

CHAPTER 98-296

Committee Substitute for House Bill No. 747

An act relating to tax on sales, use, and other transactions; providing that no tax on certain purchases by, and revenues of, a chamber of commerce not actually paid or collected before a specified date shall be due from that chamber of commerce; providing for refund of certain taxes paid; providing an effective date.

WHEREAS, the promotion of business within the State of Florida serves the interests of the citizens of Florida generally, and

WHEREAS, enhanced business activity within the State of Florida results in the generation of greater revenues to the state arising from sales within the state and the sales tax revenues generated thereby, and

WHEREAS, the current system of sales and use taxation of chambers of commerce has been fraught with lack of clarity as to application of law and rule to chambers of commerce as unique not-for-profit organizations, and

WHEREAS, the current system of sales and use taxation rules has been subject to arbitrary, capricious, and inconsistent interpretation, NOW, THEREFORE,

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

Section 1. (1) As used in this section, "chamber of commerce" means an organization whose operations and membership are defined without regard to any specific industry or industries, and which is qualified as a "chamber of commerce" under s. 501(c)(6) of the Internal Revenue Code of 1986, as amended, and which is organized as a not-for-profit corporation.

(2) No tax imposed by chapter 212, Florida Statutes, on the following transactions, and not actually paid or collected by a chamber of commerce before December 31, 1994, shall be due from that chamber of commerce:

(a) Purchases by a chamber of commerce for use in its operations to foster business intended to occur within the state.

(b) Revenues of a chamber of commerce derived from activities of the chamber of commerce that are intended to foster business within the state for its members and the general business community, including dues and fees to members, the conduct of events for admission, charges to businesses for participation in trade shows and similar events, circulation of printed materials, including newspapers and newsletters regardless of the quantity of advertising content and regardless of the frequency of distribution, and business seminars and events to assist businesses with their operations, with compliance with laws, or with activities within their communities. Any revenues derived by a chamber of commerce from resales by the chamber of commerce of materials routinely and directly available to any person without the participation of the chamber of commerce, and which would occur

without participation, addition, or modification in any material way by the chamber of commerce, are not qualified as an exempt transaction of the chamber of commerce under this section.

(3) Any chamber of commerce that has paid taxes that have been imposed by this chapter and that would be exempted from such taxes according to paragraph (2)(a) shall be entitled to a refund of the taxes paid. The claim for this refund must be filed on or before July 1, 1999.

Section 2. This act shall take effect upon becoming a law.

Became a law without the Governor's approval May 29, 1998.

Filed in Office Secretary of State May 28, 1998.