

1 A bill to be entitled
 2 An act relating to taxes on the rental of real
 3 property; repealing s. 212.031, F.S., relating to the
 4 imposition of a tax on the rental or license fees
 5 charged for the use of commercial real property;
 6 amending s. 212.0598, F.S.; conforming a provision to
 7 changes made by the act; amending s. 212.0602, F.S.;
 8 defining the term "qualified production services";
 9 amending s. 212.08, F.S.; conforming provisions to
 10 changes made by the act; repealing s. 212.099, F.S.,
 11 relating to a tax credit for contributions to eligible
 12 nonprofit scholarship-funding organizations; amending
 13 ss. 288.1258, 338.234, 341.840, and 1002.395, F.S.;
 14 conforming cross-references and provisions to changes
 15 made by the act; providing an effective date.

16
 17 Be It Enacted by the Legislature of the State of Florida:

18
 19 **Section 1.** Section 212.031, Florida Statutes, is repealed.

20 **Section 2. Subsection (2) of section 212.0598, Florida**
 21 **Statutes, is amended to read:**

22 212.0598 Special provisions; air carriers.—

23 (2) The basis of the tax shall be the ratio of Florida
 24 mileage to total mileage as determined pursuant to chapter 220
 25 and this section. The ratio shall be determined at the close of

26 | the carrier's preceding fiscal year. However, during the fiscal
 27 | year in which the air carrier begins initial operations in this
 28 | state, the carrier may determine its mileage apportionment
 29 | factor based on an estimated ratio of anticipated revenue miles
 30 | in this state to anticipated total revenue miles. In such cases,
 31 | the air carrier shall pay additional tax or apply for a refund
 32 | based on the actual ratio for that year. The applicable ratio
 33 | shall be applied each month to the carrier's total systemwide
 34 | gross purchases of tangible personal property and services
 35 | otherwise taxable in Florida. ~~Additionally, the ratio shall be~~
 36 | ~~applied each month to the carrier's total systemwide payments~~
 37 | ~~for the lease or rental of, or license in, real property used by~~
 38 | ~~the carrier substantially for aircraft maintenance if that~~
 39 | ~~carrier employed, on average, during the previous calendar~~
 40 | ~~quarter in excess of 3,000 full-time equivalent maintenance or~~
 41 | ~~repair employees at one maintenance base that it leases, rents,~~
 42 | ~~or has a license in, in this state. In all other instances, the~~
 43 | ~~tax on real property leased, rented, or licensed by the carrier~~
 44 | ~~shall be as provided in s. 212.031.~~

45 | **Section 3. Section 212.0602, Florida Statutes, is amended**
 46 | **to read:**

47 | 212.0602 Education; limited exemption.—

48 | (1) To facilitate investment in education and job
 49 | training, there is also exempt from the taxes levied under this
 50 | chapter, subject to ~~the provisions of this section,~~ the purchase

51 or lease of materials, equipment, and other items ~~or the license~~
 52 ~~in or lease of real property~~ by any entity, institution, or
 53 organization that is primarily engaged in teaching students to
 54 perform any qualified production services ~~of the activities or~~
 55 ~~services described in s. 212.031(1)(a)9.~~, that conducts classes
 56 at a fixed location located in this state, that is licensed
 57 under chapter 1005, and that has at least 500 enrolled students.
 58 Any entity, institution, or organization meeting the
 59 requirements of this section is ~~shall be~~ deemed to qualify for
 60 the exemptions in s. 212.08(5)(f) and (12) ~~ss. 212.031(1)(a)9.~~
 61 ~~and 212.08(5)(f) and (12),~~ and to qualify for an exemption for
 62 its purchase or lease of materials, equipment, and other items
 63 used for education or demonstration of the school's curriculum,
 64 including supporting operations. ~~Nothing in~~ This section does
 65 not ~~shall~~ preclude an entity described in this section from
 66 qualifying for any other exemption provided for in this chapter.

67 (2) As used in this section, the term "qualified
 68 production services" means any activity or service performed
 69 directly in connection with the production of a qualified motion
 70 picture, as defined in s. 212.06(1)(b), and includes:

71 (a) Photography; sound and recording; casting; location
 72 managing and scouting; shooting; creation of special and optical
 73 effects; animation; adaptation, including language, media,
 74 electronic, or otherwise; technological modifications; computer
 75 graphics; set and stage support, including electricians,

76 lighting designers and operators, greensmen, prop managers and
77 assistants, and grips; wardrobe, including design, preparation,
78 and management; hair and makeup, including design, production,
79 and application; performing, including acting, dancing, and
80 playing; designing and executing stunts; coaching; consulting;
81 writing; scoring; composing; choreographing; script supervising;
82 directing; producing; transmitting dailies; dubbing; mixing;
83 editing; cutting; looping; printing; processing; duplicating;
84 storing; and distributing.

85 (b) The design, planning, engineering, construction,
86 alteration, repair, and maintenance of real or personal
87 property, including stages, sets, props, models, paintings, and
88 facilities principally required for the performance of the
89 services listed in paragraph (a).

90 (c) Property management services directly related to
91 property used in connection with the services listed in
92 paragraphs (a) and (b).

93 **Section 4. Paragraph (r) of subsection (5) of section**
94 **212.08, Florida Statutes, is amended to read:**

95 212.08 Sales, rental, use, consumption, distribution, and
96 storage tax; specified exemptions.—The sale at retail, the
97 rental, the use, the consumption, the distribution, and the
98 storage to be used or consumed in this state of the following
99 are hereby specifically exempt from the tax imposed by this
100 chapter.

101 (5) EXEMPTIONS; ACCOUNT OF USE.—

102 (r) *Data center property*.—

103 1. As used in this paragraph, the term:

104 a. "Critical IT load" means that portion of electric power
 105 capacity, expressed in terms of megawatts, which is reserved
 106 solely for owners or tenants of a data center to operate their
 107 computer server equipment. The term does not include any
 108 ancillary load for cooling, lighting, common areas, or other
 109 equipment.

110 b. "Cumulative capital investment" means the combined
 111 total of all expenses incurred by the owners or tenants of a
 112 data center after July 1, 2017, in connection with acquiring,
 113 constructing, installing, equipping, or expanding the data
 114 center. However, the term does not include any expenses incurred
 115 in the acquisition of improved real property operating as a data
 116 center at the time of acquisition or within 6 months before the
 117 acquisition.

118 c. "Data center" means a facility that:

119 (I) Consists of one or more contiguous parcels in this
 120 state, along with the buildings, substations and other
 121 infrastructure, fixtures, and personal property located on the
 122 parcels;

123 (II) Is used exclusively to house and operate equipment
 124 that receives, stores, aggregates, manages, processes,
 125 transforms, retrieves, researches, or transmits data; or that is

126 necessary for the proper operation of equipment that receives,
127 stores, aggregates, manages, processes, transforms, retrieves,
128 researches, or transmits data;

129 (III) Has a critical IT load of 15 megawatts or higher,
130 and a critical IT load of 1 megawatt or higher dedicated to each
131 individual owner or tenant within the data center; and

132 (IV) Is constructed on or after July 1, 2017.

133 d. "Data center property" means property used exclusively
134 at a data center to construct, outfit, operate, support, power,
135 cool, dehumidify, secure, or protect a data center and any
136 contiguous dedicated substations. The term includes, but is not
137 limited to, construction materials, component parts, machinery,
138 equipment, computers, servers, installations, redundancies, and
139 operating or enabling software, including any replacements,
140 updates and new versions, and upgrades to or for such property,
141 regardless of whether the property is a fixture or is otherwise
142 affixed to or incorporated into real property. The term also
143 includes electricity used exclusively at a data center.

144 2. Data center property is exempt from the tax imposed by
145 this chapter, ~~except for the tax imposed by s. 212.031.~~ To be
146 eligible for the exemption provided by this paragraph, the data
147 center's owners and tenants must make a cumulative capital
148 investment of \$150 million or more for the data center and the
149 data center must have a critical IT load of 15 megawatts or
150 higher and a critical IT load of 1 megawatt or higher dedicated

151 to each individual owner or tenant within the data center. Each
152 of these requirements must be satisfied no later than 5 years
153 after the commencement of construction of the data center.

154 3.a. To receive the exemption provided by this paragraph,
155 the person seeking the exemption must apply to the department
156 for a temporary tax exemption certificate. The application must
157 state that a qualifying data center designation is being sought
158 and provide information that the requirements of subparagraph 2.
159 will be met. Upon a tentative determination by the department
160 that the data center will meet the requirements of subparagraph
161 2., the department must issue the certificate.

162 b.(I) The certificateholder shall maintain all necessary
163 books and records to support the exemption provided by this
164 paragraph. Upon satisfaction of all requirements of subparagraph
165 2., the certificateholder must deliver the temporary tax
166 certificate to the department together with documentation
167 sufficient to show the satisfaction of the requirements. Such
168 documentation must include written declarations, pursuant to s.
169 92.525, from:

170 (A) A professional engineer, licensed pursuant to chapter
171 471, certifying that the critical IT load requirement set forth
172 in subparagraph 2. has been satisfied at the data center; and

173 (B) A Florida certified public accountant, as defined in
174 s. 473.302, certifying that the cumulative capital investment
175 requirement set forth in subparagraph 2. has been satisfied for

176 | the data center.

177 |

178 | The professional engineer and the Florida certified public
179 | accountant may not be professionally related with the data
180 | center's owners, tenants, or contractors, except that they may
181 | be retained by a data center owner to certify that the
182 | requirements of subparagraph 2. have been met.

183 | (II) If the department determines that the subparagraph 2.
184 | requirements have been satisfied, the department must issue a
185 | permanent tax exemption certificate.

186 | (III) Notwithstanding s. 212.084(4), the permanent tax
187 | exemption certificate remains valid and effective for as long as
188 | the data center described in the exemption application continues
189 | to operate as a data center as defined in subparagraph 1., with
190 | review by the department every 5 years to ensure compliance. As
191 | part of the review, the certificateholder shall, within 3 months
192 | before the end of any 5-year period, submit a written
193 | declaration, pursuant to s. 92.525, certifying that the critical
194 | IT load of 15 megawatts or higher and the critical IT load of 1
195 | megawatt or higher dedicated to each individual owner or tenant
196 | within the data center required by subparagraph 2. continues to
197 | be met. All owners, tenants, contractors, and others purchasing
198 | exempt data center property shall maintain all necessary books
199 | and records to support the exemption as to those purchases.

200 | (IV) Notwithstanding s. 213.053, the department may share

201 information concerning a temporary or permanent data center
202 exemption certificate among all owners, tenants, contractors,
203 and others purchasing exempt data center property pursuant to
204 such certificate.

205 c. If, in an audit conducted by the department, it is
206 determined that the certificateholder or any owners, tenants,
207 contractors, or others purchasing, renting, or leasing data
208 center property do not meet the criteria of this paragraph, the
209 amount of taxes exempted at the time of purchase, rental, or
210 lease is immediately due and payable to the department from the
211 purchaser, renter, or lessee of those particular items, together
212 with the appropriate interest and penalty computed from the date
213 of purchase in the manner prescribed by this chapter.

214 Notwithstanding s. 95.091(3)(a), any tax due as provided in this
215 sub-subparagraph may be assessed by the department within 6
216 years after the date the data center property was purchased.

217 d. Purchasers, lessees, and renters of data center
218 property who qualify for the exemption provided by this
219 paragraph shall obtain from the data center a copy of the tax
220 exemption certificate issued pursuant to sub-subparagraph a. or
221 sub-subparagraph b. Before or at the time of purchase of the
222 item or items eligible for exemption, the purchaser, lessee, or
223 renter shall provide to the seller a copy of the tax exemption
224 certificate and a signed certificate of entitlement. Purchasers,
225 lessees, and renters with self-accrual authority shall maintain

226 all documentation necessary to prove the exempt status of
227 purchases.

228 e. For any purchase, lease, or rental of property that is
229 exempt pursuant to this paragraph, the possession of a copy of a
230 tax exemption certificate issued pursuant to sub-subparagraph a.
231 or sub-subparagraph b. and a signed certificate of entitlement
232 relieves the seller of the responsibility of collecting the tax
233 on the sale, lease, or rental of such property, and the
234 department must look solely to the purchaser, renter, or lessee
235 for recovery of the tax if it determines that the purchase,
236 rental, or lease was not entitled to the exemption.

237 4. After June 30, 2027, the department may not issue a
238 temporary tax exemption certificate pursuant to this paragraph.

239 **Section 5.** Section 212.099, Florida Statutes, is repealed.

240 **Section 6. Paragraphs (b) and (c) of subsection (2) and**
241 **subsection (3) of section 288.1258, Florida Statutes, are**
242 **amended to read:**

243 288.1258 Entertainment industry qualified production
244 companies; application procedure; categories; duties of the
245 Department of Revenue; records and reports.—

246 (2) APPLICATION PROCEDURE.—

247 (b)1. The department shall establish a process by which an
248 entertainment industry production company may be approved by the
249 department as a qualified production company and may receive a
250 certificate of exemption from the Department of Revenue for the

251 sales and use tax exemptions under ss. ~~212.031~~, 212.06~~7~~ and
252 212.08.

253 2. Upon determination by the department that a production
254 company meets the established approval criteria and qualifies
255 for exemption, the department shall return the approved
256 application or application renewal or extension to the
257 Department of Revenue, which shall issue a certificate of
258 exemption.

259 3. The department shall deny an application or application
260 for renewal or extension from a production company if it
261 determines that the production company does not meet the
262 established approval criteria.

263 (c) The department shall develop, with the cooperation of
264 the Department of Revenue and local government entertainment
265 industry promotion agencies, a standardized application form for
266 use in approving qualified production companies.

267 1. The application form shall include, but not be limited
268 to, production-related information on employment, proposed
269 budgets, planned purchases of items exempted from sales and use
270 taxes under ss. ~~212.031~~, 212.06~~7~~ and 212.08, a signed
271 affirmation from the applicant that any items purchased for
272 which the applicant is seeking a tax exemption are intended for
273 use exclusively as an integral part of entertainment industry
274 preproduction, production, or postproduction activities engaged
275 in primarily in this state, and a signed affirmation from the

276 department that the information on the application form has been
277 verified and is correct. In lieu of information on projected
278 employment, proposed budgets, or planned purchases of exempted
279 items, a production company seeking a 1-year certificate of
280 exemption may submit summary historical data on employment,
281 production budgets, and purchases of exempted items related to
282 production activities in this state. Any information gathered
283 from production companies for the purposes of this section shall
284 be considered confidential taxpayer information and shall be
285 disclosed only as provided in s. 213.053.

286 2. The application form may be distributed to applicants
287 by the department or local film commissions.

288 (3) CATEGORIES.—

289 (a)1. A production company may be qualified for
290 designation as a qualified production company for a period of 1
291 year if the company has operated a business in Florida at a
292 permanent address for a period of 12 consecutive months. Such a
293 qualified production company shall receive a single 1-year
294 certificate of exemption from the Department of Revenue for the
295 sales and use tax exemptions under ss. ~~212.031~~, ~~212.06~~, and
296 ~~212.08~~, which certificate shall expire 1 year after issuance or
297 upon the cessation of business operations in the state, at which
298 time the certificate shall be surrendered to the Department of
299 Revenue.

300 2. The department shall develop a method by which a

301 qualified production company may annually renew a 1-year
302 certificate of exemption for a period of up to 5 years without
303 requiring the production company to resubmit a new application
304 during that 5-year period.

305 3. Any qualified production company may submit a new
306 application for a 1-year certificate of exemption upon the
307 expiration of that company's certificate of exemption.

308 (b)1. A production company may be qualified for
309 designation as a qualified production company for a period of 90
310 days. Such production company shall receive a single 90-day
311 certificate of exemption from the Department of Revenue for the
312 sales and use tax exemptions under ss. ~~212.031~~, ~~212.06~~, and
313 212.08, which certificate shall expire 90 days after issuance,
314 with extensions contingent upon approval of the department. The
315 certificate shall be surrendered to the Department of Revenue
316 upon its expiration.

317 2. Any production company may submit a new application for
318 a 90-day certificate of exemption upon the expiration of that
319 company's certificate of exemption.

320 **Section 7. Section 338.234, Florida Statutes, is amended**
321 **to read:**

322 338.234 Granting concessions or selling along the turnpike
323 system; immunity from taxation.—

324 ~~(1)~~ The department may enter into contracts or licenses
325 with any person for the sale of services or products or business

326 opportunities on the turnpike system, or the turnpike enterprise
327 may sell services, products, or business opportunities on the
328 turnpike system, which benefit the traveling public or provide
329 additional revenue to the turnpike system. Services, business
330 opportunities, and products authorized to be sold include, but
331 are not limited to, motor fuel, vehicle towing, and vehicle
332 maintenance services; food with attendant nonalcoholic
333 beverages; lodging, meeting rooms, and other business services
334 opportunities; advertising and other promotional opportunities,
335 which advertising and promotions must be consistent with the
336 dignity and integrity of the state; state lottery tickets sold
337 by authorized retailers; games and amusements that operate by
338 the application of skill, not including games of chance as
339 defined in s. 849.16 or other illegal gambling games; Florida
340 citrus, goods promoting the state, or handmade goods produced
341 within the state; and travel information, tickets, reservations,
342 or other related services. However, the department, pursuant to
343 the grants of authority to the turnpike enterprise under this
344 section, shall not exercise the power of eminent domain solely
345 for the purpose of acquiring real property in order to provide
346 business services or opportunities, such as lodging and meeting-
347 room space on the turnpike system.

348 ~~(2) The effectuation of the authorized purposes of the~~
349 ~~Strategic Intermodal System, created under ss. 339.61-339.65,~~
350 ~~and Florida Turnpike Enterprise, created under this chapter, is~~

351 ~~for the benefit of the people of the state, for the increase of~~
352 ~~their commerce and prosperity, and for the improvement of their~~
353 ~~health and living conditions; and, because the system and~~
354 ~~enterprise perform essential government functions in~~
355 ~~effectuating such purposes, neither the turnpike enterprise nor~~
356 ~~any nongovernment lessee or licensee renting, leasing, or~~
357 ~~licensing real property from the turnpike enterprise, pursuant~~
358 ~~to an agreement authorized by this section, are required to pay~~
359 ~~any commercial rental tax imposed under s. 212.031 on any~~
360 ~~capital improvements constructed, improved, acquired, installed,~~
361 ~~or used for such purposes.~~

362 **Section 8. Paragraph (a) of subsection (3) of section**
363 **341.840, Florida Statutes, is amended to read:**

364 341.840 Tax exemption.—

365 (3) (a) Purchases or leases of tangible personal property
366 or real property by the enterprise, excluding agents of the
367 enterprise, are exempt from taxes imposed by chapter 212 as
368 provided in s. 212.08(6). Purchases or leases of tangible
369 personal property that is incorporated into the high-speed rail
370 system as a component part thereof, as determined by the
371 enterprise, by agents of the enterprise or the owner of the
372 high-speed rail system are exempt from sales or use taxes
373 imposed by chapter 212. ~~Leases, rentals, or licenses to use real~~
374 ~~property granted to agents of the enterprise or the owner of the~~
375 ~~high-speed rail system are exempt from taxes imposed by s.~~

376 ~~212.031 if the real property becomes part of such system.~~ The
 377 exemptions granted in this subsection do not apply to sales,
 378 leases, or licenses by the enterprise, agents of the enterprise,
 379 or the owner of the high-speed rail system.

380 **Section 9. Paragraph (f) of subsection (2) of section**
 381 **1002.395, Florida Statutes, is amended to read:**

382 1002.395 Florida Tax Credit Scholarship Program.—

383 (2) DEFINITIONS.—As used in this section, the term:

384 (f) "Eligible contribution" means a monetary contribution
 385 from a taxpayer, subject to the restrictions provided in this
 386 section, to an eligible nonprofit scholarship-funding
 387 organization pursuant to this section and ss. ~~212.099~~, 212.1831~~7~~,
 388 and 212.1832. The taxpayer making the contribution may not
 389 designate a specific child as the beneficiary of the
 390 contribution.

391 **Section 10.** This act shall take effect July 1, 2025.