

By the Committee on Finance and Tax

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1 A bill to be entitled
2 An act relating to tax administration; creating s.
3 193.1557, F.S.; providing applicability of certain
4 property assessment limitations to changes, additions,
5 or improvements to property damaged or destroyed by
6 Hurricane Michael which are commenced within a certain
7 timeframe; specifying the applicable tax years;
8 providing for future repeal; amending s. 195.073,
9 F.S.; revising the classification of certain
10 residential property for assessment purposes; amending
11 s. 195.096, F.S.; revising requirements for the
12 Department of Revenue's review and published findings
13 of county assessment rolls; amending s. 206.8741,
14 F.S.; revising a penalty for failure to provide or
15 post a notice relating to dyed diesel fuel; amending
16 s. 212.05, F.S.; revising timeframes for certain
17 documentation to be provided to the department for the
18 purposes of a sales tax exemption for the sale of
19 certain boats and aircraft; amending s. 213.21, F.S.;
20 providing that the period for filing a claim for
21 certain refunds is tolled during a period in which a
22 taxpayer is engaged in certain informal conference
23 procedures; providing an effective date.

24
25 Be It Enacted by the Legislature of the State of Florida:

26
27 Section 1. Section 193.1557, Florida Statutes, is created
28 to read:

29 193.1557 Assessment of certain property damaged by

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30 Hurricane Michael.—For property damaged or destroyed by
31 Hurricane Michael in 2018, s. 193.155(4)(b), s. 193.1554(6)(b),
32 or s. 193.1555(6) shall apply to changes, additions, or
33 improvements commenced within 5 years after January 1 following
34 the damage or destruction of the property. This section applies
35 to tax years 2019-2023 and shall stand repealed December 31,
36 2023.

37 Section 2. Paragraphs (a) and (b) of subsection (1) of
38 section 195.073, Florida Statutes, are amended to read:

39 195.073 Classification of property.—All items required by
40 law to be on the assessment rolls must receive a classification
41 based upon the use of the property. The department shall
42 promulgate uniform definitions for all classifications. The
43 department may designate other subclassifications of property.
44 No assessment roll may be approved by the department which does
45 not show proper classifications.

46 (1) Real property must be classified according to the
47 assessment basis of the land into the following classes:

48 (a) Residential, subclassified into categories, one
49 category for homestead property and one for nonhomestead
50 property:

- 51 1. Single family.
- 52 2. Mobile homes.
- 53 3. Multifamily, up to nine units.
- 54 4. Condominiums.
- 55 5. Cooperatives.
- 56 6. Retirement homes.

57 (b) Commercial and industrial, including apartments with
58 more than nine units.

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59 Section 3. Subsection (2) and paragraph (a) of subsection
60 (3) of section 195.096, Florida Statutes, are amended to read:
61 195.096 Review of assessment rolls.—

62 (2) The department shall conduct, no less frequently than
63 once every 2 years, an in-depth review of the real property
64 assessment roll ~~rolls~~ of each county. The department need not
65 individually study every use-class of property set forth in s.
66 195.073, but shall at a minimum study the level of assessment in
67 relation to just value of each classification specified in
68 subsection (3). Such in-depth review may include proceedings of
69 the value adjustment board and the audit or review of procedures
70 used by the counties to appraise property.

71 (a) The department shall, at least 30 days prior to the
72 beginning of an in-depth review in any county, notify the
73 property appraiser in the county of the pending review. At the
74 request of the property appraiser, the department shall consult
75 with the property appraiser regarding the classifications and
76 strata to be studied, in order that the review will be useful to
77 the property appraiser in evaluating his or her procedures.

78 (b) Every property appraiser whose upcoming roll is subject
79 to an in-depth review shall, if requested by the department on
80 or before January 1, deliver upon completion of the assessment
81 roll a list of the parcel numbers of all parcels that did not
82 appear on the assessment roll of the previous year, indicating
83 the parcel number of the parent parcel from which each new
84 parcel was created or "cut out."

85 (c) In conducting assessment ratio studies, the department
86 must use all practicable steps, including stratified statistical
87 and analytical reviews and sale-qualification studies, to

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88 maximize the representativeness or statistical reliability of
89 samples of properties in tests of each classification, stratum,
90 or roll made the subject of a ratio study published by it. The
91 department shall document and retain records of the measures of
92 representativeness of the properties studied in compliance with
93 this section. Such documentation must include a record of
94 findings used as the basis for the approval or disapproval of
95 the tax roll in each county pursuant to s. 193.1142. In
96 addition, to the greatest extent practicable, the department
97 shall study assessment roll strata by subclassifications such as
98 value groups and market areas for each classification or stratum
99 to be studied, to maximize the representativeness of ratio study
100 samples. For purposes of this section, the department shall rely
101 primarily on an assessment-to-sales-ratio study in conducting
102 assessment ratio studies in those classifications of property
103 specified in subsection (3) for which there are adequate market
104 sales. The department shall compute the median and the value-
105 weighted mean for each classification or subclassification
106 studied and for the roll as a whole.

107 (d) In the conduct of these reviews, the department shall
108 adhere to all standards to which the property appraisers are
109 required to adhere.

110 (e) The department and each property appraiser shall
111 cooperate in the conduct of these reviews, and each shall make
112 available to the other all matters and records bearing on the
113 preparation and computation of the reviews. The property
114 appraisers shall provide any and all data requested by the
115 department in the conduct of the studies, including electronic
116 data processing tapes. Any and all data and samples developed or

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117 obtained by the department in the conduct of the studies shall
118 be confidential and exempt from the provisions of s. 119.07(1)
119 until a presentation of the findings of the study is made to the
120 property appraiser. After the presentation of the findings, the
121 department shall provide any and all data requested by a
122 property appraiser developed or obtained in the conduct of the
123 studies, including tapes. Direct reimbursable costs of providing
124 the data shall be borne by the party who requested it. Copies of
125 existing data or records, whether maintained or required
126 pursuant to law or rule, or data or records otherwise
127 maintained, shall be submitted within 30 days from the date
128 requested, in the case of written or printed information, and
129 within 14 days from the date requested, in the case of
130 computerized information.

131 (f) Within 120 days after receipt of a county assessment
132 roll by the executive director of the department pursuant to s.
133 193.1142(1), or within 10 days after approval of the assessment
134 roll, whichever is later, the department shall complete the
135 review for that county and publish the department's findings.
136 The findings must include ~~a statement of the confidence interval~~
137 ~~for the median and such other~~ measures as may be appropriate for
138 each classification or subclassification studied ~~and for the~~
139 ~~roll as a whole,~~ and related statistical and analytical details.
140 The measures in the findings must be based on:

- 141 1. A 95-percent level of confidence; or
- 142 2. Ratio study standards that are generally accepted by
143 professional appraisal organizations in developing a
144 statistically valid sampling plan if a 95-percent level of
145 confidence is not attainable.

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146 (g) Notwithstanding any other provision of this chapter, in
147 one or more assessment years following a natural disaster in
148 counties for which a state of emergency was declared by
149 executive order or proclamation of the Governor pursuant to
150 chapter 252, if the department determines that the natural
151 disaster creates difficulties in its statistical and analytical
152 reviews of the assessment rolls in affected counties, the
153 department shall take all practicable steps to maximize the
154 representativeness and reliability of its statistical and
155 analytical reviews and may use the best information available to
156 estimate the levels of assessment. This paragraph first applies
157 to the 2019 assessment roll and operates retroactively to
158 January 1, 2019.

159 (3) (a) Upon completion of review pursuant to paragraph
160 (2) (f), the department shall publish the results of reviews
161 conducted under this section. The results must include all
162 statistical and analytical measures computed under this section
163 for the real property assessment roll ~~as a whole, the personal~~
164 ~~property assessment roll as a whole,~~ and independently for the
165 following real property classes if the classes constituted 5
166 percent or more of the total assessed value of real property in
167 a county on the previous tax roll:

168 1. Residential property that consists of one primary living
169 unit, including, but not limited to, single-family residences,
170 condominiums, cooperatives, and mobile homes.

171 2. Residential property that consists of two to nine ~~or~~
172 ~~more~~ primary living units.

173 3. Agricultural, high-water recharge, historic property
174 used for commercial or certain nonprofit purposes, and other

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175 use-valued property.

176 4. Vacant lots.

177 5. Nonagricultural acreage and other undeveloped parcels.

178 6. Improved commercial and industrial property, including
179 apartments with more than nine units.

180 7. Taxable institutional or governmental, utility, locally
181 assessed railroad, oil, gas and mineral land, subsurface rights,
182 and other real property.

183

184 If one of the above classes constituted less than 5 percent of
185 the total assessed value of all real property in a county on the
186 previous assessment roll, the department may combine it with one
187 or more other classes of real property for purposes of
188 assessment ratio studies or use the weighted average of the
189 other classes for purposes of calculating the level of
190 assessment for all real property in a county. The department
191 shall also publish such results for any subclassifications of
192 the classes or the assessment roll ~~rolls~~ it may have chosen to
193 study.

194 Section 4. Subsection (6) of section 206.8741, Florida
195 Statutes, is amended to read:

196 206.8741 Dyeing and marking; notice requirements.—

197 (6) Any person who fails to provide or post the required
198 notice with respect to any dyed diesel fuel is subject to a
199 penalty of \$2,500 for each month such failure occurs ~~the penalty~~
200 ~~imposed by s. 206.872(11).~~

201 Section 5. Paragraph (a) of subsection (1) of section
202 212.05, Florida Statutes, is amended to read:

203 212.05 Sales, storage, use tax.—It is hereby declared to be

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204 the legislative intent that every person is exercising a taxable
205 privilege who engages in the business of selling tangible
206 personal property at retail in this state, including the
207 business of making mail order sales, or who rents or furnishes
208 any of the things or services taxable under this chapter, or who
209 stores for use or consumption in this state any item or article
210 of tangible personal property as defined herein and who leases
211 or rents such property within the state.

212 (1) For the exercise of such privilege, a tax is levied on
213 each taxable transaction or incident, which tax is due and
214 payable as follows:

215 (a)1.a. At the rate of 6 percent of the sales price of each
216 item or article of tangible personal property when sold at
217 retail in this state, computed on each taxable sale for the
218 purpose of remitting the amount of tax due the state, and
219 including each and every retail sale.

220 b. Each occasional or isolated sale of an aircraft, boat,
221 mobile home, or motor vehicle of a class or type which is
222 required to be registered, licensed, titled, or documented in
223 this state or by the United States Government shall be subject
224 to tax at the rate provided in this paragraph. The department
225 shall by rule adopt any nationally recognized publication for
226 valuation of used motor vehicles as the reference price list for
227 any used motor vehicle which is required to be licensed pursuant
228 to s. 320.08(1), (2), (3)(a), (b), (c), or (e), or (9). If any
229 party to an occasional or isolated sale of such a vehicle
230 reports to the tax collector a sales price which is less than 80
231 percent of the average loan price for the specified model and
232 year of such vehicle as listed in the most recent reference

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233 price list, the tax levied under this paragraph shall be
234 computed by the department on such average loan price unless the
235 parties to the sale have provided to the tax collector an
236 affidavit signed by each party, or other substantial proof,
237 stating the actual sales price. Any party to such sale who
238 reports a sales price less than the actual sales price is guilty
239 of a misdemeanor of the first degree, punishable as provided in
240 s. 775.082 or s. 775.083. The department shall collect or
241 attempt to collect from such party any delinquent sales taxes.
242 In addition, such party shall pay any tax due and any penalty
243 and interest assessed plus a penalty equal to twice the amount
244 of the additional tax owed. Notwithstanding any other provision
245 of law, the Department of Revenue may waive or compromise any
246 penalty imposed pursuant to this subparagraph.

247 2. This paragraph does not apply to the sale of a boat or
248 aircraft by or through a registered dealer under this chapter to
249 a purchaser who, at the time of taking delivery, is a
250 nonresident of this state, does not make his or her permanent
251 place of abode in this state, and is not engaged in carrying on
252 in this state any employment, trade, business, or profession in
253 which the boat or aircraft will be used in this state, or is a
254 corporation none of the officers or directors of which is a
255 resident of, or makes his or her permanent place of abode in,
256 this state, or is a noncorporate entity that has no individual
257 vested with authority to participate in the management,
258 direction, or control of the entity's affairs who is a resident
259 of, or makes his or her permanent abode in, this state. For
260 purposes of this exemption, either a registered dealer acting on
261 his or her own behalf as seller, a registered dealer acting as

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262 broker on behalf of a seller, or a registered dealer acting as
263 broker on behalf of the purchaser may be deemed to be the
264 selling dealer. This exemption shall not be allowed unless:

265 a. The purchaser removes a qualifying boat, as described in
266 sub-subparagraph f., from the state within 90 days after the
267 date of purchase or extension, or the purchaser removes a
268 nonqualifying boat or an aircraft from this state within 10 days
269 after the date of purchase or, when the boat or aircraft is
270 repaired or altered, within 20 days after completion of the
271 repairs or alterations; or if the aircraft will be registered in
272 a foreign jurisdiction and:

273 (I) Application for the aircraft's registration is properly
274 filed with a civil airworthiness authority of a foreign
275 jurisdiction within 10 days after the date of purchase;

276 (II) The purchaser removes the aircraft from the state to a
277 foreign jurisdiction within 10 days after the date the aircraft
278 is registered by the applicable foreign airworthiness authority;
279 and

280 (III) The aircraft is operated in the state solely to
281 remove it from the state to a foreign jurisdiction.

282
283 For purposes of this sub-subparagraph, the term "foreign
284 jurisdiction" means any jurisdiction outside of the United
285 States or any of its territories;

286 b. The purchaser, within 90 ~~30~~ days from the date of
287 departure, provides the department with written proof that the
288 purchaser licensed, registered, titled, or documented the boat
289 or aircraft outside the state. If such written proof is
290 unavailable, within 90 ~~30~~ days the purchaser shall provide proof

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291 that the purchaser applied for such license, title,
292 registration, or documentation. The purchaser shall forward to
293 the department proof of title, license, registration, or
294 documentation upon receipt;

295 c. The purchaser, within 30 ~~40~~ days of removing the boat or
296 aircraft from Florida, furnishes the department with proof of
297 removal in the form of receipts for fuel, dockage, slippage,
298 tie-down, or hangaring from outside of Florida. The information
299 so provided must clearly and specifically identify the boat or
300 aircraft;

301 d. The selling dealer, within 30 ~~5~~ days of the date of
302 sale, provides to the department a copy of the sales invoice,
303 closing statement, bills of sale, and the original affidavit
304 signed by the purchaser attesting that he or she has read the
305 provisions of this section;

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

308 f. Unless the nonresident purchaser of a boat of 5 net tons
309 of admeasurement or larger intends to remove the boat from this
310 state within 10 days after the date of purchase or when the boat
311 is repaired or altered, within 20 days after completion of the
312 repairs or alterations, the nonresident purchaser applies to the
313 selling dealer for a decal which authorizes 90 days after the
314 date of purchase for removal of the boat. The nonresident
315 purchaser of a qualifying boat may apply to the selling dealer
316 within 60 days after the date of purchase for an extension decal
317 that authorizes the boat to remain in this state for an
318 additional 90 days, but not more than a total of 180 days,
319 before the nonresident purchaser is required to pay the tax

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320 imposed by this chapter. The department is authorized to issue
321 decals in advance to dealers. The number of decals issued in
322 advance to a dealer shall be consistent with the volume of the
323 dealer's past sales of boats which qualify under this sub-
324 subparagraph. The selling dealer or his or her agent shall mark
325 and affix the decals to qualifying boats in the manner
326 prescribed by the department, before delivery of the boat.

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

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

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

335 (IV) The department is authorized to require dealers who
336 purchase decals to file reports with the department and may
337 prescribe all necessary records by rule. All such records are
338 subject to inspection by the department.

339 (V) Any dealer or his or her agent who issues a decal
340 falsely, fails to affix a decal, mismarks the expiration date of
341 a decal, or fails to properly account for decals will be
342 considered prima facie to have committed a fraudulent act to
343 evade the tax and will be liable for payment of the tax plus a
344 mandatory penalty of 200 percent of the tax, and shall be liable
345 for fine and punishment as provided by law for a conviction of a
346 misdemeanor of the first degree, as provided in s. 775.082 or s.
347 775.083.

348 (VI) Any nonresident purchaser of a boat who removes a

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349 decal before permanently removing the boat from the state, or
350 defaces, changes, modifies, or alters a decal in a manner
351 affecting its expiration date before its expiration, or who
352 causes or allows the same to be done by another, will be
353 considered prima facie to have committed a fraudulent act to
354 evade the tax and will be liable for payment of the tax plus a
355 mandatory penalty of 200 percent of the tax, and shall be liable
356 for fine and punishment as provided by law for a conviction of a
357 misdemeanor of the first degree, as provided in s. 775.082 or s.
358 775.083.

359 (VII) The department is authorized to adopt rules necessary
360 to administer and enforce this subparagraph and to publish the
361 necessary forms and instructions.

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

365

366 If the purchaser fails to remove the qualifying boat from this
367 state within the maximum 180 days after purchase or a
368 nonqualifying boat or an aircraft from this state within 10 days
369 after purchase or, when the boat or aircraft is repaired or
370 altered, within 20 days after completion of such repairs or
371 alterations, or permits the boat or aircraft to return to this
372 state within 6 months from the date of departure, except as
373 provided in s. 212.08(7) (fff), or if the purchaser fails to
374 furnish the department with any of the documentation required by
375 this subparagraph within the prescribed time period, the
376 purchaser shall be liable for use tax on the cost price of the
377 boat or aircraft and, in addition thereto, payment of a penalty

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378 to the Department of Revenue equal to the tax payable. This
379 penalty shall be in lieu of the penalty imposed by s. 212.12(2).
380 The maximum 180-day period following the sale of a qualifying
381 boat tax-exempt to a nonresident may not be tolled for any
382 reason.

383 Section 6. Paragraph (b) of subsection (1) of section
384 213.21, Florida Statutes, is amended to read:

385 213.21 Informal conferences; compromises.—

386 (1)

387 (b) The statute of limitations upon the issuance of final
388 assessments and the period for filing a claim for refund as
389 required by s. 215.26(2) for any transactions occurring during
390 the audit period shall be tolled during the period in which the
391 taxpayer is engaged in a procedure under this section.

392 Section 7. This act shall take effect July 1, 2020.