

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

29
30 WHEREAS, job creation is the number-one goal of Florida
31 residents, and

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

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

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

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

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

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

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

58

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

60

61 Section 1. Legislative intent and findings.—

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

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

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

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

78 (d) It is financially prudent to allow the buildup of a
 79 revenue reserve from the increase in the sales tax to shield
 80 against any potential economic downturn and to ensure that
 81 sufficient funds are available for replacing the currently
 82 required local effort school property tax. However, if the

HB 995

2011

83 reserve exceeds 50 percent of the estimated annual amount that
84 would otherwise have to come from the required local effort, the
85 Legislature intends to distribute the excess reserve to local
86 school boards on a dollar-for-dollar basis to reduce local
87 option school property taxes.

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

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

94 212.03 Transient rentals tax; rate, procedure,
95 enforcement, exemptions.—

96 (1) (a) It is hereby declared to be the legislative intent
97 that every person is exercising a taxable privilege who engages
98 in the business of renting, leasing, letting, or granting a
99 license to use any living quarters or sleeping or housekeeping
100 accommodations in, from, or a part of, or in connection with any
101 hotel, apartment house, roominghouse, tourist or trailer camp,
102 mobile home park, recreational vehicle park, condominium, or
103 timeshare resort. However, any person who rents, leases, lets,
104 or grants a license to others to use, occupy, or enter upon any
105 living quarters or sleeping or housekeeping accommodations in
106 any apartment house, roominghouse, tourist camp, trailer camp,
107 mobile home park, recreational vehicle park, condominium, or
108 timeshare resort and who exclusively enters into a bona fide
109 written agreement for continuous residence for longer than 6
110 months in duration at such property is not exercising a taxable

111 privilege. For the exercise of such taxable privilege, a tax is
112 hereby levied in an amount equal to 8.5 ~~6~~ percent of and on the
113 total rental charged for such living quarters or sleeping or
114 housekeeping accommodations by the person charging or collecting
115 the rental. Such tax shall apply to hotels, apartment houses,
116 roominghouses, tourist or trailer camps, mobile home parks,
117 recreational vehicle parks, condominiums, or timeshare resorts,
118 whether or not these facilities have dining rooms, cafes, or
119 other places where meals or lunches are sold or served to
120 guests.

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

139 opportunity to exchange a timeshare interest through an exchange
 140 program is a service charge and not subject to taxation under
 141 this section.

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

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

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

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

160 212.031 Tax on rental or license fee for use of real
 161 property.—

162 (1)

163 (c) For the exercise of such privilege, a tax is levied in
 164 an amount equal to 8.5 ~~6~~ percent of and on the total rent or
 165 license fee charged for such real property by the person
 166 charging or collecting the rental or license fee. The total rent

167 or license fee charged for such real property shall include
 168 payments for the granting of a privilege to use or occupy real
 169 property for any purpose and shall include base rent, percentage
 170 rents, or similar charges. Such charges shall be included in the
 171 total rent or license fee subject to tax under this section
 172 whether or not they can be attributed to the ability of the
 173 lessor's or licensor's property as used or operated to attract
 174 customers. Payments for intrinsically valuable personal property
 175 such as franchises, trademarks, service marks, logos, or patents
 176 are not subject to tax under this section. In the case of a
 177 contractual arrangement that provides for both payments taxable
 178 as total rent or license fee and payments not subject to tax,
 179 the tax shall be based on a reasonable allocation of such
 180 payments and shall not apply to that portion which is for the
 181 nontaxable payments.

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

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

190 212.04 Admissions tax; rate, procedure, enforcement.—

191 (1)

192 (b) For the exercise of such privilege, a tax is levied at
 193 the rate of 8.5 ~~6~~ percent of sales price, or the actual value
 194 received from such admissions, which 8.5 ~~6~~ percent shall be

HB 995

2011

195 added to and collected with all such admissions from the
196 purchaser thereof, and such tax shall be paid for the exercise
197 of the privilege as defined in the preceding paragraph. Each
198 ticket must show on its face the actual sales price of the
199 admission, or each dealer selling the admission must prominently
200 display at the box office or other place where the admission
201 charge is made a notice disclosing the price of the admission,
202 and the tax shall be computed and collected on the basis of the
203 actual price of the admission charged by the dealer. The sale
204 price or actual value of admission shall, for the purpose of
205 this chapter, be that price remaining after deduction of federal
206 taxes and state or locally imposed or authorized seat
207 surcharges, taxes, or fees, if any, imposed upon such admission.
208 The sale price or actual value does not include separately
209 stated ticket service charges that are imposed by a facility
210 ticket office or a ticketing service and added to a separately
211 stated, established ticket price. The rate of tax on each
212 admission shall be according to the brackets established by s.
213 212.12(9).

214 (2)(a)1. No tax shall be levied on admissions to athletic
215 or other events sponsored by elementary schools, junior high
216 schools, middle schools, high schools, community colleges,
217 public or private colleges and universities, deaf and blind
218 schools, facilities of the youth services programs of the
219 Department of Children and Family Services, and state
220 correctional institutions when only student, faculty, or inmate
221 talent is used. However, this exemption shall not apply to
222 admission to athletic events sponsored by a state university,

223 and the proceeds of the tax collected on such admissions shall
224 be retained and used by each institution to support women's
225 athletics as provided in s. 1006.71(2)(c).

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

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

247 3. No tax shall be levied on an admission paid by a
248 student, or on the student's behalf, to any required place of
249 sport or recreation if the student's participation in the sport
250 or recreational activity is required as a part of a program or

251 activity sponsored by, and under the jurisdiction of, the
252 student's educational institution, provided his or her
253 attendance is as a participant and not as a spectator.

254 4. No tax shall be levied on admissions to the National
255 Football League championship game or Pro Bowl; on admissions to
256 any semifinal game or championship game of a national collegiate
257 tournament; on admissions to a Major League Baseball, National
258 Basketball Association, or National Hockey League all-star game;
259 on admissions to the Major League Baseball Home Run Derby held
260 before the Major League Baseball All-Star Game; or on admissions
261 to the National Basketball Association Rookie Challenge,
262 Celebrity Game, 3-Point Shooting Contest, or Slam Dunk
263 Challenge.

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

271 6. Also exempt from the tax imposed by this section to the
272 extent provided in this subparagraph are admissions to live
273 theater, live opera, or live ballet productions in this state
274 which are sponsored by an organization that has received a
275 determination from the Internal Revenue Service that the
276 organization is exempt from federal income tax under s.
277 501(c)(3) of the Internal Revenue Code of 1954, as amended, if
278 the organization actively participates in planning and

HB 995

2011

279 | conducting the event, is responsible for the safety and success
280 | of the event, is organized for the purpose of sponsoring live
281 | theater, live opera, or live ballet productions in this state,
282 | has more than 10,000 subscribing members and has among the
283 | stated purposes in its charter the promotion of arts education
284 | in the communities which it serves, and will receive at least 20
285 | percent of the net profits, if any, of the events which the
286 | organization sponsors and will bear the risk of at least 20
287 | percent of the losses, if any, from the events which it sponsors
288 | if the organization employs other persons as agents to provide
289 | services in connection with a sponsored event. Prior to March 1
290 | of each year, such organization may apply to the department for
291 | a certificate of exemption for admissions to such events
292 | sponsored in this state by the organization during the
293 | immediately following state fiscal year. The application shall
294 | state the total dollar amount of admissions receipts collected
295 | by the organization or its agents from such events in this state
296 | sponsored by the organization or its agents in the year
297 | immediately preceding the year in which the organization applies
298 | for the exemption. Such organization shall receive the exemption
299 | only to the extent of \$1.5 million multiplied by the ratio that
300 | such receipts bear to the total of such receipts of all
301 | organizations applying for the exemption in such year; however,
302 | in no event shall such exemption granted to any organization
303 | exceed 8.5 ~~6~~ percent of such admissions receipts collected by
304 | the organization or its agents in the year immediately preceding
305 | the year in which the organization applies for the exemption.
306 | Each organization receiving the exemption shall report each

307 month to the department the total admissions receipts collected
 308 from such events sponsored by the organization during the
 309 preceding month and shall remit to the department an amount
 310 equal to 8.5 ~~6~~ percent of such receipts reduced by any amount
 311 remaining under the exemption. Tickets for such events sold by
 312 such organizations shall not reflect the tax otherwise imposed
 313 under this section.

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

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

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

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

325 212.05 Sales, storage, use tax.—It is hereby declared to
 326 be the legislative intent that every person is exercising a
 327 taxable privilege who engages in the business of selling
 328 tangible personal property at retail in this state, including
 329 the business of making mail order sales, or who rents or
 330 furnishes any of the things or services taxable under this
 331 chapter, or who stores for use or consumption in this state any
 332 item or article of tangible personal property as defined herein
 333 and who leases or rents such property within the state.

334 (1) For the exercise of such privilege, a tax is levied on

335 each taxable transaction or incident, which tax is due and
 336 payable as follows:

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

342 b. Each occasional or isolated sale of an aircraft, boat,
 343 mobile home, or motor vehicle of a class or type which is
 344 required to be registered, licensed, titled, or documented in
 345 this state or by the United States Government shall be subject
 346 to tax at the rate provided in this paragraph. The department
 347 shall by rule adopt any nationally recognized publication for
 348 valuation of used motor vehicles as the reference price list for
 349 any used motor vehicle which is required to be licensed pursuant
 350 to s. 320.08(1), (2), (3)(a), (b), (c), or (e), or (9). If any
 351 party to an occasional or isolated sale of such a vehicle
 352 reports to the tax collector a sales price which is less than 80
 353 percent of the average loan price for the specified model and
 354 year of such vehicle as listed in the most recent reference
 355 price list, the tax levied under this paragraph shall be
 356 computed by the department on such average loan price unless the
 357 parties to the sale have provided to the tax collector an
 358 affidavit signed by each party, or other substantial proof,
 359 stating the actual sales price. Any party to such sale who
 360 reports a sales price less than the actual sales price is guilty
 361 of a misdemeanor of the first degree, punishable as provided in
 362 s. 775.082 or s. 775.083. The department shall collect or

363 attempt to collect from such party any delinquent sales taxes.
364 In addition, such party shall pay any tax due and any penalty
365 and interest assessed plus a penalty equal to twice the amount
366 of the additional tax owed. Notwithstanding any other provision
367 of law, the Department of Revenue may waive or compromise any
368 penalty imposed pursuant to this subparagraph.

369 2. This paragraph does not apply to the sale of a boat or
370 aircraft by or through a registered dealer under this chapter to
371 a purchaser who, at the time of taking delivery, is a
372 nonresident of this state, does not make his or her permanent
373 place of abode in this state, and is not engaged in carrying on
374 in this state any employment, trade, business, or profession in
375 which the boat or aircraft will be used in this state, or is a
376 corporation none of the officers or directors of which is a
377 resident of, or makes his or her permanent place of abode in,
378 this state, or is a noncorporate entity that has no individual
379 vested with authority to participate in the management,
380 direction, or control of the entity's affairs who is a resident
381 of, or makes his or her permanent abode in, this state. For
382 purposes of this exemption, either a registered dealer acting on
383 his or her own behalf as seller, a registered dealer acting as
384 broker on behalf of a seller, or a registered dealer acting as
385 broker on behalf of the purchaser may be deemed to be the
386 selling dealer. This exemption shall not be allowed unless:

387 a. The purchaser removes a qualifying boat, as described
388 in sub-subparagraph f., from the state within 90 days after the
389 date of purchase or extension, or the purchaser removes a
390 nonqualifying boat or an aircraft from this state within 10 days

HB 995

2011

391 after the date of purchase or, when the boat or aircraft is
392 repaired or altered, within 20 days after completion of the
393 repairs or alterations;

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

403 c. The purchaser, within 10 days of removing the boat or
404 aircraft from Florida, shall furnish the department with proof
405 of removal in the form of receipts for fuel, dockage, slippage,
406 tie-down, or hangaring from outside of Florida. The information
407 so provided must clearly and specifically identify the boat or
408 aircraft;

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

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

416 f. Unless the nonresident purchaser of a boat of 5 net
417 tons of admeasurement or larger intends to remove the boat from
418 this state within 10 days after the date of purchase or when the

HB 995

2011

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

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

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

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

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

HB 995

2011

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

456 (VI) Any nonresident purchaser of a boat who removes a
457 decal prior to permanently removing the boat from the state, or
458 defaces, changes, modifies, or alters a decal in a manner
459 affecting its expiration date prior to its expiration, or who
460 causes or allows the same to be done by another, will be
461 considered prima facie to have committed a fraudulent act to
462 evade the tax and will be liable for payment of the tax plus a
463 mandatory penalty of 200 percent of the tax, and shall be liable
464 for fine and punishment as provided by law for a conviction of a
465 misdemeanor of the first degree, as provided in s. 775.082 or s.
466 775.083.

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

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

473

474 If the purchaser fails to remove the qualifying boat from this

HB 995

2011

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

491 (b) At the rate of 8.5 ~~6~~ percent of the cost price of each
492 item or article of tangible personal property when the same is
493 not sold but is used, consumed, distributed, or stored for use
494 or consumption in this state; however, for tangible property
495 originally purchased exempt from tax for use exclusively for
496 lease and which is converted to the owner's own use, tax may be
497 paid on the fair market value of the property at the time of
498 conversion. If the fair market value of the property cannot be
499 determined, use tax at the time of conversion shall be based on
500 the owner's acquisition cost. Under no circumstances may the
501 aggregate amount of sales tax from leasing the property and use
502 tax due at the time of conversion be less than the total sales

503 tax that would have been due on the original acquisition cost
 504 paid by the owner.

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

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

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

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

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

523 3. The tax imposed by this chapter does not apply to the
 524 lease or rental of a commercial motor vehicle as defined in s.
 525 316.003(66)(a) to one lessee or rentee for a period of not less
 526 than 12 months when tax was paid on the purchase price of such
 527 vehicle by the lessor. To the extent tax was paid with respect
 528 to the purchase of such vehicle in another state, territory of
 529 the United States, or the District of Columbia, the Florida tax
 530 payable shall be reduced in accordance with the provisions of s.

531 212.06(7). This subparagraph shall only be available when the
532 lease or rental of such property is an established business or
533 part of an established business or the same is incidental or
534 germane to such business.

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

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

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

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

550 (II) If the sale or recharge of the prepaid calling
551 arrangement does not take place at the dealer's place of
552 business, it shall be deemed to take place at the customer's
553 shipping address or, if no item is shipped, at the customer's
554 address or the location associated with the customer's mobile
555 telephone number.

556 (III) The sale or recharge of a prepaid calling
557 arrangement shall be treated as a sale of tangible personal
558 property for purposes of this chapter, whether or not a tangible

559 item evidencing such arrangement is furnished to the purchaser,
 560 and such sale within this state subjects the selling dealer to
 561 the jurisdiction of this state for purposes of this subsection.

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

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

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

579 (f) At the rate of 8.5 ~~6~~ percent on the sale, rental, use,
 580 consumption, or storage for use in this state of machines and
 581 equipment, and parts and accessories therefor, used in
 582 manufacturing, processing, compounding, producing, mining, or
 583 quarrying personal property for sale or to be used in furnishing
 584 communications, transportation, or public utility services.

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

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

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

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

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

604 (h)1. A tax is imposed at the rate of 6.5 ~~4~~ percent on the
 605 charges for the use of coin-operated amusement machines. The tax
 606 shall be calculated by dividing the gross receipts from such
 607 charges for the applicable reporting period by a divisor,
 608 determined as provided in this subparagraph, to compute gross
 609 taxable sales, and then subtracting gross taxable sales from
 610 gross receipts to arrive at the amount of tax due. For counties
 611 that do not impose a discretionary sales surtax, the divisor is
 612 equal to 1.065 ~~1.04~~; for counties that impose a 0.5-percent ~~0.5~~
 613 ~~percent~~ discretionary sales surtax, the divisor is equal to 1.07
 614 ~~1.045~~; for counties that impose a 1-percent ~~1-percent~~

615 discretionary sales surtax, the divisor is equal to 1.075 ~~1.050~~;
 616 and for counties that impose a 2-percent ~~2-percent~~ sales surtax,
 617 the divisor is equal to 1.085 ~~1.060~~. If a county imposes a
 618 discretionary sales surtax that is not listed in this
 619 subparagraph, the department shall make the applicable divisor
 620 available in an electronic format or otherwise. Additional
 621 divisors shall bear the same mathematical relationship to the
 622 next higher and next lower divisors as the new surtax rate bears
 623 to the next higher and next lower surtax rates for which
 624 divisors have been established. When a machine is activated by a
 625 slug, token, coupon, or any similar device which has been
 626 purchased, the tax is on the price paid by the user of the
 627 device for such device.

628 2. As used in this paragraph, the term "operator" means
 629 any person who possesses a coin-operated amusement machine for
 630 the 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
 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
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

HB 995

2011

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
676 operator 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:

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
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
 750 to 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,

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
767 | rate 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
 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
 791 each gallon of diesel fuel not taxed under chapter 206 purchased
 792 for use in a vessel.

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

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
 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
 862 the use, consumption, storage for consumption, or sale of
 863 tangible 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
 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.

HB 995

2011

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
 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,

HB 995

2011

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
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
 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.
 964 212.05(1)(h)3. and 212.18(3) shall remain with the General
 965 Revenue Fund.

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

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

975 1. In any fiscal year, the greater of \$500 million, minus
 976 an amount equal to 4.6 percent of the proceeds of the taxes
 977 collected pursuant to chapter 201, or 5.2 percent of all other

978 | taxes and fees imposed pursuant to this chapter or remitted
 979 | pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in
 980 | monthly installments into the General Revenue Fund.

981 | 2. After the distribution under subparagraph 1., 8.814
 982 | percent of the amount remitted by a sales tax dealer located
 983 | within a participating county pursuant to s. 218.61 shall be
 984 | transferred into the Local Government Half-cent Sales Tax
 985 | Clearing Trust Fund. Beginning July 1, 2003, the amount to be
 986 | transferred shall be reduced by 0.1 percent, and the department
 987 | shall distribute this amount to the Public Employees Relations
 988 | Commission Trust Fund less \$5,000 each month, which shall be
 989 | added to the amount calculated in subparagraph 3. and
 990 | distributed accordingly.

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

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

999 | 5. After the distributions under subparagraphs 1., 2., and
 1000 | 3., 1.3409 percent of the available proceeds shall be
 1001 | transferred monthly to the Revenue Sharing Trust Fund for
 1002 | Municipalities pursuant to s. 218.215. If the total revenue to
 1003 | be distributed pursuant to this subparagraph is at least as
 1004 | great as the amount due from the Revenue Sharing Trust Fund for
 1005 | Municipalities and the former Municipal Financial Assistance

1006 Trust Fund in state fiscal year 1999-2000, no municipality shall
 1007 receive less than the amount due from the Revenue Sharing Trust
 1008 Fund for Municipalities and the former Municipal Financial
 1009 Assistance Trust Fund in state fiscal year 1999-2000. If the
 1010 total proceeds to be distributed are less than the amount
 1011 received in combination from the Revenue Sharing Trust Fund for
 1012 Municipalities and the former Municipal Financial Assistance
 1013 Trust Fund in state fiscal year 1999-2000, each municipality
 1014 shall receive an amount proportionate to the amount it was due
 1015 in state fiscal year 1999-2000.

1016 6. Of the remaining proceeds:

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

HB 995

2011

1034 previous pledges or assignments or trusts entered into which
1035 obligated funds received from the distribution to county
1036 governments under then-existing s. 550.135. This distribution
1037 specifically is in lieu of funds distributed under s. 550.135
1038 before July 1, 2000.

1039 b. The department shall distribute \$166,667 monthly
1040 pursuant to s. 288.1162 to each applicant certified as a
1041 facility for a new or retained professional sports franchise
1042 pursuant to s. 288.1162. Up to \$41,667 shall be distributed
1043 monthly by the department to each certified applicant as defined
1044 in s. 288.11621 for a facility for a spring training franchise.
1045 However, not more than \$416,670 may be distributed monthly in
1046 the aggregate to all certified applicants for facilities for
1047 spring training franchises. Distributions begin 60 days after
1048 such certification and continue for not more than 30 years,
1049 except as otherwise provided in s. 288.11621. A certified
1050 applicant identified in this sub-subparagraph may not receive
1051 more in distributions than expended by the applicant for the
1052 public purposes provided for in s. 288.1162(5) or s.
1053 288.11621(3).

1054 c. Beginning 30 days after notice by the Office of
1055 Tourism, Trade, and Economic Development to the Department of
1056 Revenue that an applicant has been certified as the professional
1057 golf hall of fame pursuant to s. 288.1168 and is open to the
1058 public, \$166,667 shall be distributed monthly, for up to 300
1059 months, to the applicant.

1060 d. Beginning 30 days after notice by the Office of
1061 Tourism, Trade, and Economic Development to the Department of

1062 Revenue that the applicant has been certified as the
 1063 International Game Fish Association World Center facility
 1064 pursuant to s. 288.1169, and the facility is open to the public,
 1065 \$83,333 shall be distributed monthly, for up to 168 months, to
 1066 the applicant. This distribution is subject to reduction
 1067 pursuant to s. 288.1169. A lump sum payment of \$999,996 shall be
 1068 made, after certification and before July 1, 2000.

1069 7. All other proceeds must remain in the General Revenue
 1070 Fund.

1071 Section 12. Paragraph (a) of subsection (5) of section
 1072 11.45, Florida Statutes, is amended to read:

1073 11.45 Definitions; duties; authorities; reports; rules.—

1074 (5) PETITION FOR AN AUDIT BY THE AUDITOR GENERAL.—

1075 (a) The Legislative Auditing Committee shall direct the
 1076 Auditor General to make an audit of any municipality whenever
 1077 petitioned to do so by at least 20 percent of the registered
 1078 electors in the last general election of that municipality
 1079 pursuant to this subsection. The supervisor of elections of the
 1080 county in which the municipality is located shall certify
 1081 whether or not the petition contains the signatures of at least
 1082 20 percent of the registered electors of the municipality. After
 1083 the completion of the audit, the Auditor General shall determine
 1084 whether the municipality has the fiscal resources necessary to
 1085 pay the cost of the audit. The municipality shall pay the cost
 1086 of the audit within 90 days after the Auditor General's
 1087 determination that the municipality has the available resources.
 1088 If the municipality fails to pay the cost of the audit, the
 1089 Department of Revenue shall, upon certification of the Auditor

HB 995

2011

1090 General, withhold from that portion of the distribution pursuant
 1091 to s. 212.20(6) (e) ~~(d)~~ 5. which is distributable to such
 1092 municipality, a sum sufficient to pay the cost of the audit and
 1093 shall deposit that sum into the General Revenue Fund of the
 1094 state.

1095 Section 13. Paragraph (b) of subsection (2) of section
 1096 202.18, Florida Statutes, is amended to read:

1097 202.18 Allocation and disposition of tax proceeds.—The
 1098 proceeds of the communications services taxes remitted under
 1099 this chapter shall be treated as follows:

1100 (2) The proceeds of the taxes remitted under s.
 1101 202.12(1)(b) shall be divided as follows:

1102 (b) Sixty-three percent of the remainder shall be
 1103 allocated to the state and distributed pursuant to s. 212.20(6),
 1104 except that the proceeds allocated pursuant to s.
 1105 212.20(6) (e) ~~(d)~~ 2. shall be prorated to the participating
 1106 counties in the same proportion as that month's collection of
 1107 the taxes and fees imposed pursuant to chapter 212 and paragraph
 1108 (1)(b).

1109 Section 14. Subsection (3) of section 218.245, Florida
 1110 Statutes, is amended to read:

1111 218.245 Revenue sharing; apportionment.—

1112 (3) Revenues attributed to the increase in distribution to
 1113 the Revenue Sharing Trust Fund for Municipalities pursuant to s.
 1114 212.20(6) (e) ~~(d)~~ 5. from 1.0715 percent to 1.3409 percent provided
 1115 in chapter 2003-402, Laws of Florida, shall be distributed to
 1116 each eligible municipality and any unit of local government that
 1117 is consolidated as provided by s. 9, Art. VIII of the State

HB 995

2011

1118 Constitution of 1885, as preserved by s. 6(e), Art. VIII, 1968
 1119 revised constitution, as follows: each eligible local
 1120 government's allocation shall be based on the amount it received
 1121 from the half-cent sales tax under s. 218.61 in the prior state
 1122 fiscal year divided by the total receipts under s. 218.61 in the
 1123 prior state fiscal year for all eligible local governments.
 1124 However, for the purpose of calculating this distribution, the
 1125 amount received from the half-cent sales tax under s. 218.61 in
 1126 the prior state fiscal year by a unit of local government which
 1127 is consolidated as provided by s. 9, Art. VIII of the State
 1128 Constitution of 1885, as amended, and as preserved by s. 6(e),
 1129 Art. VIII, of the Constitution as revised in 1968, shall be
 1130 reduced by 50 percent for such local government and for the
 1131 total receipts. For eligible municipalities that began
 1132 participating in the allocation of half-cent sales tax under s.
 1133 218.61 in the previous state fiscal year, their annual receipts
 1134 shall be calculated by dividing their actual receipts by the
 1135 number of months they participated, and the result multiplied by
 1136 12.

1137 Section 15. Subsections (5), (6), and (7) of section
 1138 218.65, Florida Statutes, are amended to read:

1139 218.65 Emergency distribution.—

1140 (5) At the beginning of each fiscal year, the Department
 1141 of Revenue shall calculate a base allocation for each eligible
 1142 county equal to the difference between the current per capita
 1143 limitation times the county's population, minus prior year
 1144 ordinary distributions to the county pursuant to ss.
 1145 212.20(6) (e) ~~(d)~~ 2., 218.61, and 218.62. If moneys deposited into

1146 the Local Government Half-cent Sales Tax Clearing Trust Fund
 1147 pursuant to s. 212.20(6) (e)~~(d)~~3., excluding moneys appropriated
 1148 for supplemental distributions pursuant to subsection (8), for
 1149 the current year are less than or equal to the sum of the base
 1150 allocations, each eligible county shall receive a share of the
 1151 appropriated amount proportional to its base allocation. If the
 1152 deposited amount exceeds the sum of the base allocations, each
 1153 county shall receive its base allocation, and the excess
 1154 appropriated amount, less any amounts distributed under
 1155 subsection (6), shall be distributed equally on a per capita
 1156 basis among the eligible counties.

1157 (6) If moneys deposited in the Local Government Half-cent
 1158 Sales Tax Clearing Trust Fund pursuant to s. 212.20(6) (e)~~(d)~~3.
 1159 exceed the amount necessary to provide the base allocation to
 1160 each eligible county, the moneys in the trust fund may be used
 1161 to provide a transitional distribution, as specified in this
 1162 subsection, to certain counties whose population has increased.
 1163 The transitional distribution shall be made available to each
 1164 county that qualified for a distribution under subsection (2) in
 1165 the prior year but does not, because of the requirements of
 1166 paragraph (2)(a), qualify for a distribution in the current
 1167 year. Beginning on July 1 of the year following the year in
 1168 which the county no longer qualifies for a distribution under
 1169 subsection (2), the county shall receive two-thirds of the
 1170 amount received in the prior year, and beginning July 1 of the
 1171 second year following the year in which the county no longer
 1172 qualifies for a distribution under subsection (2), the county
 1173 shall receive one-third of the amount it received in the last

1174 year it qualified for the distribution under subsection (2). If
 1175 insufficient moneys are available in the Local Government Half-
 1176 cent Sales Tax Clearing Trust Fund to fully provide such a
 1177 transitional distribution to each county that meets the
 1178 eligibility criteria in this section, each eligible county shall
 1179 receive a share of the available moneys proportional to the
 1180 amount it would have received had moneys been sufficient to
 1181 fully provide such a transitional distribution to each eligible
 1182 county.

1183 (7) There is hereby annually appropriated from the Local
 1184 Government Half-cent Sales Tax Clearing Trust Fund the
 1185 distribution provided in s. 212.20(6) (e) ~~(d)~~ 3. to be used for
 1186 emergency and supplemental distributions pursuant to this
 1187 section.

1188 Section 16. Subsection (3) of section 288.11621, Florida
 1189 Statutes, is amended to read:

1190 288.11621 Spring training baseball franchises.—

1191 (3) USE OF FUNDS.—

1192 (a) A certified applicant may use funds provided under s.
 1193 212.20(6) (e) ~~(d)~~ 6.b. only to:

1194 1. Serve the public purpose of acquiring, constructing,
 1195 reconstructing, or renovating a facility for a spring training
 1196 franchise.

1197 2. Pay or pledge for the payment of debt service on, or to
 1198 fund debt service reserve funds, arbitrage rebate obligations,
 1199 or other amounts payable with respect thereto, bonds issued for
 1200 the acquisition, construction, reconstruction, or renovation of
 1201 such facility, or for the reimbursement of such costs or the

1202 refinancing of bonds issued for such purposes.

1203 3. Assist in the relocation of a spring training franchise
 1204 from one unit of local government to another only if the
 1205 governing board of the current host local government by a
 1206 majority vote agrees to relocation.

1207 (b) State funds awarded to a certified applicant for a
 1208 facility for a spring training franchise may not be used to
 1209 subsidize facilities that are privately owned, maintained, and
 1210 used only by a spring training franchise.

1211 (c) The Department of Revenue may not distribute funds to
 1212 an applicant certified on or after July 1, 2010, until it
 1213 receives notice from the office that the certified applicant has
 1214 encumbered funds under subparagraph (a)2.

1215 (d)1. All certified applicants must place unexpended state
 1216 funds received pursuant to s. 212.20(6) (e) ~~(d)~~ 6.b. in a trust
 1217 fund or separate account for use only as authorized in this
 1218 section.

1219 2. A certified applicant may request that the Department
 1220 of Revenue suspend further distributions of state funds made
 1221 available under s. 212.20(6) (e) ~~(d)~~ 6.b. for 12 months after
 1222 expiration of an existing agreement with a spring training
 1223 franchise to provide the certified applicant with an opportunity
 1224 to enter into a new agreement with a spring training franchise,
 1225 at which time the distributions shall resume.

1226 3. The expenditure of state funds distributed to an
 1227 applicant certified before July 1, 2010, must begin within 48
 1228 months after the initial receipt of the state funds. In
 1229 addition, the construction of, or capital improvements to, a

1230 spring training facility must be completed within 24 months
 1231 after the project's commencement.

1232 Section 17. Subsection (6) of section 288.1169, Florida
 1233 Statutes, is amended to read:

1234 288.1169 International Game Fish Association World Center
 1235 facility.—

1236 (6) The Department of Commerce must recertify every 10
 1237 years that the facility is open, that the International Game
 1238 Fish Association World Center continues to be the only
 1239 international administrative headquarters, fishing museum, and
 1240 Hall of Fame in the United States recognized by the
 1241 International Game Fish Association, and that the project is
 1242 meeting the minimum projections for attendance or sales tax
 1243 revenues as required at the time of original certification. If
 1244 the facility is not recertified during this 10-year review as
 1245 meeting the minimum projections, then funding shall be abated
 1246 until certification criteria are met. If the project fails to
 1247 generate \$1 million of annual revenues pursuant to paragraph
 1248 (2) (e), the distribution of revenues pursuant to s. 212.20(6) (e)
 1249 ~~(d)~~6.d. shall be reduced to an amount equal to \$83,333
 1250 multiplied by a fraction, the numerator of which is the actual
 1251 revenues generated and the denominator of which is \$1 million.
 1252 Such reduction remains in effect until revenues generated by the
 1253 project in a 12-month period equal or exceed \$1 million.

1254 Section 18. Effective November 1, 2012, subsection (4) of
 1255 section 1011.62, Florida Statutes, is amended to read:

1256 1011.62 Funds for operation of schools.—If the annual
 1257 allocation from the Florida Education Finance Program to each

HB 995

2011

1258 district for operation of schools is not determined in the
 1259 annual appropriations act or the substantive bill implementing
 1260 the annual appropriations act, it shall be determined as
 1261 follows:

1262 (4) COMPUTATION FOR ALLOCATING SPECIFIED EDUCATION SALES
 1263 TAX PROCEEDS OF DISTRICT REQUIRED LOCAL EFFORT.—The Legislature
 1264 shall prescribe the aggregate amount of revenue from property
 1265 taxes that would otherwise be required local effort for all
 1266 school districts collectively if proceeds of the specified
 1267 education sales tax were not available as an item in the General
 1268 Appropriations Act for each fiscal year. The amount that shall
 1269 be appropriated to each district shall be provided provide
 1270 annually from funds reserved in the General Revenue Fund under
 1271 s. 212.20(6)(d), and shall replace revenue that would otherwise
 1272 have to be raised by local property taxes, toward the cost of
 1273 the Florida Education Finance Program for kindergarten through
 1274 grade 12 programs using the following calculations shall be
 1275 calculated as follows:

1276 (a) Estimated taxable value calculations.—
 1277 1.a. Not later than 2 working days prior to July 19, the
 1278 Department of Revenue shall certify to the Commissioner of
 1279 Education its most recent estimate of the taxable value for
 1280 school purposes in each school district and the total for all
 1281 school districts in the state for the current calendar year
 1282 based on the latest available data obtained from the local
 1283 property appraisers. The value certified shall be the taxable
 1284 value for school purposes for that year, and no further
 1285 adjustments shall be made, except those made pursuant to

1286 paragraphs (c) and (d), or an assessment roll change required by
 1287 final judicial decisions as specified in paragraph (12) (b). Not
 1288 later than July 19, the Commissioner of Education shall compute
 1289 a millage rate, rounded to the next highest one one-thousandth
 1290 of a mill, which, if ~~when~~ applied to 96 percent of the estimated
 1291 state total taxable value for school purposes, would generate
 1292 the prescribed aggregate amount of revenue from property taxes
 1293 that would otherwise be required ~~local effort~~ for that year for
 1294 all districts if proceeds of the specified education sales tax
 1295 were not available. ~~The Commissioner of Education shall certify~~
 1296 ~~to each district school board the millage rate, computed as~~
 1297 ~~prescribed in this subparagraph, as the minimum millage rate~~
 1298 ~~necessary to provide the district required local effort for that~~
 1299 ~~year.~~

1300 b. The General Appropriations Act shall direct the
 1301 computation of the statewide adjusted aggregate amount ~~for~~
 1302 required ~~local effort~~ for all school districts collectively ~~from~~
 1303 ~~ad valorem taxes~~ to ensure that no school district's allocation
 1304 revenue from proceeds of the specified education sales tax
 1305 ~~required local effort millage~~ will produce more than 90 percent
 1306 of the district's total Florida Education Finance Program
 1307 calculation as calculated and adopted by the Legislature, and
 1308 the estimated adjustment of the ~~required local effort~~ millage
 1309 rate of each district that would produce ~~produces~~ more than 90
 1310 percent of its total Florida Education Finance Program
 1311 entitlement to a level that would be required to ~~will~~ produce
 1312 only 90 percent of its total Florida Education Finance Program
 1313 entitlement in the July calculation if proceeds of the specified

1314 education sales tax were not available.

1315 2. On the same date as the certification in sub-
 1316 subparagraph 1.a., the Department of Revenue shall certify to
 1317 the Commissioner of Education for each district:

1318 a. Each year for which the property appraiser has
 1319 certified the taxable value pursuant to s. 193.122(2) or (3), if
 1320 applicable, since the prior certification under sub-subparagraph
 1321 1.a.

1322 b. For each year identified in sub-subparagraph a., the
 1323 taxable value certified by the appraiser pursuant to s.
 1324 193.122(2) or (3), if applicable, since the prior certification
 1325 under sub-subparagraph 1.a. This is the certification that
 1326 reflects all final administrative actions of the value
 1327 adjustment board.

1328 (b) Equalization of proceeds from the specified education
 1329 sales tax ~~required local effort.~~-

1330 1. The Department of Revenue shall include with its
 1331 certifications provided pursuant to paragraph (a) its most
 1332 recent determination of the assessment level of the prior year's
 1333 assessment roll for each county and for the state as a whole.

1334 2. The Commissioner of Education shall adjust the
 1335 estimated ~~required local effort~~ millage that would otherwise be
 1336 required of each district for the current year if proceeds from
 1337 the specified education sales tax were not available, computed
 1338 pursuant to paragraph (a), as follows:

1339 a. The equalization factor for the prior year's assessment
 1340 roll of each district shall be multiplied by 96 percent of the
 1341 taxable value for school purposes shown on that roll and by the

HB 995

2011

1342 prior year's estimate of ~~required local effort~~ millage under
1343 this subsection, exclusive of any equalization adjustment made
1344 pursuant to this paragraph. The dollar amount so computed shall
1345 be the additional amount required from the proceeds of the
1346 specified education sales tax ~~required local effort~~ for
1347 equalization for the current year.

1348 b. Such equalization factor shall be computed as the
1349 quotient of the prior year's assessment level of the state as a
1350 whole divided by the prior year's assessment level of the
1351 county, from which quotient shall be subtracted 1.

1352 c. The dollar amount of additional proceeds required from
1353 the specified education sales tax ~~local effort~~ for equalization
1354 for each district shall be converted to an estimated a millage
1355 rate that would otherwise be required if proceeds from the
1356 specified education sales tax were not available, based on 96
1357 percent of the current year's taxable value for that district,
1358 and added to the estimated ~~required local effort~~ millage
1359 determined pursuant to paragraph (a) that would otherwise be
1360 required if proceeds from the specified education sales tax were
1361 not available.

1362 3. ~~Notwithstanding the limitations imposed pursuant to s.~~
1363 ~~1011.71(1),~~ The total estimated ~~required local effort~~ millage,
1364 including additional proceeds required ~~local effort~~ for
1365 equalization, shall be an amount not to exceed 10 minus the
1366 maximum millage allowed as nonvoted discretionary millage,
1367 exclusive of millage authorized pursuant to s. 1011.71(2).
1368 Nothing herein shall be construed to allow a millage in excess
1369 of that authorized in s. 9, Art. VII of the State Constitution.

1370 4. For the purposes of this chapter, the term "assessment
 1371 level" means the value-weighted mean assessment ratio for the
 1372 county or state as a whole, as determined pursuant to s.
 1373 195.096, or as subsequently adjusted. However, for those parcels
 1374 studied pursuant to s. 195.096(3)(a)1. which are receiving the
 1375 assessment limitation set forth in s. 193.155, and for which the
 1376 assessed value is less than the just value, the department shall
 1377 use the assessed value in the numerator and the denominator of
 1378 such assessment ratio. In the event a court has adjudicated that
 1379 the department failed to establish an accurate estimate of an
 1380 assessment level of a county and recomputation resulting in an
 1381 accurate estimate based upon the evidence before the court was
 1382 not possible, that county shall be presumed to have an
 1383 assessment level equal to that of the state as a whole.

1384 5. If, in the prior year, taxes were levied against an
 1385 interim assessment roll pursuant to s. 193.1145, the assessment
 1386 level and prior year's nonexempt assessed valuation used for the
 1387 purposes of this paragraph shall be those of the interim
 1388 assessment roll.

1389 (c) Exclusion.—

1390 1. In those instances in which:

1391 a. There is litigation either attacking the authority of
 1392 the property appraiser to include certain property on the tax
 1393 assessment roll as taxable property or contesting the assessed
 1394 value of certain property on the tax assessment roll, and

1395 b. The assessed value of the property in contest involves
 1396 more than 6 percent of the total nonexempt assessment roll, the
 1397 plaintiff shall provide to the district school board of the

HB 995

2011

1398 county in which the property is located and to the Department of
 1399 Education a certified copy of the petition and receipt for the
 1400 good faith payment at the time they are filed with the court.

1401 2. For purposes of computing the amount of revenue from
 1402 property taxes that would otherwise be required if proceeds from
 1403 the specified education sales tax were not available local
 1404 effort for each district affected by such petition, the
 1405 Department of Education shall exclude from the district's total
 1406 nonexempt assessment roll the assessed value of the property in
 1407 contest and shall add an appropriate the amount for allocation
 1408 to the district from the proceeds of the specified education
 1409 sales tax of the good faith payment to the district's required
 1410 local effort.

1411 (d) Recomputation.—Following final adjudication of any
 1412 litigation on the basis of which an adjustment in taxable value
 1413 was made pursuant to paragraph (c), the department shall
 1414 recompute the amount of revenue from property taxes that would
 1415 otherwise have been required from local effort for each district
 1416 for each year affected by such adjustments, utilizing taxable
 1417 values approved by the court, and shall adjust subsequent
 1418 allocations from the proceeds of the specified education sales
 1419 tax to such districts accordingly.

1420 ~~(e) Prior period funding adjustment millage.—~~

1421 ~~1. There shall be an additional millage to be known as the~~
 1422 ~~Prior Period Funding Adjustment Millage levied by a school~~
 1423 ~~district if the prior period unrealized required local effort~~
 1424 ~~funds are greater than zero. The Commissioner of Education shall~~
 1425 ~~calculate the amount of the prior period unrealized required~~

HB 995

2011

1426 ~~local effort funds as specified in subparagraph 2. and the~~
1427 ~~millage required to generate that amount as specified in this~~
1428 ~~subparagraph. The Prior Period Funding Adjustment Millage shall~~
1429 ~~be the quotient of the prior period unrealized required local~~
1430 ~~effort funds divided by the current year taxable value certified~~
1431 ~~to the Commissioner of Education pursuant to sub-subparagraph~~
1432 ~~(a)1.a. This levy shall be in addition to the required local~~
1433 ~~effort millage certified pursuant to this subsection. Such~~
1434 ~~millage shall not affect the calculation of the current year's~~
1435 ~~required local effort, and the funds generated by such levy~~
1436 ~~shall not be included in the district's Florida Education~~
1437 ~~Finance Program allocation for that fiscal year. For purposes of~~
1438 ~~the millage to be included on the Notice of Proposed Taxes, the~~
1439 ~~Commissioner of Education shall adjust the required local effort~~
1440 ~~millage computed pursuant to paragraph (a) as adjusted by~~
1441 ~~paragraph (b) for the current year for any district that levies~~
1442 ~~a Prior Period Funding Adjustment Millage to include all Prior~~
1443 ~~Period Funding Adjustment Millage. For the purpose of this~~
1444 ~~paragraph, there shall be a Prior Period Funding Adjustment~~
1445 ~~Millage levied for each year certified by the Department of~~
1446 ~~Revenue pursuant to sub-subparagraph (a)2.a. since the previous~~
1447 ~~year certification and for which the calculation in sub-~~
1448 ~~subparagraph 2.b. is greater than zero.~~

1449 ~~2.a. As used in this subparagraph, the term:~~

1450 ~~(I) "Prior year" means a year certified under sub-~~
1451 ~~subparagraph (a)2.a.~~

1452 ~~(II) "Preliminary taxable value" means:~~

1453 ~~(A) If the prior year is the 2009-2010 fiscal year or~~

1454 ~~later, the taxable value certified to the Commissioner of~~
 1455 ~~Education pursuant to sub-subparagraph (a)1.a.~~

1456 ~~(B) If the prior year is the 2008-2009 fiscal year or~~
 1457 ~~earlier, the taxable value certified pursuant to the final~~
 1458 ~~calculation as specified in former paragraph (b) as that~~
 1459 ~~paragraph existed in the prior year.~~

1460 ~~(III) "Final taxable value" means the district's taxable~~
 1461 ~~value as certified by the property appraiser pursuant to s.~~
 1462 ~~193.122(2) or (3), if applicable. This is the certification that~~
 1463 ~~reflects all final administrative actions of the value~~
 1464 ~~adjustment board.~~

1465 ~~b. For purposes of this subsection and with respect to~~
 1466 ~~each year certified pursuant to sub-subparagraph (a)2.a., if the~~
 1467 ~~district's prior year preliminary taxable value is greater than~~
 1468 ~~the district's prior year final taxable value, the prior period~~
 1469 ~~unrealized required local effort funds are the difference~~
 1470 ~~between the district's prior year preliminary taxable value and~~
 1471 ~~the district's prior year final taxable value, multiplied by the~~
 1472 ~~prior year district required local effort millage. If the~~
 1473 ~~district's prior year preliminary taxable value is less than the~~
 1474 ~~district's prior year final taxable value, the prior period~~
 1475 ~~unrealized required local effort funds are zero.~~

1476 Section 19. Effective November 1, 2012, subsection (1) of
 1477 section 1011.71, Florida Statutes, is amended to read:

1478 1011.71 District school tax.—

1479 (1) ~~If the district school tax is not provided in the~~
 1480 ~~General Appropriations Act or the substantive bill implementing~~
 1481 ~~the General Appropriations Act, each district school board~~

1482 ~~desiring to participate in the state allocation of funds for~~
 1483 ~~current operation as prescribed by s. 1011.62(12) shall levy on~~
 1484 ~~the taxable value for school purposes of the district, exclusive~~
 1485 ~~of millage voted under the provisions of s. 9(b) or s. 12, Art.~~
 1486 ~~VII of the State Constitution, a millage rate not to exceed the~~
 1487 ~~amount certified by the commissioner as the minimum millage rate~~
 1488 ~~necessary to provide the district required local effort for the~~
 1489 ~~current year, pursuant to s. 1011.62(4)(a)1. In addition to the~~
 1490 ~~required local effort millage levy, Each district school board~~
 1491 may levy a nonvoted current operating discretionary millage. The
 1492 Legislature shall prescribe annually in the appropriations act
 1493 the maximum amount of millage a district may levy.

1494 Section 20. Effective November 1, 2012, section 218.67,
 1495 Florida Statutes, is amended to read:

1496 218.67 Distribution for fiscally constrained counties.—

1497 (1) Each county that is entirely within a rural area of
 1498 critical economic concern as designated by the Governor pursuant
 1499 to s. 288.0656 or each county for which the value of a mill will
 1500 raise no more than \$5 million in revenue, based on the taxable
 1501 value certified pursuant to s. 1011.62(4)(a)1.a., from the
 1502 previous July 1, shall be considered a fiscally constrained
 1503 county.

1504 (2) Each fiscally constrained county government that
 1505 participates in the local government half-cent sales tax shall
 1506 be eligible to receive an additional distribution from the Local
 1507 Government Half-cent Sales Tax Clearing Trust Fund, as provided
 1508 in s. 202.18(2)(c)1., in addition to its regular monthly
 1509 distribution provided under this part and any emergency or

1510 supplemental distribution under s. 218.65.

1511 (3) The amount to be distributed to each fiscally
 1512 constrained county shall be determined by the Department of
 1513 Revenue at the beginning of the fiscal year, using the prior
 1514 fiscal year's July 1 taxable value certified pursuant to s.
 1515 1011.62(4)(a)1.a., tax data, population as defined in s. 218.21,
 1516 and millage rate levied for the prior fiscal year. The amount
 1517 distributed shall be allocated based upon the following factors:

1518 (a) The relative revenue-raising-capacity factor shall be
 1519 the ability of the eligible county to generate ad valorem
 1520 revenues from 1 mill of taxation on a per capita basis. A county
 1521 that raises no more than \$25 per capita from 1 mill shall be
 1522 assigned a value of 1; a county that raises more than \$25 but no
 1523 more than \$30 per capita from 1 mill shall be assigned a value
 1524 of 0.75; and a county that raises more than \$30 but no more than
 1525 \$50 per capita from 1 mill shall be assigned a value of 0.5. No
 1526 value shall be assigned to counties that raise more than \$50 per
 1527 capita from 1 mill of ad valorem taxation.

1528 (b) The local-effort factor shall be a measure of the
 1529 relative level of property tax revenues that would otherwise
 1530 have been required ~~local effort~~ of the eligible county if
 1531 proceeds from the specified education sales tax were not
 1532 available as indicated by the estimated millage rate ~~levied~~ for
 1533 the prior fiscal year. The local-effort factor shall be the most
 1534 recently adopted countywide operating millage rate plus an
 1535 estimated amount of millage that would have been required if
 1536 proceeds from the specified education sales tax were not
 1537 available for each eligible county multiplied by 0.1.

HB 995

2011

1538 (c) Each eligible county's proportional allocation of the
1539 total amount available to be distributed to all of the eligible
1540 counties shall be in the same proportion as the sum of the
1541 county's two factors is to the sum of the two factors for all
1542 eligible counties. The counties that are eligible to receive an
1543 allocation under this subsection and the amount available to be
1544 distributed to such counties shall not include counties
1545 participating in the phaseout period under subsection (4) or the
1546 amounts they remain eligible to receive during the phaseout.

1547 (4) For those counties that no longer qualify under the
1548 requirements of subsection (1) after the effective date of this
1549 act, there shall be a 2-year phaseout period. Beginning on July
1550 1 of the year following the year in which the value of a mill
1551 for that county exceeds \$5 million in revenue, the county shall
1552 receive two-thirds of the amount received in the prior year, and
1553 beginning on July 1 of the second year following the year in
1554 which the value of a mill for that county exceeds \$5 million in
1555 revenue, the county shall receive one-third of the amount
1556 received in the last year that the county qualified as a
1557 fiscally constrained county. Following the 2-year phaseout
1558 period, the county shall no longer be eligible to receive any
1559 distributions under this section unless the county can be
1560 considered a fiscally constrained county as provided in
1561 subsection (1).

1562 (5) The revenues received under this section may be used
1563 by a county for any public purpose, except that such revenues
1564 may not be used to pay debt service on bonds, notes,
1565 certificates of participation, or any other forms of

1566 indebtedness.

1567 Section 21. Effective November 1, 2012, paragraph (a) of
 1568 subsection (9) of section 1002.32, Florida Statutes, is amended
 1569 to read:

1570 1002.32 Developmental research (laboratory) schools.—

1571 (9) FUNDING.—Funding for a lab school, including a charter
 1572 lab school, shall be provided as follows:

1573 (a) Each lab school shall be allocated its proportional
 1574 share of operating funds from the Florida Education Finance
 1575 Program as provided in s. 1011.62 based on the county in which
 1576 the lab school is located and the General Appropriations Act.
 1577 The nonvoted ad valorem millage that would otherwise be required
 1578 for lab schools shall be allocated from state funds. The
 1579 required ~~local effort~~ funds calculated pursuant to s. 1011.62
 1580 shall be allocated from state funds to the schools as a part of
 1581 the allocation of operating funds pursuant to s. 1011.62. Each
 1582 eligible lab school in operation as of September 1, 2002, shall
 1583 also receive a proportional share of the sparsity supplement as
 1584 calculated pursuant to s. 1011.62. In addition, each lab school
 1585 shall receive its proportional share of all categorical funds,
 1586 with the exception of s. 1011.68, and new categorical funds
 1587 enacted after July 1, 1994, for the purpose of elementary or
 1588 secondary academic program enhancement. The sum of funds
 1589 available as provided in this paragraph shall be included
 1590 annually in the Florida Education Finance Program and
 1591 appropriate categorical programs funded in the General
 1592 Appropriations Act.

1593 Section 22. Effective November 1, 2012, section 1011.02,
 1594 Florida Statutes, is amended to read:

1595 1011.02 District school boards to adopt tentative budget.—

1596 (1) On or before the date prescribed in rules of the State
 1597 Board of Education, each district school board shall receive and
 1598 examine the tentative budget submitted by the district school
 1599 superintendent, and shall require such changes to be made, in
 1600 keeping with the purposes of the school code, as may be to the
 1601 best interest of the school program in the district.

1602 (2) The district school board shall determine, within
 1603 prescribed limits, the reserves to be allotted for
 1604 contingencies, and the cash balance to be carried forward at the
 1605 end of the year. If the district school board shall require any
 1606 changes to be made in receipts, in the reserves for
 1607 contingencies, or in the cash balance to be carried forward at
 1608 the end of the year, it shall also require necessary changes to
 1609 be made in the appropriations for expenditures so that the
 1610 budget, as changed, will not contain appropriations for
 1611 expenditures and reserves in excess of, or less than, estimated
 1612 receipts and balances.

1613 (3) The proposed budget shall include the anticipated an
 1614 amount of proceeds from the specified education sales tax that
 1615 the district school board expects to receive for local required
 1616 ~~effort~~ for current operation, in accordance with the
 1617 requirements of s. 1011.62(4).

1618 (4) When a tentative budget has been prepared in
 1619 accordance with rules of the State Board of Education, the
 1620 proposed expenditures, plus transfers, and balances shall not

1621 exceed the estimated income, transfers, and balances. The budget
 1622 and each of the parts thereof shall balance.

1623 (5) The district school board shall adopt a tentative
 1624 budget.

1625 Section 23. Effective November 1, 2012, paragraph (c) of
 1626 subsection (3) of section 200.065, Florida Statutes, is amended
 1627 to read:

1628 200.065 Method of fixing millage.—

1629 (3) The advertisement shall be no less than one-quarter
 1630 page in size of a standard size or a tabloid size newspaper, and
 1631 the headline in the advertisement shall be in a type no smaller
 1632 than 18 point. The advertisement shall not be placed in that
 1633 portion of the newspaper where legal notices and classified
 1634 advertisements appear. The advertisement shall be published in a
 1635 newspaper of general paid circulation in the county or in a
 1636 geographically limited insert of such newspaper. The geographic
 1637 boundaries in which such insert is circulated shall include the
 1638 geographic boundaries of the taxing authority. It is the
 1639 legislative intent that, whenever possible, the advertisement
 1640 appear in a newspaper that is published at least 5 days a week
 1641 unless the only newspaper in the county is published less than 5
 1642 days a week, or that the advertisement appear in a
 1643 geographically limited insert of such newspaper which insert is
 1644 published throughout the taxing authority's jurisdiction at
 1645 least twice each week. It is further the legislative intent that
 1646 the newspaper selected be one of general interest and readership
 1647 in the community and not one of limited subject matter, pursuant
 1648 to chapter 50.

1649 (c) For school districts which have proposed a millage
 1650 rate in excess of 100 percent of the rolled-back rate computed
 1651 pursuant to subsection (1) and which propose to levy nonvoted
 1652 millage in excess of the minimum amount required pursuant to s.
 1653 1011.60(6), the advertisement shall be in the following form:

1654 NOTICE OF PROPOSED TAX INCREASE

1655 The ...(name of school district)... will soon consider a
 1656 measure to increase its property tax levy.

1657 Last year's property tax levy:

- 1658 A. Initially proposed tax levy \$XX,XXX,XXX
- 1659 B. Less tax reductions due to Value Adjustment Board and
 1660 other assessment changes (\$XX,XXX,XXX)
- 1661 C. Actual property tax levy \$XX,XXX,XXX

1662 This year's proposed tax levy \$XX,XXX,XXX

1663 A portion of the tax levy is required under state law in
 1664 order for the school board to receive \$...(amount A)... in state
 1665 education grants. The required portion has ...(increased or
 1666 decreased)... by ...(amount B)... percent and represents
 1667 approximately ...(amount C)... of the total proposed taxes.

1668 The remainder of the taxes is proposed solely at the
 1669 discretion of the school board.

1670 All concerned citizens are invited to a public hearing on
 1671 the tax increase to be held on ...(date and time)... at
 1672 ...(meeting place)....

1673 A DECISION on the proposed tax increase and the budget will
 1674 be made at this hearing.

1675

1676 ~~1.~~ AMOUNT A shall be an estimate, provided by the

HB 995

2011

1677 Department of Education, of the amount to be received in the
1678 current fiscal year by the district from state appropriations
1679 for the Florida Education Finance Program.

1680 ~~2. AMOUNT B shall be the percent increase over the rolled-~~
1681 ~~back rate necessary to levy only the required local effort in~~
1682 ~~the current fiscal year, computed as though in the preceding~~
1683 ~~fiscal year only the required local effort was levied.~~

1684 ~~3. AMOUNT C shall be the quotient of required local effort~~
1685 ~~millage divided by the total proposed nonvoted millage, rounded~~
1686 ~~to the nearest tenth and stated in words; however, the stated~~
1687 ~~amount shall not exceed nine-tenths.~~

1688 Section 24. Except as otherwise expressly provided in this
1689 act, and except for this section, which shall take effect upon
1690 this act becoming a law, this act shall take effect January 1,
1691 2012.