

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Education Pre-K - 12

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BILL: SB 572

INTRODUCER: Senator Montford

SUBJECT: School Support Organizations

DATE: March 30, 2015

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Bailey	Klebacha	ED	<b>Pre-meeting</b>
2.			FT	
3.			FP	

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**I. Summary:**

SB 572 creates and defines the term “school support organization” as an entity organized to raise funds to support extracurricular activities at public, parochial, or nonprofit schools teaching grades K-12. In addition, the bill authorizes school support organizations to pay tax directly to suppliers on the cost price of food, drink, and supplies, if purchased for resale, in lieu of collecting sales tax from the purchaser.

The bill takes effect on July 1, 2015.

**II. Present Situation:**

Current law authorizes schools, having grades K-12, parent-teacher organizations (PTOs), and parent-teacher associations (PTAs) to pay sales tax to their suppliers on school materials and supplies purchased, rented, or leased for resale or rental to students for fundraising purposes and on items sold through vending machines, in lieu of collecting sales tax from the purchaser.<sup>1</sup> This allowance also applies to food or beverages sold through vending machines located in student lunchrooms or school dining rooms.<sup>2</sup>

For schools teaching grades K-12, PTOs and PTAs are nonprofit organizations associated with schools for the primary purpose of raising funds.<sup>3</sup> To alleviate the need for PTOs and PTAs to register as a dealer, obtain a Consumer’s Certificate of Exemption, or collect tax on the sales of taxable items, parent-teacher associations or organizations may pay tax to suppliers on the cost price of items.<sup>4</sup>

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<sup>1</sup> Section 212.08(7)(II), F.S.

<sup>2</sup> *Id.*

<sup>3</sup> Rule 12A-1.0011(2)(c), F.A.C.

<sup>4</sup> *Id.*

**III. Effect of Proposed Changes:**

SB 572 adds an additional nonprofit organization associated with schools whose purpose is to raise funds for schools teaching grades K-12.

The bill creates and defines “school support organization” as an entity organized to raise funds to support extracurricular activities at public, parochial, or nonprofit schools that teach grades K-12.

In addition, the bill authorizes school support organizations to pay tax directly to suppliers on the cost price of food, drink, and supplies, if purchased for resale, in lieu of collecting sales tax from the purchaser.

The bill takes effect on July 1, 2015.

**IV. Constitutional Issues:****A. Municipality/County Mandates Restrictions:**

None.

**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

None.

**C. Government Sector Impact:**

None.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends section 212.08 of the Florida Statutes.

**IX. Additional Information:**

**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

**B. Amendments:**

None.

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This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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