is amended to read:

156 212.05 Sales, storage, use tax.—It is hereby declared to be
157 the legislative intent that every person is exercising a taxable
158 privilege who engages in the business of selling tangible
159 personal property at retail in this state, including the
160 business of making mail order sales, or who rents or furnishes
161 any of the things or services taxable under this chapter, or who
162 stores for use or consumption in this state any item or article
163 of tangible personal property as defined herein and who leases
164 or rents such property within the state.

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

168 (h)1.a. Except as provided in subparagraph b., a tax is
169 imposed at the rate of 4 percent on the charges for the use of
170 coin-operated amusement machines. The tax shall be calculated by
171 dividing the gross receipts from such charges for the applicable
172 reporting period by a divisor, determined as provided in this
173 subparagraph, to compute gross taxable sales, and then
174 subtracting gross taxable sales from gross receipts to arrive at

576-03495-11

20112124

175 the amount of tax due. For counties that do not impose a
176 discretionary sales surtax, the divisor is equal to 1.04; for
177 counties that impose a 0.5 percent discretionary sales surtax,
178 the divisor is equal to 1.045; for counties that impose a 1
179 percent discretionary sales surtax, the divisor is equal to
180 1.050; and for counties that impose a 2 percent sales surtax,
181 the divisor is equal to 1.060. If a county imposes a
182 discretionary sales surtax that is not listed in this
183 subparagraph, the department shall make the applicable divisor
184 available in an electronic format or otherwise. Additional
185 divisors shall bear the same mathematical relationship to the
186 next higher and next lower divisors as the new surtax rate bears
187 to the next higher and next lower surtax rates for which
188 divisors have been established. When a machine is activated by a
189 slug, token, coupon, or any similar device which has been
190 purchased, the tax is on the price paid by the user of the
191 device for such device.

192 b. A tax is imposed at the rate of 1 percent on the charges
193 for the use of coin-operated amusement machines operated on the
194 licensed premises of a pari-mutuel facility located in a city or
195 county that chooses to license the use of such machines and
196 imposes an additional licensing fee or other fees on the
197 operator or the machines located at pari-mutuel facilities
198 within the jurisdiction of the county or city. The tax shall be
199 calculated by dividing the gross receipts from such charges for
200 the applicable reporting period by a divisor, determined as
201 provided in this sub-subparagraph, to compute gross taxable
202 sales, and then subtracting gross taxable sales from gross
203 receipts to arrive at the amount of tax due. For this sub-

576-03495-11

20112124

204 subparagraph, the divisor is equal to 1.01.

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

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

213 b. If the owner or lessee of the machine is also its
214 operator, he or she shall be liable for payment of the tax on
215 the purchase or lease of the machine, as well as the tax on
216 sales generated through the machine.

217 c. If the proprietor of the business where the machine is
218 located does not own the machine, he or she shall be deemed to
219 be the lessee and operator of the machine and is responsible for
220 the payment of the tax on sales, unless such responsibility is
221 otherwise provided for in a written agreement between him or her
222 and the machine owner.

223 3.a. An operator of a coin-operated amusement machine may
224 not operate or cause to be operated in this state any such
225 machine until the operator has registered with the department
226 and has conspicuously displayed an identifying certificate
227 issued by the department. The identifying certificate shall be
228 issued by the department upon application from the operator. The
229 identifying certificate shall include a unique number, and the
230 certificate shall be permanently marked with the operator's
231 name, the operator's sales tax number, and the maximum number of
232 machines to be operated under the certificate. An identifying

576-03495-11

20112124

233 certificate shall not be transferred from one operator to
234 another. The identifying certificate must be conspicuously
235 displayed on the premises where the coin-operated amusement
236 machines are being operated.

237 b. The operator of the machine must obtain an identifying
238 certificate before the machine is first operated in the state
239 and by July 1 of each year thereafter. The annual fee for each
240 certificate shall be based on the number of machines identified
241 on the application times \$30 and is due and payable upon
242 application for the identifying device. The application shall
243 contain the operator's name, sales tax number, business address
244 where the machines are being operated, and the number of
245 machines in operation at that place of business by the operator.
246 No operator may operate more machines than are listed on the
247 certificate. A new certificate is required if more machines are
248 being operated at that location than are listed on the
249 certificate. The fee for the new certificate shall be based on
250 the number of additional machines identified on the application
251 form times \$30.

252 c. A penalty of \$250 per machine is imposed on the operator
253 for failing to properly obtain and display the required
254 identifying certificate. A penalty of \$250 is imposed on the
255 lessee of any machine placed in a place of business without a
256 proper current identifying certificate. Such penalties shall
257 apply in addition to all other applicable taxes, interest, and
258 penalties.

259 d. Operators of coin-operated amusement machines must
260 obtain a separate sales and use tax certificate of registration
261 for each county in which such machines are located. One sales

576-03495-11

20112124

262 and use tax certificate of registration is sufficient for all of
263 the operator's machines within a single county.

264 4. The provisions of this paragraph do not apply to coin-
265 operated amusement machines owned and operated by churches or
266 synagogues.

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

271 6. The department may adopt rules necessary to administer
272 the provisions of this paragraph.

273 Section 3. Section 213.69, Florida Statutes, is amended to
274 read:

275 213.69 Authority to issue warrants.—

276 (1) Upon a final determination of unpaid taxes, interest,
277 or penalties due under the revenue laws of this state, the
278 department may issue warrants for those taxes listed in s.
279 213.05 or placed under the control of the department by law.
280 Such warrants may direct:

281 (a)~~(1)~~ The sheriff of any county within the state to levy
282 upon and sell the goods of such person which are found within
283 the sheriff's jurisdiction for the payment of the amount of the
284 delinquency, plus the penalties, interest, and cost of executing
285 the warrant and conducting the sale, and to return the warrant
286 and the money collected to the department. However, any surplus
287 resulting from the sale after the costs, penalties, and
288 delinquent taxes have been accounted for must be returned to the
289 person in default; or

290 (b)~~(2)~~ A deputy, agent, or employee of the department or of

576-03495-11

20112124

291 the Department of Law Enforcement, after receiving written
292 designation by the executive director, to execute that warrant
293 in the same manner as a sheriff.

294 (2) The Department of Revenue is not required to pay any
295 charge imposed by s. 28.24 in connection with recording any
296 warrant, lien, or notice of lien issued by the department
297 pertaining to any tax enumerated in s. 72.011, s. 213.05, or
298 chapter 443, or any modification, amendment, satisfaction, or
299 cancellation thereof.

300 Section 4. This act shall take effect July 1, 2011.