

By Senator Rodriguez

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1 A bill to be entitled

2 An act relating to the sales tax on motor vehicle
3 leases and rentals; amending s. 212.05, F.S.;
4 providing that sales tax does not apply to certain
5 leases or rentals of motor vehicles used primarily in
6 the trade or established business of the lessee or
7 rentee; making a technical change; providing an
8 effective date.

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

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12 Section 1. Paragraph (c) of subsection (1) of section
13 212.05, Florida Statutes, is amended to read:

14 212.05 Sales, storage, use tax.—It is hereby declared to be
15 the legislative intent that every person is exercising a taxable
16 privilege who engages in the business of selling tangible
17 personal property at retail in this state, including the
18 business of making or facilitating remote sales; who rents or
19 furnishes any of the things or services taxable under this
20 chapter; or who stores for use or consumption in this state any
21 item or article of tangible personal property as defined herein
22 and who leases or rents such property within the state.

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

26 (c) At the rate of 6 percent of the gross proceeds derived
27 from the lease or rental of tangible personal property, as
28 defined herein; however, the following special provisions apply
29 to the lease or rental of motor vehicles and to peer-to-peer

40-00678A-23

2023396__

30 car-sharing programs:

31 1. When a motor vehicle is leased or rented by a motor
32 vehicle rental company or through a peer-to-peer car-sharing
33 program as those terms are defined in s. 212.0606(1) for a
34 period of less than 12 months:

35 a. If the motor vehicle is rented in Florida, the entire
36 amount of such rental is taxable, even if the vehicle is dropped
37 off in another state.

38 b. If the motor vehicle is rented in another state and
39 dropped off in Florida, the rental is exempt from Florida tax.

40 c. If the motor vehicle is rented through a peer-to-peer
41 car-sharing program, the peer-to-peer car-sharing program shall
42 collect and remit the applicable tax due in connection with the
43 rental.

44 2. Except as provided in subparagraph 3., for the lease or
45 rental of a motor vehicle for a period of not less than 12
46 months, sales tax is due on the lease or rental payments if the
47 vehicle is registered in this state; provided, however, that no
48 tax shall be due if the taxpayer documents use of the motor
49 vehicle outside this state and tax is being paid on the lease or
50 rental payments in another state.

51 3. The tax imposed by this chapter does not apply to the
52 lease or rental of a commercial motor vehicle as defined in s.
53 316.003(14) (a) to one lessee or rentee, or of a motor vehicle as
54 defined in s. 316.003 which is to be used primarily in the trade
55 or established business of the lessee or rentee, for a period of
56 not less than 12 months when tax was paid on the sales purchase
57 price of such vehicle by the lessor. To the extent tax was paid
58 with respect to the purchase of such vehicle in another state,

40-00678A-23

2023396__

59 territory of the United States, or the District of Columbia, the
60 Florida tax payable shall be reduced in accordance with s.
61 212.06(7). This subparagraph shall only be available when the
62 lease or rental of such property is an established business or
63 part of an established business or the same is incidental or
64 germane to such business.

65 Section 2. This act shall take effect July 1, 2023.