

By the Committee on Community Affairs; and Senator Bogdanoff

578-02785-11

2011384c1

1                   A bill to be entitled  
2           An act relating to tangible personal property  
3           taxation; providing definitions; authorizing  
4           collection of a tangible personal property tax  
5           recovery fee by a person engaging in the business of  
6           renting or leasing heavy equipment; providing  
7           requirements for collection, retention, and  
8           reimbursement of the recovery fee; providing an  
9           effective date.

10  
11 Be It Enacted by the Legislature of the State of Florida:

12  
13           Section 1. Heavy equipment rental; tangible personal  
14 property tax recovery fee.—

15           (1) As used in this section, the term:

16           (a) "Heavy equipment" means industrial or construction  
17 equipment, including, but not limited to, equipment described in  
18 the North American Industry Classification System (NAICS) Code  
19 532412 as published in 2007 by the Office of Management and  
20 Budget within the Executive Office of the President of the  
21 United States.

22           (b) "Lessee" means the person who rents or leases the heavy  
23 equipment.

24           (c) "Short-term rental agreement" means a lease or rental  
25 agreement having a term of less than 365 days or an at-will  
26 contract that does not specify a term. However, the term "short-  
27 term rental agreement" does not include any extension or renewal  
28 of a lease or rental agreement having an original term of 365  
29 days or more.

578-02785-11

2011384c1

30       (2) For the purpose of recovering the tangible personal  
31 property tax imposed on heavy equipment, a person engaging in  
32 the business of leasing or renting heavy equipment may collect a  
33 recovery fee in an amount equal to 2 percent of the total rental  
34 transaction fee generated in each county of operation. The  
35 recovery fee may be collected and retained after payment of the  
36 personal property tax assessed for the previous year only if:

37       (a) The heavy equipment is subject to a short-term rental  
38 agreement that discloses the amount and purpose for the  
39 collection of the recovery fee; and

40       (b) The person engaging in the business of renting or  
41 leasing heavy equipment may not seek additional recoupment of  
42 the recovery fee for the current year if the actual recovery fee  
43 collected in the current year exceeds the tangible personal  
44 property tax paid in the prior year.

45  
46 If, during the current year, the recovery fee collected by the  
47 person engaging in the business of renting or leasing heavy  
48 equipment exceeds the tax paid in the prior year, the excess  
49 recovery fee amount collected shall be applied to reduce the  
50 following year's recovery fee recoupment by that amount.

51       Section 2. This act shall take effect July 1, 2011.