

By Senator Detert

28-01421-16

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1 A bill to be entitled
2 An act relating to sales of tax certificates for
3 unpaid taxes; amending s. 197.432, F.S.; prohibiting a
4 bidder from placing multiple bids during the sale of
5 certain tax certificates by a tax collector; providing
6 a penalty; providing definitions; specifying what
7 constitutes multiple bidders or entities; amending s.
8 197.172, F.S.; authorizing individual counties to set
9 the interest rate on real property taxes; requiring
10 each county to set the interest rate on tax
11 certificates annually; establishing the interest rate
12 for certain tax delinquencies; providing an effective
13 date.

14
15 Be It Enacted by the Legislature of the State of Florida:

16
17 Section 1. Subsection (6) of section 197.432, Florida
18 Statutes, is amended to read:

19 197.432 Sale of tax certificates for unpaid taxes.—

20 (6) Each certificate shall be awarded to the person who
21 will pay the taxes, interest, costs, and charges and will demand
22 the lowest rate of interest, not in excess of the maximum rate
23 of interest allowed by this chapter. The tax collector shall
24 accept bids in even increments and in fractional interest rate
25 bids of one-quarter of 1 percent only. An individual bidder or
26 corporate bidder entity may not submit more than one bid for
27 each certificate and may not use multiple federal employer
28 identification numbers to submit multiple bids. An individual
29 bidder or corporate bidder entity who violates this protocol is
30 barred from bidding in any county tax certificate sales for 2
31 consecutive years after identification and verification of the
32 bidding violation. If multiple bidders offer the same lowest

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33 rate of interest, the tax collector shall determine the method
34 of selecting the bidder to whom the certificate will be awarded.
35 Acceptable methods include the bid received first or use of a
36 random-number generator. If a certificate is not purchased, the
37 certificate shall be struck to the county, at an interest rate
38 set by the county, up to ~~at~~ the maximum rate of interest allowed
39 by this chapter. For purposes of this subsection, the term
40 "individual bidder" or "corporate bidder entity" means an
41 individual, corporation, partnership, joint venture, limited
42 liability company, association, cooperative, joint venture,
43 estate, trust, or any other type of individual, commercial
44 entity, group, or combination thereof, whether domestic or
45 foreign and whether for profit or not for profit. For purposes
46 of this section, multiple bidders or entities that share a
47 contractual, legal, or financial relationship are considered
48 part of the same individual bidder or entity, which relationship
49 is deemed to exist if they display any of the following
50 characteristics:

- 51 (a) Sharing a single taxpayer identification number;
52 (b) Filing a single tax return, jointly or as a dependent;
53 (c) Sharing common employees;
54 (d) Owning common assets;
55 (e) Displaying noncompetitive bidding behavior;
56 (f) Sharing a common pool of capital for the purchase of
57 certificates;
58 (g) Employing a bidding or registration strategy meant to
59 gain an advantage when determining the winner among tie bids; or
60 (h) Exhibiting ownership of each other.

61 Section 2. Subsections (1), (2), and (3) of section

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62 197.172, Florida Statutes, are amended to read:

63 197.172 Interest rate; calculation and minimum.-

64 (1) Real property taxes shall bear interest at a rate set
65 by the county upon which the property resides ~~the rate of 18~~
66 ~~percent per year~~ from the date of delinquency until a
67 certificate is sold, except that the minimum charge for
68 delinquent taxes paid prior to the sale of a tax certificate
69 shall be 3 percent.

70 (2) Each county shall annually set the ~~maximum~~ rate of
71 interest on a tax certificate for the following calendar year ~~is~~
72 ~~18 percent per year~~. However, a tax certificate may not bear
73 interest, and the mandatory interest as provided by s.
74 197.472(2) may not be levied during the 60-day period following
75 the date of delinquency, except for the 3 percent mandatory
76 interest charged under subsection (1).

77 (3) Personal property taxes shall bear interest at the rate
78 set by the jurisdictional county for the year of delinquency, ~~of~~
79 ~~18 percent per year~~ from the date of delinquency until paid or
80 barred under chapter 95.

81 Section 3. This act shall take effect July 1, 2016.