



LEGISLATIVE ACTION

Senate . House

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Senator Simpson moved the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Section 206.86, Florida Statutes, is amended to
read:

206.86 Definitions.—As used in this part:

(1) "Diesel fuel" means all petroleum distillates commonly
known as diesel #2, biodiesel, or any other product blended with
diesel or any product placed into the storage supply tank of a
diesel-powered motor vehicle.

(2) "Taxable diesel fuel" or "fuel" means any diesel fuel
not held in bulk storage at a terminal ~~and~~ which has not been



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14 dyed for exempt use in accordance with Internal Revenue Code
15 requirements.

16 (3) "User" includes any person who uses diesel fuels within
17 this state for the propulsion of a motor vehicle on the public
18 highways of this state, even though the motor is also used for a
19 purpose other than the propulsion of the vehicle.

20 ~~(4) "Alternative fuel" means any liquefied petroleum gas~~
21 ~~product or compressed natural gas product or combination thereof~~
22 ~~used in an internal combustion engine or motor to propel any~~
23 ~~form of vehicle, machine, or mechanical contrivance. This term~~
24 ~~includes, but is not limited to, all forms of fuel commonly or~~
25 ~~commercially known or sold as natural gasoline, butane gas,~~
26 ~~propane gas, or any other form of liquefied petroleum gas or~~
27 ~~compressed natural gas.~~

28 ~~(5) "Natural gasoline" is a liquid hydrocarbon that is~~
29 ~~produced by natural gas and must be blended with other liquid~~
30 ~~petroleum products to produce motor fuel.~~

31 ~~(4)-(6)~~ "Removal" means any physical transfer of diesel fuel
32 and any use of diesel fuel other than as a material in the
33 production of diesel fuel.

34 ~~(5)-(7)~~ "Blender" means any person who ~~that~~ produces blended
35 diesel fuel outside the bulk transfer/terminal system.

36 ~~(6)-(8)~~ "Colorless marker" means material that is not
37 perceptible to the senses until the diesel fuel into which it is
38 introduced is subjected to a scientific test.

39 ~~(7)-(9)~~ "Dyed diesel fuel" means diesel fuel that is dyed in
40 accordance with United States Environmental Protection Agency or
41 Internal Revenue Service requirements for high sulfur diesel
42 fuel or low sulfur diesel fuel.



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43 (8)~~(10)~~ "Ultimate vendor" means a licensee that sells
44 undyed diesel fuel to the United States or its departments or
45 agencies in bulk lots of not less than 500 gallons in each
46 delivery or to the user of the diesel fuel for use on a farm for
47 farming purposes.

48 (9)~~(11)~~ "Local government user of diesel fuel" means any
49 county, municipality, or school district licensed by the
50 department to use untaxed diesel fuel in motor vehicles.

51 (10)~~(12)~~ "Mass transit system" means any licensed local
52 transportation company providing local bus service that is open
53 to the public and that travels regular routes.

54 (11)~~(13)~~ "Diesel fuel registrant" means anyone required by
55 this chapter to be licensed to remit diesel fuel taxes,
56 including, but not limited to, terminal suppliers, importers,
57 local government users of diesel fuel, and mass transit systems.

58 (12)~~(14)~~ "Biodiesel" means any product made from
59 nonpetroleum-based oils or fats which is suitable for use in
60 diesel-powered engines. Biodiesel is also referred to as alkyl
61 esters.

62 (13)~~(15)~~ "Biodiesel manufacturer" means those industrial
63 plants, regardless of capacity, where organic products are used
64 in the production of biodiesel. This includes businesses that
65 process or blend organic products that are marketed as
66 biodiesel.

67 Section 2. Paragraph (a) of subsection (1) of section
68 206.87, Florida Statutes, is amended to read:

69 206.87 Levy of tax.—

70 (1) (a) An excise tax of 4 cents per gallon is hereby
71 imposed upon each net gallon of diesel fuel subject to the tax



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72 under subsection (2), ~~except alternative fuels which are subject~~
73 ~~to the fee imposed by s. 206.877.~~

74 Section 3. Section 206.877, Florida Statutes, is repealed.

75 Section 4. Section 206.89, Florida Statutes, is repealed.

76 Section 5. Subsection (1) of section 206.91, Florida
77 Statutes, is amended to read:

78 206.91 Tax reports; computation and payment of tax.-

79 (1) For the purpose of determining the amount of taxes
80 imposed by s. 206.87, each diesel fuel registrant shall, not
81 later than the 20th day of each calendar month, mail to the
82 department, on forms prescribed by the department, monthly
83 reports that provide ~~which shall show such~~ information on
84 inventories, purchases, nontaxable disposals, and taxable sales
85 in gallons of diesel fuel ~~and alternative fuel~~, for the
86 preceding calendar month ~~as may be~~ required by the department.
87 However, if the 20th day falls on a Saturday, a Sunday, or a
88 federal or state legal holiday, returns shall be accepted if
89 postmarked on the next succeeding workday. The reports must
90 include, shall contain or be verified by, a written declaration
91 stating that they are ~~such report is~~ made under the penalties of
92 perjury. The diesel fuel registrant shall deduct from the amount
93 of taxes shown by the report to be payable an amount equivalent
94 to .67 percent of the taxes on diesel fuel imposed by s.
95 206.87(1) (a) and (e), which deduction is ~~hereby~~ allowed to the
96 diesel fuel registrant on account of services and expenses in
97 complying with the provisions of this part. The allowance on
98 taxable gallons of diesel fuel sold to persons licensed under
99 this chapter is not ~~shall not be~~ deductible unless the diesel
100 fuel registrant has allowed 50 percent of the allowance provided



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101 by this section to a purchaser with a valid wholesaler or
102 terminal supplier license. This allowance is not ~~shall not be~~
103 deductible unless payment of the taxes is made on or before the
104 20th day of the month as ~~herein~~ required in this subsection.
105 ~~Nothing in~~ This subsection does not ~~shall be construed to~~
106 authorize a deduction from the constitutional fuel tax or fuel
107 sales tax.

108 Section 6. The Division of Law Revision and Information is
109 requested to create part V of chapter 206, Florida Statutes,
110 consisting of ss. 206.9951-206.998, entitled "NATURAL GAS FUEL."

111 Section 7. Section 206.9951, Florida Statutes, is created
112 to read:

113 206.9951 Definitions.—As used in this part, the term:

114 (1) "Motor fuel equivalent gallon" means the volume of
115 natural gas fuel it takes to equal the energy content of 1
116 gallon of motor fuel.

117 (2) "Natural gas fuel" means any liquefied petroleum gas
118 product, compressed natural gas product, or combination thereof
119 used in a motor vehicle as defined in s. 206.01(23). This term
120 includes, but is not limited to, all forms of fuel commonly or
121 commercially known or sold as natural gasoline, butane gas,
122 propane gas, or any other form of liquefied petroleum gas,
123 compressed natural gas, or liquefied natural gas. This term does
124 not include natural gas or liquefied petroleum placed in a
125 separate tank of a motor vehicle for cooking, heating, water
126 heating, or electric generation.

127 (3) "Natural gas fuel retailer" means any person who sells,
128 produces or refines natural gas fuel for use in a motor vehicle
129 as defined in s. 206.01(23). This term does not include



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130 individuals specified in s. 206.9965(5).

131 (4) "Natural gasoline" is a liquid hydrocarbon that is
132 produced by natural gas and must be blended with other liquid
133 petroleum products to produce motor fuel.

134 (5) "Person" means a natural person, corporation,
135 copartnership, firm, company, agency, or association; a state
136 agency; a federal agency; or a political subdivision of the
137 state.

138 Section 8. Section 206.9952, Florida Statutes, is created
139 to read:

140 206.9952 Application for license as a natural gas fuel
141 retailer.-

142 (1) It is unlawful for any person to engage in business as
143 a natural gas fuel retailer within this state unless the person
144 is the holder of a valid license issued by the department to
145 engage in such business.

146 (2) A person who has facilities for placing natural gas
147 fuel into the supply system of an internal combustion engine
148 fueled by individual portable containers of 10 gallons or less
149 is not required to be licensed as a natural gas fuel retailer,
150 provided that the fuel is only used for exempt purposes.

151 (3) (a) Any person who acts as a natural gas retailer and
152 does not hold a valid natural gas fuel retailer license shall
153 pay a penalty of \$200 for each month of operation without a
154 license. This paragraph expires December 31, 2018.

155 (b) Effective January 1, 2019, any person who acts as a
156 natural gas fuel retailer and does not hold a valid natural gas
157 fuel retailer license shall pay a penalty of 25 percent of the
158 tax assessed on the total purchases made during the unlicensed



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159 period.

160 (4) To procure a natural gas fuel retailer license, a
161 person shall file an application and a bond with the department
162 on a form prescribed by the department. The department may not
163 issue a license upon the receipt of any application unless it is
164 accompanied by a bond.

165 (5) When a natural gas fuel retailer license application is
166 filed by a person whose previous license was canceled for cause
167 by the department or the department believes that such
168 application was not filed in good faith or is filed by another
169 person as a subterfuge for the actual person in interest whose
170 previous license has been canceled, the department may, if
171 evidence warrants, refuse to issue a license for such an
172 application.

173 (6) Upon the department's issuance of a natural gas fuel
174 retailer license, such license remains in effect so long as the
175 natural gas fuel retailer is in compliance with the requirements
176 of this part.

177 (7) Such license may not be assigned and is valid only for
178 the natural gas fuel retailer in whose name the license is
179 issued. The license shall be displayed conspicuously by the
180 natural gas fuel retailer in the principal place of business for
181 which the license was issued.

182 (8) With the exception of a state or federal agency or a
183 political subdivision licensed under this chapter, each person,
184 as defined in this part, who operates as a natural gas fuel
185 retailer shall report monthly to the department and pay a tax on
186 all natural gas fuel purchases beginning January 1, 2019.

187 (9) The license application requires a license fee of \$5.



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188 Each license shall be renewed annually by submitting a
189 reapplication and the license fee to the department. The license
190 fee shall be paid to the department for deposit into the General
191 Revenue Fund.

192 Section 9. Section 206.9955, Florida Statutes, is created
193 to read:

194 206.9955 Levy of natural gas fuel tax.-

195 (1) The motor fuel equivalent gallon means the following
196 for:

197 (a) Compressed natural gas gallon: 5.66 pounds, or per each
198 126.67 cubic feet.

199 (b) Liquefied natural gas gallon: 6.06 pounds.

200 (c) Liquefied petroleum gas gallon: 1.35 gallons.

201 (2) Effective January 1, 2019, the following taxes shall be
202 imposed:

203 (a) An excise tax of 4 cents upon each motor fuel
204 equivalent gallon of natural gas fuel.

205 (b) An additional tax of 1 cent upon each motor fuel
206 equivalent gallon of natural gas fuel, which is designated as
207 the "ninth-cent fuel tax."

208 (c) An additional tax of 1 cent on each motor fuel
209 equivalent gallon of natural gas fuel by each county, which is
210 designated as the "local option fuel tax."

211 (d) An additional tax on each motor fuel equivalent gallon
212 of natural gas fuel, which is designated as the "State
213 Comprehensive Enhanced Transportation System Tax," at a rate
214 determined pursuant to this paragraph. Each calendar year, the
215 department shall determine the tax rate applicable to the sale
216 of natural gas fuel for the following 12-month period beginning



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217 January 1, rounded to the nearest tenth of a cent, by adjusting
218 the initially established tax rate of 5.8 cents per gallon by
219 the percentage change in the average of the Consumer Price Index
220 issued by the United States Department of Labor for the most
221 recent 12-month period ending September 30.

222 (e)1. An additional tax is imposed on each motor fuel
223 equivalent gallon of natural gas fuel for the privilege of
224 selling natural gas fuel. Each calendar year, the department
225 shall determine the tax rate applicable to the sale of natural
226 gas fuel, rounded to the nearest tenth of a cent, for the
227 following 12-month period beginning January 1. The tax rate is
228 calculated by adjusting the initially established tax rate of
229 9.2 cents per gallon by the percentage change in the average of
230 the Consumer Price Index issued by the United States Department
231 of Labor for the most recent 12-month period ending September
232 30.

233 2. The department is authorized to adopt rules and publish
234 forms to administer this paragraph.

235 (3) Unless otherwise provided by this chapter, the taxes
236 specified in subsection (2) are imposed on natural gas fuel when
237 it is placed into the fuel supply tank of a motor vehicle as
238 defined in s. 206.01(23). The person liable for payment of the
239 taxes imposed by this section is the person selling or supplying
240 the natural gas fuel to the end user, for use in the fuel supply
241 tank of a motor vehicle as defined in s. 206.01(23).

242 Section 10. Section 206.996, Florida Statutes, is created
243 to read:

244 206.996 Monthly reports by natural gas fuel retailers;
245 deductions.-



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246 (1) For the purpose of determining the amount of taxes
247 imposed by s. 206.9955, each natural gas fuel retailer shall
248 file beginning with February 2019, and each month thereafter, no
249 later than the 20th day of each month, monthly reports
250 electronically with the department showing information on
251 inventory, purchases, nontaxable disposals, taxable uses, and
252 taxable sales in gallons of natural gas fuel for the preceding
253 month. However, if the 20th day of the month falls on a
254 Saturday, Sunday, or federal or state legal holiday, a return
255 must be accepted if it is electronically filed on the next
256 succeeding business day. The reports must include, or be
257 verified by, a written declaration stating that such report is
258 made under the penalties of perjury. The natural gas fuel
259 retailer shall deduct from the amount of taxes shown by the
260 report to be payable an amount equivalent to 0.67 percent of the
261 taxes on natural gas fuel imposed by s. 206.9955(2)(a) and (e),
262 which deduction is allowed to the natural gas fuel retailer to
263 compensate it for services rendered and expenses incurred in
264 complying with the requirements of this part. This allowance is
265 not deductible unless payment of applicable taxes is made on or
266 before the 20th day of the month. This subsection may not be
267 construed as authorizing a deduction from the constitutional
268 fuel tax or the fuel sales tax.

269 (2) Upon the electronic filing of the monthly report, each
270 natural gas fuel retailer shall pay the department the full
271 amount of natural gas fuel taxes for the preceding month at the
272 rate provided in s. 206.9955, less the amount allowed the
273 natural gas fuel retailer for services and expenses as provided
274 in subsection (1).



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275 (3) The department may authorize a quarterly return and
276 payment of taxes when the taxes remitted by the natural gas fuel
277 retailer for the preceding quarter did not exceed \$100, and the
278 department may authorize a semiannual return and payment of
279 taxes when the taxes remitted by the natural gas fuel retailer
280 for the preceding 6 months did not exceed \$200.

281 (4) In addition to the allowance authorized by subsection
282 (1), every natural gas fuel retailer is entitled to a deduction
283 of 1.1 percent of the taxes imposed under s. 206.9955(2)(b) and
284 (c), on account of services and expenses incurred due to
285 compliance with the requirements of this part. This allowance
286 may not be deductible unless payment of the tax is made on or
287 before the 20th day of the month.

288 Section 11. Section 206.9965, Florida Statutes, is created
289 to read:

290 206.9965 Exemptions and refunds; natural gas fuel
291 retailers.—Natural gas fuel may be purchased from natural gas
292 fuel retailers exempt from the tax imposed by this part when
293 used or purchased for the following:

294 (1) Exclusive use by the United States or its departments
295 or agencies. Exclusive use by the United States or its
296 departments and agencies means the consumption by the United
297 States or its departments or agencies of the natural gas fuel in
298 a motor vehicle as defined in s. 206.01(23).

299 (2) Use for agricultural purposes as defined in s.
300 206.41(4)(c).

301 (3) Uses as provided in s. 206.874(3).

302 (4) Use by vehicles operated by state and local government
303 agencies.



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304 (5) Individual use resulting from residential refueling
305 devices located at a person's primary residence.

306 (6) Purchases of natural gas fuel between licensed natural
307 gas fuel retailers. A natural gas fuel retailer that sells tax-
308 paid natural gas fuel to another natural gas fuel retailer may
309 take a credit on its monthly return or may file a claim for
310 refund with the Chief Financial Officer pursuant to s. 215.26.
311 All sales of natural gas fuel between natural gas fuel retailers
312 must be documented on invoices or other evidence of the sale of
313 such fuel and the seller shall retain a copy of the purchaser's
314 natural gas fuel retailer license.

315 (7) Natural gas fuel consumed by a power take off or engine
316 exhaust for the purpose of unloading bulk cargo by pumping or
317 turning a concrete mixer drum used in the manufacturing process,
318 or for the purpose of compacting solid waste, which is mounted
319 on a motor vehicle and which has no separate fuel tank or power
320 unit, is allowed a refund of 35 percent of the tax paid on the
321 fuel purchased.

322 Section 12. Section 206.879, Florida Statutes, is
323 transferred and renumbered as section 206.997, Florida Statutes,
324 and amended to read:

325 206.997 ~~206.879~~ State and local alternative fuel user fee
326 clearing trust funds; distribution.—

327 (1) Notwithstanding the provisions of s. 206.875, the
328 revenues from the state natural gas fuel tax imposed by s.
329 206.9955(2) (a), s. 206.9955(2) (d), and s. 206.9955(2) (e) state
330 alternative fuel fees imposed by s. 206.877 shall be deposited
331 into the State Alternative Fuel User Fee Clearing Trust Fund,
332 which is hereby created. After deducting the service charges



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333 provided in s. 215.20, the proceeds in this trust fund shall be
334 distributed as follows: the taxes imposed under s.
335 206.9955(2)(d) and s. 206.9955(2)(e) ~~one-fifth of the proceeds~~
336 ~~in calendar year 1991, one-third of the proceeds in calendar~~
337 ~~year 1992, three-sevenths of the proceeds in calendar year 1993,~~
338 ~~and one-half of the proceeds in each calendar year thereafter~~
339 shall be transferred to the State Transportation Trust Fund and
340 the tax imposed under s. 206.9955(2)(a); ~~the remainder~~ shall be
341 distributed as follows: 50 percent shall be transferred to the
342 State Board of Administration for distribution according to the
343 provisions of s. 16, Art. IX of the State Constitution of 1885,
344 as amended; 25 percent shall be transferred to the Revenue
345 Sharing Trust Fund for Municipalities; and the remaining 25
346 percent shall be distributed using the formula contained in s.
347 206.60(1).

348 (2) Notwithstanding the provisions of s. 206.875, the
349 revenues from the local natural gas fuel tax imposed by s.
350 206.9955(2)(b) and s. 206.9955(2)(c) ~~local alternative fuel fees~~
351 ~~imposed in lieu of s. 206.87(1)(b) or (c)~~ shall be deposited
352 into The Local Alternative Fuel User Fee Clearing Trust Fund,
353 ~~which is hereby created~~. After deducting the service charges
354 provided in s. 215.20, the proceeds in this trust fund shall be
355 returned monthly to the appropriate county.

356 Section 13. Section 206.998, Florida Statutes, is created
357 to read:

358 206.998 Applicability of specified sections of parts I and
359 II.—The provisions of ss. 206.01, 206.02, 206.025, 206.026,
360 206.027, 206.028, 206.03, 206.05, 206.055, 206.06, 206.07,
361 206.075, 206.09, 206.10, 206.11, 206.12, 206.13, 206.14, 206.15,



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362 206.16, 206.17, 206.175, 206.18, 206.199, 206.20, 206.204,
363 206.205, 206.21, 206.215, 206.22, 206.23, 206.24, 206.25,
364 206.27, 206.28, 206.405, 206.406, 206.41, 206.413, 206.43,
365 206.44, 206.48, 206.485, 206.49, 206.56, 206.59, 206.606,
366 206.608, and 206.61, Florida Statutes, of part I of this chapter
367 and ss. 206.86, 206.872, 206.874, 206.8745, 206.88, 206.90, and
368 206.93, Florida Statutes, of part II of this chapter shall, as
369 far as lawful or practicable, be applicable to the tax levied
370 and imposed and to the collection thereof as if fully set out in
371 this part. However, any provision of any such section does not
372 apply if it conflicts with any provision of this part.

373 Section 14. Paragraph (d) of subsection (2) of section
374 212.055, Florida Statutes, is amended to read:

375 212.055 Discretionary sales surtaxes; legislative intent;
376 authorization and use of proceeds.—It is the legislative intent
377 that any authorization for imposition of a discretionary sales
378 surtax shall be published in the Florida Statutes as a
379 subsection of this section, irrespective of the duration of the
380 levy. Each enactment shall specify the types of counties
381 authorized to levy; the rate or rates which may be imposed; the
382 maximum length of time the surtax may be imposed, if any; the
383 procedure which must be followed to secure voter approval, if
384 required; the purpose for which the proceeds may be expended;
385 and such other requirements as the Legislature may provide.
386 Taxable transactions and administrative procedures shall be as
387 provided in s. 212.054.

388 (2) LOCAL GOVERNMENT INFRASTRUCTURE SURTAX.—

389 (d) The proceeds of the surtax authorized by this
390 subsection and any accrued interest shall be expended by the



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391 school district, within the county and municipalities within the
392 county, or, in the case of a negotiated joint county agreement,
393 within another county, to finance, plan, and construct
394 infrastructure; to acquire land for public recreation,
395 conservation, or protection of natural resources; to provide
396 loans, grants, or rebates to residential or commercial property
397 owners who make energy efficiency improvements to their
398 residential or commercial property, if a local government
399 ordinance authorizing such use is approved by referendum; or to
400 finance the closure of county-owned or municipally owned solid
401 waste landfills that have been closed or are required to be
402 closed by order of the Department of Environmental Protection.
403 Any use of the proceeds or interest for purposes of landfill
404 closure before July 1, 1993, is ratified. The proceeds and any
405 interest may not be used for the operational expenses of
406 infrastructure, except that a county that has a population of
407 fewer than 75,000 and that is required to close a landfill may
408 use the proceeds or interest for long-term maintenance costs
409 associated with landfill closure. Counties, as defined in s.
410 125.011, and charter counties may, in addition, use the proceeds
411 or interest to retire or service indebtedness incurred for bonds
412 issued before July 1, 1987, for infrastructure purposes, and for
413 bonds subsequently issued to refund such bonds. Any use of the
414 proceeds or interest for purposes of retiring or servicing
415 indebtedness incurred for refunding bonds before July 1, 1999,
416 is ratified.

417 1. For the purposes of this paragraph, the term
418 "infrastructure" means:

419 a. Any fixed capital expenditure or fixed capital outlay



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420 associated with the construction, reconstruction, or improvement
421 of public facilities that have a life expectancy of 5 or more
422 years and any related land acquisition, land improvement,
423 design, and engineering costs.

424 b. A fire department vehicle, an emergency medical service
425 vehicle, a sheriff's office vehicle, a police department
426 vehicle, or any other vehicle, and the equipment necessary to
427 outfit the vehicle for its official use or equipment that has a
428 life expectancy of at least 5 years.

429 c. Any expenditure for the construction, lease, or
430 maintenance of, or provision of utilities or security for,
431 facilities, as defined in s. 29.008.

432 d. Any fixed capital expenditure or fixed capital outlay
433 associated with the improvement of private facilities that have
434 a life expectancy of 5 or more years and that the owner agrees
435 to make available for use on a temporary basis as needed by a
436 local government as a public emergency shelter or a staging area
437 for emergency response equipment during an emergency officially
438 declared by the state or by the local government under s.
439 252.38. Such improvements are limited to those necessary to
440 comply with current standards for public emergency evacuation
441 shelters. The owner must enter into a written contract with the
442 local government providing the improvement funding to make the
443 private facility available to the public for purposes of
444 emergency shelter at no cost to the local government for a
445 minimum of 10 years after completion of the improvement, with
446 the provision that the obligation will transfer to any
447 subsequent owner until the end of the minimum period.

448 e. Any land acquisition expenditure for a residential



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449 housing project in which at least 30 percent of the units are
450 affordable to individuals or families whose total annual
451 household income does not exceed 120 percent of the area median
452 income adjusted for household size, if the land is owned by a
453 local government or by a special district that enters into a
454 written agreement with the local government to provide such
455 housing. The local government or special district may enter into
456 a ground lease with a public or private person or entity for
457 nominal or other consideration for the construction of the
458 residential housing project on land acquired pursuant to this
459 sub-subparagraph.

460 2. For the purposes of this paragraph, the term "energy
461 efficiency improvement" means any energy conservation and
462 efficiency improvement that reduces consumption through
463 conservation or a more efficient use of electricity, natural
464 gas, propane, or other forms of energy on the property,
465 including, but not limited to, air sealing; installation of
466 insulation; installation of energy-efficient heating, cooling,
467 or ventilation systems; installation of solar panels; building
468 modifications to increase the use of daylight or shade;
469 replacement of windows; installation of energy controls or
470 energy recovery systems; installation of electric vehicle
471 charging equipment; installation of systems for natural gas fuel
472 as defined in s. 206.9951; and installation of efficient
473 lighting equipment.

474 3. Notwithstanding any other provision of this subsection,
475 a local government infrastructure surtax imposed or extended
476 after July 1, 1998, may allocate up to 15 percent of the surtax
477 proceeds for deposit into ~~in~~ a trust fund within the county's



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478 accounts created for the purpose of funding economic development
479 projects having a general public purpose of improving local
480 economies, including the funding of operational costs and
481 incentives related to economic development. The ballot statement
482 must indicate the intention to make an allocation under the
483 authority of this subparagraph.

484 Section 15. Paragraph (a) of subsection (4) of section
485 212.08, Florida Statutes, is amended to read:

486 212.08 Sales, rental, use, consumption, distribution, and
487 storage tax; specified exemptions.—The sale at retail, the
488 rental, the use, the consumption, the distribution, and the
489 storage to be used or consumed in this state of the following
490 are hereby specifically exempt from the tax imposed by this
491 chapter.

492 (4) EXEMPTIONS; ITEMS BEARING OTHER EXCISE TAXES, ETC.—

493 (a) Also exempt are:

494 1. Water delivered to the purchaser through pipes or
495 conduits or delivered for irrigation purposes. The sale of
496 drinking water in bottles, cans, or other containers, including
497 water that contains minerals or carbonation in its natural state
498 or water to which minerals have been added at a water treatment
499 facility regulated by the Department of Environmental Protection
500 or the Department of Health, is exempt. This exemption does not
501 apply to the sale of drinking water in bottles, cans, or other
502 containers if carbonation or flavorings, except those added at a
503 water treatment facility, have been added. Water that has been
504 enhanced by the addition of minerals and that does not contain
505 any added carbonation or flavorings is also exempt.

506 2. All fuels used by a public or private utility, including



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507 any municipal corporation or rural electric cooperative
508 association, in the generation of electric power or energy for
509 sale. Fuel other than motor fuel and diesel fuel is taxable as
510 provided in this chapter with the exception of fuel expressly
511 exempt herein. Natural gas and natural gas fuel as defined in s.
512 206.9951(2) are exempt from the tax imposed by this chapter when
513 placed into the fuel supply system of a motor vehicle. Motor
514 fuels and diesel fuels are taxable as provided in chapter 206,
515 with the exception of those motor fuels and diesel fuels used by
516 railroad locomotives or vessels to transport persons or property
517 in interstate or foreign commerce, which are taxable under this
518 chapter only to the extent provided herein. The basis of the tax
519 shall be the ratio of intrastate mileage to interstate or
520 foreign mileage traveled by the carrier's railroad locomotives
521 or vessels that were used in interstate or foreign commerce and
522 that had at least some Florida mileage during the previous
523 fiscal year of the carrier, such ratio to be determined at the
524 close of the fiscal year of the carrier. However, during the
525 fiscal year in which the carrier begins its initial operations
526 in this state, the carrier's mileage apportionment factor may be
527 determined on the basis of an estimated ratio of anticipated
528 miles in this state to anticipated total miles for that year,
529 and subsequently, additional tax shall be paid on the motor fuel
530 and diesel fuels, or a refund may be applied for, on the basis
531 of the actual ratio of the carrier's railroad locomotives' or
532 vessels' miles in this state to its total miles for that year.
533 This ratio shall be applied each month to the total Florida
534 purchases made in this state of motor and diesel fuels to
535 establish that portion of the total used and consumed in



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536 intrastate movement and subject to tax under this chapter. The
537 basis for imposition of any discretionary surtax shall be set
538 forth in s. 212.054. Fuels used exclusively in intrastate
539 commerce do not qualify for the proration of tax.

540 3. The transmission or wheeling of electricity.

541 Section 16. The Office of Program Policy Analysis and
542 Government Accountability shall complete a report reviewing the
543 taxation of natural gas fuel used to power motor vehicles under
544 chapters 206 and 212, Florida Statutes. The report must, at a
545 minimum: evaluate growth trends in the use of natural gas fuel;
546 survey how other states tax natural gas fuel and the energy
547 content related to compressed natural gas, liquefied natural
548 gas, and liquefied petroleum gas, and incentives provided to
549 consumers of such fuels; and survey consumers and suppliers of
550 natural gas fuel. The report shall be submitted to the President
551 of the Senate and the Speaker of the House of Representatives by
552 December 1, 2017.

553 Section 17. Natural gas fuel fleet vehicle rebate program.-

554 (1) CREATION AND PURPOSE OF PROGRAM.-There is created
555 within the Department of Agriculture and Consumer Services a
556 natural gas fuel fleet vehicle rebate program. The purpose of
557 this program is to help reduce transportation costs in this
558 state and encourage freight mobility investments that contribute
559 to the economic growth of the state.

560 (2) DEFINITIONS.-For purposes of this section, the term:

561 (a) "Conversion costs" means the excess cost associated
562 with retrofitting a diesel or gasoline powered motor vehicle to
563 a natural gas fuel powered motor vehicle.

564 (b) "Department" means the Department of Agriculture and



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565 Consumer Services.

566 (c) "Eligible costs" means the cost of conversion or the
567 incremental cost incurred by an applicant in connection with an
568 investment in the conversion, purchase, or lease lasting at
569 least 5 years, of a natural gas fleet vehicle placed into
570 service on or after July 1, 2013. The term does not include
571 costs for project development, fueling stations, or other
572 fueling infrastructure.

573 (d) "Fleet vehicles" means three or more motor vehicles
574 registered in this state and used for commercial business or
575 governmental purposes.

576 (e) "Incremental costs" means the excess costs associated
577 with the purchase or lease of a natural gas fuel motor vehicle
578 as compared to an equivalent diesel- or gasoline-powered motor
579 vehicle.

580 (f) "Natural gas fuel" means any liquefied petroleum gas
581 product, compressed natural gas product, or combination thereof
582 used in a motor vehicle as defined in s. 206.01(23). This term
583 includes, but is not limited to, all forms of fuel commonly or
584 commercially known or sold as natural gasoline, butane gas,
585 propane gas, or any other form of liquefied petroleum gas,
586 compressed natural gas, or liquefied natural gas. This term does
587 not include natural gas or liquefied petroleum placed in a
588 separate tank of a motor vehicle for cooking, heating, water
589 heating, or electric generation.

590 (3) NATURAL GAS FUEL FLEET VEHICLE REBATE.—The department
591 shall award rebates for eligible costs as defined in this
592 section. Forty percent of the annual allocation shall be
593 reserved for governmental applicants, with the remaining funds



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594 allocated for commercial applicants. A rebate may not exceed 50
595 percent of the eligible costs of a natural gas fuel fleet
596 vehicle with a dedicated or bi-fuel natural gas fuel operating
597 system placed into service on or after July 1, 2013. An
598 applicant is eligible to receive a maximum rebate of \$25,000 per
599 vehicle up to a total of \$250,000 per fiscal year. All natural
600 gas fuel fleet vehicles eligible for the rebate must comply with
601 applicable United States Environmental Protection Agency
602 emission standards.

603 (4) APPLICATION PROCESS.—

604 (a) An applicant seeking to obtain a rebate shall submit an
605 application to the department by a specified date each year as
606 established by department rule. The application shall require a
607 complete description of all eligible costs, proof of purchase or
608 lease of the vehicle for which the applicant is seeking a
609 rebate, a copy of the vehicle registration certificate, a
610 description of the total rebate sought by the applicant, and any
611 other information deemed necessary by the department. The
612 application form adopted by department rule must include an
613 affidavit from the applicant certifying that all information
614 contained in the application is true and correct.

615 (b) The department shall determine the rebate eligibility
616 of each applicant in accordance with the requirements of this
617 section and department rule. The total amount of rebates
618 allocated to certified applicants in each fiscal year may not
619 exceed the amount appropriated for the program in the fiscal
620 year. Rebates shall be allocated to eligible applicants on a
621 first-come, first-served basis, determined by the date the
622 application is received, until all appropriated funds for the



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623 fiscal year are expended or the program ends, whichever comes
624 first. Incomplete applications submitted to the department will
625 not be accepted and do not secure a place in the first-come,
626 first-served application process.

627 (5) RULES.—The department shall adopt rules to implement
628 and administer this section by December 31, 2013, including
629 rules relating to the forms required to claim a rebate under
630 this section, the required documentation and basis for
631 establishing eligibility for a rebate, procedures and guidelines
632 for claiming a rebate, and the collection of economic impact
633 data from applicants.

634 (6) PUBLICATION.—The department shall determine and publish
635 on its website on an ongoing basis the amount of available
636 funding for rebates remaining in each fiscal year.

637 (7) ANNUAL ASSESSMENT.—By October 1, 2014, and each year
638 thereafter that the program is funded, the department shall
639 provide an annual assessment of the use of the rebate program
640 during the previous fiscal year to the Governor, the President
641 of the Senate, the Speaker of the House of Representatives, and
642 the Office of Program Policy Analysis and Government
643 Accountability. The assessment shall include, at a minimum, the
644 following information:

645 (a) The name of each applicant awarded a rebate under this
646 section;

647 (b) The amount of the rebates awarded to each applicant;

648 (c) The type and description of each eligible vehicle for
649 which each applicant applied for a rebate; and

650 (d) The aggregate amount of funding awarded for all
651 applicants claiming rebates under this section.



652 (8) REPORT.—By January 31, 2016, the Office of Program
653 Policy Analysis and Government Accountability shall release a
654 report reviewing the rebate program to the Governor, the
655 President of the Senate, and the Speaker of the House of
656 Representatives. The review shall include an analysis of the
657 economic benefits resulting to the state from the program.

658 (9) ANNUAL FUNDING.—Annual funding for the natural gas fuel
659 fleet vehicle rebate program is subject to legislative
660 appropriation.

661 (10) EFFECTIVE DATE.—This section shall take effect July 1,
662 2013.

663 Section 18. Beginning in the 2013-2014 fiscal year and each
664 year thereafter through the 2017-2018 fiscal year, the sum of \$x
665 million in recurring funds is appropriated in each fiscal year
666 from the General Revenue Fund to the Department of Agriculture
667 and Consumer Services for the purpose of funding the natural gas
668 fuel fleet vehicle rebate program created by this act.

669 Section 19. Except as otherwise expressly provided in this
670 act and except for this section, which shall take effect July 1,
671 2013, this act shall take effect January 1, 2014.

672
673
674 ===== T I T L E A M E N D M E N T =====

675 And the title is amended as follows:

676 Delete everything before the enacting clause
677 and insert:

678 A bill to be entitled
679 An act relating to natural gas motor fuel; amending s.
680 206.86, F.S.; deleting definitions for the terms



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681 "alternative fuel" and "natural gasoline"; amending s.
682 206.87, F.S.; conforming a cross-reference; repealing
683 s. 206.877, F.S., relating to the annual decal fee
684 program for motor vehicles powered by alternative
685 fuels; repealing s. 206.89, F.S., relating to the
686 requirements for alternative fuel retailer licenses;
687 amending s. 206.91, F.S.; making grammatical and
688 technical changes; providing a directive to the
689 Division of Law Revision and Information; creating s.
690 206.9951, F.S.; providing definitions; creating s.
691 206.9952, F.S.; establishing requirements for natural
692 gas fuel retailer licenses; providing penalties for
693 certain licensure violations; creating s. 206.9955,
694 F.S.; providing calculations for a motor fuel
695 equivalent gallon; providing for the levy of the
696 natural gas fuel tax; authorizing the Department of
697 Revenue to adopt rules; creating s. 206.996, F.S.;
698 establishing requirements for monthly reports of
699 natural gas fuel retailers; providing that reports are
700 made under the penalties of perjury; allowing natural
701 gas fuel retailers to seek a deduction of the tax
702 levied under specified conditions; creating s.
703 206.9965, F.S.; providing exemptions and refunds from
704 the natural gas fuel tax; transferring, renumbering,
705 and amending s. 206.879, F.S.; revising provisions
706 relating to the state and local alternative fuel user
707 fee clearing trust funds; creating s. 206.998, F.S.;
708 providing for the applicability of specified sections
709 of parts I and II of ch. 206, F.S.; amending s.



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710 212.055, F.S.; expanding the use of the local
711 government infrastructure surtax to include the
712 installation of systems for natural gas fuel; amending
713 s. 212.08, F.S.; providing an exemption from taxes for
714 natural gas fuel under certain circumstances;
715 directing the Office of Program Policy Analysis and
716 Government Accountability to complete a report
717 reviewing the taxation of natural gas fuel; requiring
718 the report to be submitted to the Legislature by a
719 specified date; creating the natural gas fuel fleet
720 vehicle rebate program within the Department of
721 Agriculture and Consumer Services; providing
722 definitions; prescribing powers and duties of the
723 department with respect to the program; prescribing
724 limits on rebate awards; providing policies and
725 procedures for application approval; requiring the
726 department to adopt rules by a specified date;
727 requiring the department to publish on its website the
728 availability of rebate funds; requiring the department
729 to submit an annual assessment to the Governor, the
730 Legislature, and the Office of Program Policy Analysis
731 and Government Accountability by a specified date;
732 requiring the Office of Program Policy Analysis and
733 Government Accountability to submit a report to the
734 Governor and the Legislature by a specified date;
735 providing report requirements; providing that funding
736 for the program is subject to an annual appropriation;
737 providing an appropriation for a program created by
738 this act; providing effective dates.