

By the Committees on Community Affairs; and Commerce and
Tourism; and Senator Altman

578-03301-12

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1 A bill to be entitled
2 An act relating to taxation; amending s. 196.199,
3 F.S.; providing an exemption from intangible tax for
4 lessees performing a governmental, municipal, or
5 public purpose or function; providing for retroactive
6 application; amending s. 212.08, F.S.; exempting
7 certain items used to manufacture, produce, or modify
8 aircraft engines and gas turbine engines and parts
9 from the tax on sales, use, and other transactions;
10 providing effective dates.

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

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14 Section 1. Effective upon this act becoming a law, and
15 applying retroactively to all leases of governmental property in
16 existence as of January 1, 2012, paragraph (a) of subsection (2)
17 of section 196.199, Florida Statutes, is amended to read:

18 196.199 Government property exemption.—

19 (2) Property owned by the following governmental units but
20 used by nongovernmental lessees shall only be exempt from
21 taxation under the following conditions:

22 (a) Leasehold interests in property of the United States,
23 of the state or any of its several political subdivisions, or of
24 municipalities, agencies, authorities, and other public bodies
25 corporate of the state shall be exempt from ad valorem taxation
26 and the intangible tax referenced in paragraph (b) only when the
27 lessee serves or performs a governmental, municipal, or public
28 purpose or function, as defined in s. 196.012(6). In all such
29 cases, all other interests in the leased property shall also be

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30 exempt from ad valorem taxation. However, a leasehold interest
31 in property of the state may not be exempted from ad valorem
32 taxation when a nongovernmental lessee uses such property for
33 the operation of a multipurpose hazardous waste treatment
34 facility.

35 Section 2. Paragraph (hhh) is added to subsection (7) of
36 section 212.08, Florida Statutes, to read:

37 212.08 Sales, rental, use, consumption, distribution, and
38 storage tax; specified exemptions.—The sale at retail, the
39 rental, the use, the consumption, the distribution, and the
40 storage to be used or consumed in this state of the following
41 are hereby specifically exempt from the tax imposed by this
42 chapter.

43 (7) MISCELLANEOUS EXEMPTIONS.—Exemptions provided to any
44 entity by this chapter do not inure to any transaction that is
45 otherwise taxable under this chapter when payment is made by a
46 representative or employee of the entity by any means,
47 including, but not limited to, cash, check, or credit card, even
48 when that representative or employee is subsequently reimbursed
49 by the entity. In addition, exemptions provided to any entity by
50 this subsection do not inure to any transaction that is
51 otherwise taxable under this chapter unless the entity has
52 obtained a sales tax exemption certificate from the department
53 or the entity obtains or provides other documentation as
54 required by the department. Eligible purchases or leases made
55 with such a certificate must be in strict compliance with this
56 subsection and departmental rules, and any person who makes an
57 exempt purchase with a certificate that is not in strict
58 compliance with this subsection and the rules is liable for and

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59 shall pay the tax. The department may adopt rules to administer
60 this subsection.

61 (hhh) Items used in manufacturing and fabricating aircraft
62 and gas turbine engines.—Chemicals, machinery, parts, and
63 equipment used and consumed in the manufacture or fabrication of
64 aircraft engines and gas turbine engines, including cores,
65 electrical discharge machining (EDM) supplies, brass electrodes,
66 ceramic guides, reamers, grinding and deburring wheels, Norton
67 vortex wheels, argon, nitrogen, helium, fluid abrasive cutters,
68 solvents and soaps, boroscopes, penetrants, patterns, dies, and
69 molds consumed in the production of castings are exempt from the
70 tax imposed by this chapter.

71 Section 3. Except as otherwise expressly provided in this
72 act and except for this section, which shall take effect upon
73 this act becoming a law, this act shall take effect July 1,
74 2012.