

**By** the Committees on Budget Subcommittee on Finance and Tax; and  
Community Affairs; and Senator Detert

593-03924-11

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1                                   A bill to be entitled  
2           An act relating to local business taxes; amending s.  
3           205.022, F.S.; defining the term "independent  
4           contractor"; creating s. 205.066, F.S.; exempting an  
5           individual engaging in or managing a business in an  
6           individual capacity as an employee from requirements  
7           related to local business taxes; specifying that an  
8           individual licensed and operating as a broker  
9           associate or sales associate is an employee;  
10          specifying that an independent contractor is not an  
11          employee; prohibiting a local governing authority from  
12          holding an exempt employee liable for the failure of a  
13          principal or employer to comply with certain  
14          obligations related to a local business tax or  
15          requiring an exempt employee to take certain actions  
16          related to a local business tax; prohibiting a local  
17          governing authority from requiring a principal or  
18          employer to provide personal or contact information  
19          for exempt individuals in order to obtain a local  
20          business tax receipt; providing that the exemption  
21          does not apply to a business tax imposed on an  
22          individual employee by a municipality or county  
23          pursuant to a resolution or ordinance adopted before  
24          October 13, 2010; amending s. 205.194, F.S.; deleting  
25          obsolete provisions; requiring a person applying for  
26          or renewing a local business tax receipt to engage in  
27          or manage a business or occupation regulated by the  
28          Florida Supreme Court or a state agency to exhibit  
29          certain documentation before such receipt may be

593-03924-11

2011582c2

30 issued; authorizing online renewals as a means of  
31 providing electronic certifications that meet such  
32 requirement; deleting a requirement that the  
33 Department of Business and Professional Regulation  
34 provide certain professional regulation information to  
35 local officials who issue business tax receipts;  
36 deleting a provision prohibiting a local official who  
37 issues business tax receipts from renewing a license  
38 under certain circumstances; providing an effective  
39 date.

40  
41 Be It Enacted by the Legislature of the State of Florida:

42  
43 Section 1. Subsection (9) is added to section 205.022,  
44 Florida Statutes, to read:

45 205.022 Definitions.—When used in this chapter, the  
46 following terms and phrases shall have the meanings ascribed to  
47 them in this section, except when the context clearly indicates  
48 a different meaning:

49 (9) "Independent contractor" has the same meaning as  
50 provided in s. 440.02(15)(d)1.a. and b.

51 Section 2. Effective July 1, 2011, and operating  
52 retroactively to October 13, 2010, section 205.066, Florida  
53 Statutes, is created to read:

54 205.066 Exemptions; employees.—

55 (1) An individual who engages in or manages a business,  
56 profession, or occupation as an employee of another person is  
57 not required to apply for an exemption from a local business  
58 tax, pay a local business tax, or obtain a local business tax

593-03924-11

2011582c2

59 receipt. For purposes of this section, an individual licensed  
60 and operating as a broker associate or sales associate under  
61 chapter 475 is an employee. An individual acting in the capacity  
62 of an independent contractor is not an employee.

63 (2) An employee may not be held liable by any local  
64 governing authority for the failure of a principal or employer  
65 to apply for an exemption from a local business tax, pay a local  
66 business tax, or obtain a local business tax receipt. An  
67 individual exempt under this section may not be required by any  
68 local governing authority to apply for an exemption from a local  
69 business tax, otherwise prove his or her exempt status, or pay  
70 any tax or fee related to a local business tax.

71 (3) A principal or employer who is required to obtain a  
72 local business tax receipt may not be required by a local  
73 governing authority to provide personal or contact information  
74 for individuals exempt under this section in order to obtain a  
75 local business tax receipt.

76 (4) The exemption provided in this section does not apply  
77 to a business tax imposed on individual employees by a  
78 municipality or county pursuant to a resolution or ordinance  
79 adopted before October 13, 2010. Municipalities or counties  
80 that, before October 13, 2010, had a classification system that  
81 was in compliance with the requirements of this chapter, and  
82 that actually resulted in individual employees paying a business  
83 tax, may continue to impose such a tax in that manner.

84 Section 3. Section 205.194, Florida Statutes, is amended to  
85 read:

86 205.194 Prohibition of local business tax receipt without  
87 exhibition of state license or registration.-

593-03924-11

2011582c2

88 (1) Any person applying for or renewing a local business  
89 tax receipt ~~for the period beginning October 1, 1985,~~ to  
90 practice any profession or engage in or manage any business or  
91 occupation regulated by the Department of Business and  
92 Professional Regulation, the Florida Supreme Court, or any other  
93 state regulatory agency, including ~~or~~ any board or commission  
94 thereof, must exhibit an active state certificate, registration,  
95 or license, or proof of copy of the same, before such local  
96 receipt may be issued. Online renewals may meet this requirement  
97 by providing for electronic certification by applicants.  
98 ~~Thereafter, only persons applying for the first time for a~~  
99 ~~receipt must exhibit such certification, registration, or~~  
100 ~~license.~~

101 ~~(2) The Department of Business and Professional Regulation~~  
102 ~~shall, by August 1 of each year, supply to the local official~~  
103 ~~who issues local business tax receipts a current list of~~  
104 ~~professions it regulates and information regarding those persons~~  
105 ~~for whom receipts should not be renewed due to the suspension,~~  
106 ~~revocation, or inactivation of such person's state license,~~  
107 ~~certificate, or registration. The official who issues local~~  
108 ~~business tax receipts shall not renew such license unless such~~  
109 ~~person can exhibit an active state certificate, registration, or~~  
110 ~~license.~~

111 ~~(2)(3)~~ This section shall not apply to s. 489.113, s.  
112 489.117, s. 489.119, s. 489.131, s. 489.511, s. 489.513, s.  
113 489.521, or s. 489.537.

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