

Committee Substitute for Senate Bill No. 388

An act relating to taxation; amending s. 212.08, F.S.; providing an exemption from the tax on sales, use, and other transactions for sales or leases to all organizations exempt from federal income tax under s. 501(c)(3) of the Internal Revenue Code; removing specific exemptions for military museums, homes for the aged, nursing homes, and hospices, religious, charitable, and scientific institutions, state theater contract organizations, Coast Guard auxiliaries, athletic event sponsors, and the Gasparilla Distance Classic Association, and revising the exemptions for religious organizations, organizations providing special benefits to minors, veterans' organization headquarters, educational institutions, works of art, and citizen support organizations, to conform; amending s. 212.084, F.S.; providing for application of provisions relating to temporary exemption certificates to newly organized organizations exempt under s. 501(c)(3); repealing s. 196.195(4), F.S., relating to proof of nonprofit status; repealing s. 196.196(1)(c), F.S., relating to determining whether property is being used for a charitable, religious, scientific, or literary purpose; amending ss. 212.0821, 212.084, 376.3072, 403.715, 414.029, 496.404, and 564.02, F.S.; conforming cross-references; providing an effective date.

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

Section 1. Subsection (7) of section 212.08, Florida Statutes, is amended to read:

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

(7) MISCELLANEOUS EXEMPTIONS.—

(a) Artificial commemorative flowers.—Exempt from the tax imposed by this chapter is the sale of artificial commemorative flowers by bona fide nationally chartered veterans' organizations.

(b) Boiler fuels.—When purchased for use as a combustible fuel, purchases of natural gas, residual oil, recycled oil, waste oil, solid waste material, coal, sulfur, wood, wood residues or wood bark used in an industrial manufacturing, processing, compounding, or production process at a fixed location in this state are exempt from the taxes imposed by this chapter; however, such exemption shall not be allowed unless the purchaser signs a certificate stating that the fuel to be exempted is for the exclusive use designated herein. This exemption does not apply to the use of boiler fuels that are not used in manufacturing, processing, compounding, or producing items of tangible personal property for sale, or to the use of boiler fuels used

by any firm subject to regulation by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation.

(c) Crustacea bait.—Also exempt from the tax imposed by this chapter is the purchase by commercial fishers of bait intended solely for use in the entrapment of *Callinectes sapidus* and *Menippe mercenaria*.

(d) Feeds.—Feeds for poultry, ostriches, and livestock, including race-horses and dairy cows, are exempt.

(e) Film rentals.—Film rentals are exempt when an admission is charged for viewing such film, and license fees and direct charges for films, video-tapes, and transcriptions used by television or radio stations or networks are exempt.

(f) Flags.—Also exempt are sales of the flag of the United States and the official state flag of Florida.

(g) Florida Retired Educators Association and its local chapters.—Also exempt from payment of the tax imposed by this chapter are purchases of office supplies, equipment, and publications made by the Florida Retired Educators Association and its local chapters.

(h) Guide dogs for the blind.—Also exempt are the sale or rental of guide dogs for the blind, commonly referred to as “seeing-eye dogs,” and the sale of food or other items for such guide dogs.

1. The department shall issue a consumer’s certificate of exemption to any blind person who holds an identification card as provided for in s. 413.091 and who either owns or rents, or contemplates the ownership or rental of, a guide dog for the blind. The consumer’s certificate of exemption shall be issued without charge and shall be of such size as to be capable of being carried in a wallet or billfold.

2. The department shall make such rules concerning items exempt from tax under the provisions of this paragraph as may be necessary to provide that any person authorized to have a consumer’s certificate of exemption need only present such a certificate at the time of paying for exempt goods and shall not be required to pay any tax thereon.

(i) Hospital meals and rooms.—Also exempt from payment of the tax imposed by this chapter on rentals and meals are patients and inmates of any hospital or other physical plant or facility designed and operated primarily for the care of persons who are ill, aged, infirm, mentally or physically incapacitated, or otherwise dependent on special care or attention. Residents of a home for the aged are exempt from payment of taxes on meals provided through the facility. A home for the aged is defined as a facility that is licensed or certified in part or in whole under chapter 400 or chapter 651, or that is financed by a mortgage loan made or insured by the United States Department of Housing and Urban Development under s. 202, s. 202 with a s. 8 subsidy, s. 221(d)(3) or (4), s. 232, or s. 236 of the National Housing Act, or other such similar facility designed and operated primarily for the care of the aged.

(j) Household fuels.—Also exempt from payment of the tax imposed by this chapter are sales of utilities to residential households or owners of residential models in this state by utility companies who pay the gross receipts tax imposed under s. 203.01, and sales of fuel to residential households or owners of residential models, including oil, kerosene, liquefied petroleum gas, coal, wood, and other fuel products used in the household or residential model for the purposes of heating, cooking, lighting, and refrigeration, regardless of whether such sales of utilities and fuels are separately metered and billed direct to the residents or are metered and billed to the landlord. If any part of the utility or fuel is used for a nonexempt purpose, the entire sale is taxable. The landlord shall provide a separate meter for nonexempt utility or fuel consumption. For the purposes of this paragraph, licensed family day care homes shall also be exempt.

(k) Meals provided by certain nonprofit organizations.—There is exempt from the tax imposed by this chapter the sale of prepared meals by a nonprofit volunteer organization to handicapped, elderly, or indigent persons when such meals are delivered as a charitable function by the organization to such persons at their places of residence.

~~(l) Military museums.—Also exempt are sales to nonprofit corporations which hold current exemptions from federal corporate income tax pursuant to s. 501(c)(3), Internal Revenue Code of 1954, as amended, and whose primary purpose is to raise money for military museums.~~

~~(m) Nonprofit corporations; homes for the aged, nursing homes, or hospices.—Nonprofit corporations which hold current exemptions from federal corporate income tax pursuant to s. 501(c)(3), Internal Revenue Code of 1954, as amended, and which either qualify as homes for the aged pursuant to s. 196.1975(2) or are licensed as a nursing home or hospice under the provisions of chapter 400, are exempt from the tax imposed by this chapter.~~

~~(l)(n) Organizations providing special educational, cultural, recreational, and social benefits to minors.—Also~~ There shall be exempt from the tax imposed by this chapter are sales or leases to and sales of donated property by nonprofit organizations which are incorporated pursuant to chapter 617 or which hold a current exemption from federal corporate income tax pursuant to s. 501(c)(3) of the Internal Revenue Code the primary purpose of which is providing activities that contribute to the development of good character or good sportsmanship, or to the educational or cultural development, of minors. This exemption is extended only to that level of the organization that has a salaried executive officer or an elected nonsalaried executive officer. For the purpose of this paragraph, the term “donated property” means any property transferred to such nonprofit organization for less than 50 percent of its fair market value.

~~(m)(o) Religious institutions Religious, charitable, scientific, educational, and veterans’ institutions and organizations.—~~

1. There are exempt from the tax imposed by this chapter transactions involving:

a. ~~sales or leases directly to religious institutions when used in carrying on their customary nonprofit religious activities churches or sales or leases of tangible personal property by religious institutions having an established physical place for worship at which nonprofit religious services and activities are regularly conducted and carried on. churches;~~

2. As used in this paragraph, the term:

a. “Religious institutions” means churches, synagogues, and established physical places for worship at which nonprofit religious services and activities are regularly conducted and carried on. The term “religious institutions” includes nonprofit corporations the sole purpose of which is to provide free transportation services to church members, their families, and other church attendees. The term “religious institutions” also includes nonprofit state, nonprofit district, or other nonprofit governing or administrative offices the function of which is to assist or regulate the customary activities of religious institutions. The term “religious institutions” also includes any nonprofit corporation that is qualified as nonprofit under s. 501(c)(3) of the Internal Revenue Code of 1986, as amended, and that owns and operates a Florida television station, at least 90 percent of the programming of which station consists of programs of a religious nature and the financial support for which, exclusive of receipts for broadcasting from other nonprofit organizations, is predominantly from contributions from the general public. The term “religious institutions” also includes any nonprofit corporation that is qualified as nonprofit under s. 501(c)(3) of the Internal Revenue Code of 1986, as amended, the primary activity of which is making and distributing audio recordings of religious scriptures and teachings to blind or visually impaired persons at no charge. The term “religious institutions” also includes any nonprofit corporation that is qualified as nonprofit under s. 501(c)(3) of the Internal Revenue Code of 1986, as amended, the sole or primary function of which is to provide, upon invitation, nonprofit religious services, evangelistic services, religious education, administrative assistance, or missionary assistance for a church, synagogue, or established physical place of worship at which nonprofit religious services and activities are regularly conducted.

b. ~~Sales or leases to nonprofit religious, nonprofit charitable, nonprofit scientific, or nonprofit educational institutions when used in carrying on their customary nonprofit religious, nonprofit charitable, nonprofit scientific, or nonprofit educational activities, including church cemeteries; and~~

(n)e. Veteran organizations.—

1. There are exempt from the tax imposed by this chapter transactions involving sales or leases to qualified veterans’ organizations and their auxiliaries when used in carrying on their customary veterans’ organization activities.

2. As used in this paragraph, the term “veterans’ organizations” means nationally chartered or recognized veterans’ organizations, including, but not limited to, Florida chapters of the Paralyzed Veterans of America, Catholic War Veterans of the U.S.A., Jewish War Veterans of the U.S.A., and the Disabled American Veterans, Department of Florida, Inc., which hold cur-

rent exemptions from federal income tax under s. 501(c)(4) or (19) of the Internal Revenue Code of 1986, as amended.

2.—The provisions of this section authorizing exemptions from tax shall be strictly defined, limited, and applied in each category as follows:

a.—~~“Religious institutions” means churches, synagogues, and established physical places for worship at which nonprofit religious services and activities are regularly conducted and carried on. The term “religious institutions” includes nonprofit corporations the sole purpose of which is to provide free transportation services to church members, their families, and other church attendees. The term “religious institutions” also includes state, district, or other governing or administrative offices the function of which is to assist or regulate the customary activities of religious organizations or members. The term “religious institutions” also includes any nonprofit corporation which is qualified as nonprofit pursuant to s. 501(c)(3), Internal Revenue Code of 1986, as amended, which owns and operates a Florida television station, at least 90 percent of the programming of which station consists of programs of a religious nature, and the financial support for which, exclusive of receipts for broadcasting from other nonprofit organizations, is predominantly from contributions from the general public. The term “religious institutions” also includes any nonprofit corporation which is qualified as nonprofit pursuant to s. 501(c)(3), Internal Revenue Code of 1986, as amended, which provides regular religious services to Florida state prisoners and which from its own established physical place of worship, operates a ministry providing worship and services of a charitable nature to the community on a weekly basis. The term “religious institutions” also includes any nonprofit corporation which is qualified as nonprofit pursuant to s. 501(c)(3), Internal Revenue Code of 1986, as amended, the primary activity of which is making and distributing audio recordings of religious scriptures and teachings to blind or visually impaired persons at no charge. The term “religious institutions” also includes any nonprofit corporation that is qualified as nonprofit pursuant to s. 501(c)(3), Internal Revenue Code of 1986, as amended, the sole or primary function of which is to provide, upon invitation, nonprofit religious services, evangelistic services, religious education, administration assistance, or missionary assistance for a church, synagogue, or established physical place of worship at which nonprofit religious services and activities are regularly conducted.~~

b.—~~“Charitable institutions” means only nonprofit corporations qualified as nonprofit pursuant to s. 501(c)(3), Internal Revenue Code of 1954, as amended, and other nonprofit entities, the sole or primary function of which is to provide, or to raise funds for organizations which provide, one or more of the following services if a reasonable percentage of such service is provided free of charge, or at a substantially reduced cost, to persons, animals, or organizations that are unable to pay for such service:~~

(I) ~~Medical aid for the relief of disease, injury, or disability;~~

(II) ~~Regular provision of physical necessities such as food, clothing, or shelter;~~

~~(III) — Services for the prevention of or rehabilitation of persons from alcoholism or drug abuse; the prevention of suicide; or the alleviation of mental, physical, or sensory health problems;~~

~~(IV) — Social welfare services including adoption placement, child care, community care for the elderly, consumer credit counseling, and other social welfare services which clearly and substantially benefit a client population which is disadvantaged or suffers a hardship;~~

~~(V) — Medical research for the relief of disease, injury, or disability;~~

~~(VI) — Legal services; or~~

~~(VII) — Food, shelter, or medical care for animals or adoption services, cruelty investigations, or education programs concerning animals;~~

~~and the term includes groups providing volunteer staff to organizations designated as charitable institutions under this sub-subparagraph; nonprofit organizations the sole or primary purpose of which is to coordinate, network, or link other institutions designated as charitable institutions under this sub-subparagraph with those persons, animals, or organizations in need of their services; and nonprofit national, state, district, or other governing, coordinating, or administrative organizations the sole or primary purpose of which is to represent or regulate the customary activities of other institutions designated as charitable institutions under this sub-subparagraph. Notwithstanding any other requirement of this section, any blood bank that relies solely upon volunteer donations of blood and tissue, that is licensed under chapter 483, and that qualifies as tax exempt under s. 501(c)(3) of the Internal Revenue Code constitutes a charitable institution and is exempt from the tax imposed by this chapter. Sales to a health system foundation, qualified as nonprofit pursuant to s. 501(c)(3), Internal Revenue Code of 1986, as amended, which filed an application for exemption with the department prior to November 15, 1997, and which application is subsequently approved, shall be exempt as to any unpaid taxes on purchases made from November 14, 1990, to December 31, 1997.~~

~~e. “Scientific organizations” means scientific organizations which hold current exemptions from federal income tax under s. 501(c)(3) of the Internal Revenue Code and also means organizations the purpose of which is to protect air and water quality or the purpose of which is to protect wildlife and which hold current exemptions from the federal income tax under s. 501(c)(3) of the Internal Revenue Code.~~

(o)d. Schools, colleges, and universities.—Also exempt from the tax imposed by this chapter are sales or leases to “Educational institutions” means state tax-supported or parochial, church and nonprofit private schools, colleges, or universities, which conduct regular classes and courses of study required for accreditation by, or membership in, the Southern Association of Colleges and Schools, the Department of Education, the Florida Council of Independent Schools, or the Florida Association of Christian Colleges and Schools, Inc., or nonprofit private schools which conduct regular classes and courses of study accepted for continuing education credit by a board of the

~~Division of Medical Quality Assurance of the Department of Health or which conduct regular classes and courses of study accepted for continuing education credit by the American Medical Association. Nonprofit libraries, art galleries, performing arts centers that provide educational programs to school children, which programs involve performances or other educational activities at the performing arts center and serve a minimum of 50,000 school children a year, and museums open to the public are defined as educational institutions and are eligible for exemption. The term “educational institutions” includes private nonprofit organizations the purpose of which is to raise funds for schools teaching grades kindergarten through high school, colleges, and universities. The term “educational institutions” includes any nonprofit newspaper of free or paid circulation primarily on university or college campuses which holds a current exemption from federal income tax under s. 501(c)(3) of the Internal Revenue Code, and any educational television or radio network or system established pursuant to s. 229.805 or s. 229.8051 and any nonprofit television or radio station which is a part of such network or system and which holds a current exemption from federal income tax under s. 501(c)(3) of the Internal Revenue Code. The term “educational institutions” also includes state, district, or other governing or administrative offices the function of which is to assist or regulate the customary activities of educational organizations or members. The term “educational institutions” also includes a nonprofit educational cable consortium which holds a current exemption from federal income tax under s. 501(c)(3) of the Internal Revenue Code of 1986, as amended, whose primary purpose is the delivery of educational and instructional cable television programming and whose members are composed exclusively of educational organizations which hold a valid consumer certificate of exemption and which are either an educational institution as defined in this subparagraph, or qualified as a nonprofit organization pursuant to s. 501(c)(3) of the Internal Revenue Code of 1986, as amended.~~

e. “Veterans’ organizations” means nationally chartered or recognized veterans’ organizations, including, but not limited to, Florida chapters of the Paralyzed Veterans of America, Catholic War Veterans of the U.S.A., Jewish War Veterans of the U.S.A., and the Disabled American Veterans, Department of Florida, Inc., which hold current exemptions from federal income tax under s. 501(c)(3), (4), or (19) of the Internal Revenue Code.

(p) Section 501(c)(3) organizations.—Also exempt from the tax imposed by this chapter are sales or leases to organizations determined by the Internal Revenue Service to be currently exempt from federal income tax pursuant to s. 501(c)(3) of the Internal Revenue Code of 1986, as amended, when such leases or purchases are used in carrying on their customary nonprofit activities.

(q)(p) Resource recovery equipment.—Also exempt is resource recovery equipment which is owned and operated by or on behalf of any county or municipality, certified by the Department of Environmental Protection under the provisions of s. 403.715.

(r)(q) School books and school lunches.—This exemption applies to school books used in regularly prescribed courses of study, and to school lunches

served in public, parochial, or nonprofit schools operated for and attended by pupils of grades K through 12. Yearbooks, magazines, newspapers, directories, bulletins, and similar publications distributed by such educational institutions to their students are also exempt. School books and food sold or served at community colleges and other institutions of higher learning are taxable.

~~(r) State theater contract organizations.—Nonprofit organizations incorporated in accordance with chapter 617 which have qualified under s. 501(c)(3) of the Internal Revenue Code of 1954, as amended, and which have been designated as state theater contract organizations as provided in s. 265.289 are exempt from the tax imposed by this chapter.~~

(s) Tasting beverages.—Vinous and alcoholic beverages provided by distributors or vendors for the purpose of “wine tasting” and “spirituous beverage tasting” as contemplated under the provisions of ss. 564.06 and 565.12, respectively, are exempt from the tax imposed by this chapter.

(t) Boats temporarily docked in state.—

1. Notwithstanding the provisions of chapters 327 and 328, pertaining to the registration of vessels, a boat upon which the state sales or use tax has not been paid is exempt from the use tax under this chapter if it enters and remains in this state for a period not to exceed a total of 20 days in any calendar year calculated from the date of first dockage or slippage at a facility, registered with the department, that rents dockage or slippage space in this state. If a boat brought into this state for use under this paragraph is placed in a facility, registered with the department, for repairs, alterations, refitting, or modifications and such repairs, alterations, refitting, or modifications are supported by written documentation, the 20-day period shall be tolled during the time the boat is physically in the care, custody, and control of the repair facility, including the time spent on sea trials conducted by the facility. The 20-day time period may be tolled only once within a calendar year when a boat is placed for the first time that year in the physical care, custody, and control of a registered repair facility; however, the owner may request and the department may grant an additional tolling of the 20-day period for purposes of repairs that arise from a written guarantee given by the registered repair facility, which guarantee covers only those repairs or modifications made during the first tolled period. Within 72 hours after the date upon which the registered repair facility took possession of the boat, the facility must have in its possession, on forms prescribed by the department, an affidavit which states that the boat is under its care, custody, and control and that the owner does not use the boat while in the facility. Upon completion of the repairs, alterations, refitting, or modifications, the registered repair facility must, within 72 hours after the date of release, have in its possession a copy of the release form which shows the date of release and any other information the department requires. The repair facility shall maintain a log that documents all alterations, additions, repairs, and sea trials during the time the boat is under the care, custody, and control of the facility. The affidavit shall be maintained by the registered repair facility as part of its records for as long as required by s. 213.35. When, within 6 months after the date of its purchase,

a boat is brought into this state under this paragraph, the 6-month period provided in s. 212.05(1)(a)2. or s. 212.06(8) shall be tolled.

2. During the period of repairs, alterations, refitting, or modifications and during the 20-day period referred to in subparagraph 1., the boat may be listed for sale, contracted for sale, or sold exclusively by a broker or dealer registered with the department without incurring a use tax under this chapter; however, the sales tax levied under this chapter applies to such sale.

3. The mere storage of a boat at a registered repair facility does not qualify as a tax-exempt use in this state.

4. As used in this paragraph, “registered repair facility” means:

a. A full-service facility that:

(I) Is located on a navigable body of water;

(II) Has haulout capability such as a dry dock, travel lift, railway, or similar equipment to service craft under the care, custody, and control of the facility;

(III) Has adequate piers and storage facilities to provide safe berthing of vessels in its care, custody, and control; and

(IV) Has necessary shops and equipment to provide repair or warranty work on vessels under the care, custody, and control of the facility;

b. A marina that:

(I) Is located on a navigable body of water;

(II) Has adequate piers and storage facilities to provide safe berthing of vessels in its care, custody, and control; and

(III) Has necessary shops and equipment to provide repairs or warranty work on vessels; or

c. A shoreside facility that:

(I) Is located on a navigable body of water;

(II) Has adequate piers and storage facilities to provide safe berthing of vessels in its care, custody, and control; and

(III) Has necessary shops and equipment to provide repairs or warranty work.

(u) Volunteer fire departments.—Also exempt are firefighting and rescue service equipment and supplies purchased by volunteer fire departments, duly chartered under the Florida Statutes as corporations not for profit.

(v) Professional services.—

1. Also exempted are professional, insurance, or personal service transactions that involve sales as inconsequential elements for which no separate charges are made.

2. The personal service transactions exempted pursuant to subparagraph 1. do not exempt the sale of information services involving the furnishing of printed, mimeographed, or multigraphed matter, or matter duplicating written or printed matter in any other manner, other than professional services and services of employees, agents, or other persons acting in a representative or fiduciary capacity or information services furnished to newspapers and radio and television stations. As used in this subparagraph, the term "information services" includes the services of collecting, compiling, or analyzing information of any kind or nature and furnishing reports thereof to other persons.

3. This exemption does not apply to any service warranty transaction taxable under s. 212.0506.

4. This exemption does not apply to any service transaction taxable under s. 212.05(1)(j).

(w) Certain newspaper, magazine, and newsletter subscriptions, shoppers, and community newspapers.—Likewise exempt are newspaper, magazine, and newsletter subscriptions in which the product is delivered to the customer by mail. Also exempt are free, circulated publications that are published on a regular basis, the content of which is primarily advertising, and that are distributed through the mail, home delivery, or newsstands. The exemption for newspaper, magazine, and newsletter subscriptions which is provided in this paragraph applies only to subscriptions entered into after March 1, 1997.

(x) Sporting equipment brought into the state.—Sporting equipment brought into Florida, for a period of not more than 4 months in any calendar year, used by an athletic team or an individual athlete in a sporting event is exempt from the use tax if such equipment is removed from the state within 7 days after the completion of the event.

(y) Charter fishing vessels.—The charge for chartering any boat or vessel, with the crew furnished, solely for the purpose of fishing is exempt from the tax imposed under s. 212.04 or s. 212.05. This exemption does not apply to any charge to enter or stay upon any "head-boat," party boat, or other boat or vessel. Nothing in this paragraph shall be construed to exempt any boat from sales or use tax upon the purchase thereof except as provided in paragraph (t) and s. 212.05.

(z) Vending machines sponsored by nonprofit or charitable organizations.—Also exempt are food or drinks for human consumption sold for 25 cents or less through a coin-operated vending machine sponsored by a nonprofit corporation qualified as nonprofit pursuant to s. 501(c)(3) or (4) of the Internal Revenue Code of 1986, as amended.

(aa) Certain commercial vehicles.—Also exempt is the sale, lease, or rental of a commercial motor vehicle as defined in s. 207.002(2), when the following conditions are met:

1. The sale, lease, or rental occurs between two commonly owned and controlled corporations;
2. Such vehicle was titled and registered in this state at the time of the sale, lease, or rental; and
3. Florida sales tax was paid on the acquisition of such vehicle by the seller, lessor, or renter.

(bb) Community cemeteries.—Also exempt are purchases by any non-profit corporation that has qualified under s. 501(c)(13) of the Internal Revenue Code of 1986, as amended, and is operated for the purpose of maintaining a cemetery that was donated to the community by deed.

~~(cc) Coast Guard auxiliaries.—A nonprofit organization that is affiliated with the Coast Guard, that is exempt from federal income tax pursuant to s. 501(a) and (c)(3) of the Internal Revenue Code of 1986, as amended, and the primary purpose of which is to promote safe boating and to conduct free public education classes in basic seamanship is exempt from the tax imposed by this chapter.~~

~~(cc)(dd)~~ Works of art.—

1. Also exempt are works of art sold to or used by an educational institution, ~~as defined in sub-subparagraph (o)2.d.~~

2. This exemption also applies to the sale to or use in this state of any work of art by any person if it was purchased or imported exclusively for the purpose of being donated to any educational institution, or loaned to and made available for display by any educational institution, provided that the term of the loan agreement is for at least 10 years.

3. The exemption provided by this paragraph for donations is allowed only if the person who purchased the work of art transfers title to the donated work of art to an educational institution. Such transfer of title shall be evidenced by an affidavit meeting requirements established by rule to document entitlement to the exemption. Nothing in this paragraph shall preclude a work of art donated to an educational institution from remaining in the possession of the donor or purchaser, as long as title to the work of art lies with the educational institution.

4. A work of art is presumed to have been purchased in or imported into this state exclusively for loan as provided in subparagraph 2., if it is so loaned or placed in storage in preparation for such a loan within 90 days after purchase or importation, whichever is later; but a work of art is not deemed to be placed in storage in preparation for loan for purposes of this exemption if it is displayed at any place other than an educational institution.

5. The exemptions provided by this paragraph are allowed only if the person who purchased the work of art gives to the vendor an affidavit meeting the requirements, established by rule, to document entitlement to the exemption. The person who purchased the work of art shall forward a

copy of such affidavit to the Department of Revenue at the time it is issued to the vendor.

6. The exemption for loans provided by subparagraph 2. applies only for the period during which a work of art is in the possession of the educational institution or is in storage before transfer of possession to that institution; and when it ceases to be so possessed or held, tax based upon the sales price paid by the owner is payable, and the statute of limitations provided in s. 95.091 shall begin to run at that time. However, tax shall not become due if the work of art is donated to an educational institution after the loan ceases.

7. Any educational institution to which a work of art has been donated pursuant to this paragraph shall make available to the department the title to the work of art and any other relevant information. Any educational institution which has received a work of art on loan pursuant to this paragraph shall make available to the department information relating to the work of art. Any educational institution that transfers from its possession a work of art as defined by this paragraph which has been loaned to it must notify the Department of Revenue within 60 days after the transfer.

8. For purposes of the exemptions provided by this paragraph, the term:

a. “Educational institutions” includes state tax-supported, parochial, church, and nonprofit private schools, colleges, or universities that conduct regular classes and courses of study required for accreditation by or membership in the Southern Association of Colleges and Schools, the Florida Council of Independent Schools, or the Florida Association of Christian Colleges and Schools, Inc.; nonprofit private schools that conduct regular classes and courses of study accepted for continuing education credit by a board of the Division of Medical Quality Assurance of the Department of Health; or nonprofit libraries, art galleries, performing arts centers that provide educational programs to school children, which programs involve performances or other educational activities at the performing arts center and serve a minimum of 50,000 schoolchildren a year, and museums open to the public.

b. “Work of art” includes pictorial representations, sculpture, jewelry, antiques, stamp collections and coin collections, and other tangible personal property, the value of which is attributable predominantly to its artistic, historical, political, cultural, or social importance.

~~(dd)~~(ee) Taxicab leases.—The lease of or license to use a taxicab or taxicab-related equipment and services provided by a taxicab company to an independent taxicab operator are exempt, provided, however, the exemptions provided under this paragraph only apply if sales or use tax has been paid on the acquisition of the taxicab and its related equipment.

~~(e)~~(ff) Aircraft repair and maintenance labor charges.—There shall be exempt from the tax imposed by this chapter all labor charges for the repair and maintenance of aircraft of more than 15,000 pounds maximum certified takeoff weight and rotary wing aircraft of more than 10,000 pounds maximum certified takeoff weight. Except as otherwise provided in this chapter,

charges for parts and equipment furnished in connection with such labor charges are taxable.

~~(gg) Athletic event sponsors.—There shall be exempt from the tax imposed by this chapter sales or leases to organizations that:~~

~~1. Are incorporated pursuant to chapter 617;~~

~~2. Hold a current exemption from federal corporate income tax liability pursuant to s. 501(c)(3) of the Internal Revenue Code of 1986, as amended; and~~

~~3.a. Sponsor golf tournaments sanctioned by the PGA Tour, PGA of America, or the LPGA; or~~

~~b. Are funded primarily by county or municipal governments and have as their primary purpose the encouragement and facilitation of the use of certain locations within this state as venues for sporting events.~~

~~(ff)(hh) Electric vehicles.—Effective July 1, 1995, through June 30, 2000, the sale of an electric vehicle, as defined in s. 320.01, is exempt from the tax imposed by this chapter.~~

~~(gg)(ii) Certain electricity or steam uses.—~~

1. Subject to the provisions of subparagraph 4., charges for electricity or steam used to operate machinery and equipment at a fixed location in this state when such machinery and equipment is used to manufacture, process, compound, produce, or prepare for shipment items of tangible personal property for sale, or to operate pollution control equipment, recycling equipment, maintenance equipment, or monitoring or control equipment used in such operations are exempt to the extent provided in this paragraph. If 75 percent or more of the electricity or steam used at the fixed location is used to operate qualifying machinery or equipment, 100 percent of the charges for electricity or steam used at the fixed location are exempt. If less than 75 percent but 50 percent or more of the electricity or steam used at the fixed location is used to operate qualifying machinery or equipment, 50 percent of the charges for electricity or steam used at the fixed location are exempt. If less than 50 percent of the electricity or steam used at the fixed location is used to operate qualifying machinery or equipment, none of the charges for electricity or steam used at the fixed location are exempt.

2. This exemption applies only to industries classified under SIC Industry Major Group Numbers 10, 12, 13, 14, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, and 39 and Industry Group Number 212. As used in this paragraph, "SIC" means those classifications contained in the Standard Industrial Classification Manual, 1987, as published by the Office of Management and Budget, Executive Office of the President.

3. Possession by a seller of a written certification by the purchaser, certifying the purchaser's entitlement to an exemption permitted by this subsection, relieves the seller from the responsibility of collecting the tax on the nontaxable amounts, and the department shall look solely to the purchaser

for recovery of such tax if it determines that the purchaser was not entitled to the exemption.

4. Such exemption shall be applied as follows:

a. Beginning July 1, 1996, 20 percent of the charges for such electricity shall be exempt.

b. Beginning July 1, 1997, 40 percent of the charges for such electricity shall be exempt.

c. Beginning July 1, 1998, 60 percent of the charges for such electricity or steam shall be exempt.

d. Beginning July 1, 1999, 80 percent of the charges for such electricity or steam shall be exempt.

e. Beginning July 1, 2000, 100 percent of the charges for such electricity or steam shall be exempt.

5. Notwithstanding any other provision in this paragraph to the contrary, in order to receive the exemption provided in this paragraph a taxpayer must first register with the WAGES Program Business Registry established by the local WAGES coalition for the area in which the taxpayer is located. Such registration establishes a commitment on the part of the taxpayer to hire WAGES program participants to the maximum extent possible consistent with the nature of their business.

6.a. In order to determine whether the exemption provided in this paragraph from the tax on charges for electricity or steam has an effect on retaining or attracting companies to this state, the Office of Program Policy Analysis and Government Accountability shall periodically monitor and report on the industries receiving the exemption.

b. The first report shall be submitted no later than January 1, 1997, and must be conducted in such a manner as to specifically determine the number of companies within each SIC Industry Major Group receiving the exemption as of September 1, 1996, and the number of individuals employed by companies within each SIC Industry Major Group receiving the exemption as of September 1, 1996.

c. The second report shall be submitted no later than January 1, 2001, and must be comprehensive in scope, but, at a minimum, must be conducted in such a manner as to specifically determine the number of companies within each SIC Industry Major Group receiving the exemption as of September 1, 2000, the number of individuals employed by companies within each SIC Industry Major Group receiving the exemption as of September 1, 2000, whether the change, if any, in such number of companies or employees is attributable to the exemption provided in this paragraph, whether it would be sound public policy to continue or discontinue the exemption, and the consequences of doing so.

d. Both reports shall be submitted to the President of the Senate, the Speaker of the House of Representatives, the Senate Minority Leader, and the House Minority Leader.

~~(hh)(jj)~~ Fair associations.—Also exempt from the tax imposed by this chapter is the sale, use, lease, rental, or grant of a license to use, made directly to or by a fair association, of real or tangible personal property; any charge made by a fair association, or its agents, for parking, admissions, or for temporary parking of vehicles used for sleeping quarters; rentals, subleases, and sublicenses of real or tangible personal property between the owner of the central amusement attraction and any owner of an amusement ride, as those terms are used in ss. 616.15(1)(b) and 616.242(3)(a), for the furnishing of amusement rides at a public fair or exposition; and other transactions of a fair association which are incurred directly by the fair association in the financing, construction, and operation of a fair, exposition, or other event or facility that is authorized by s. 616.08. As used in this paragraph, the terms “fair association” and “public fair or exposition” have the same meaning as those terms are defined in s. 616.001. This exemption does not apply to the sale of tangible personal property made by a fair association through an agent or independent contractor; sales of admissions and tangible personal property by a concessionaire, vendor, exhibitor, or licensee; or rentals and subleases of tangible personal property or real property between the owner of the central amusement attraction and a concessionaire, vendor, exhibitor, or licensee, except for the furnishing of amusement rides, which transactions are exempt.

~~(ii)(kk)~~ Citizen support organizations.—~~Also exempt from the tax imposed by this chapter are sales or leases to~~ Beginning July 1, 1996, nonprofit organizations that are incorporated under chapter 617 or hold a current exemption from federal corporate income tax under s. 501(c)(3) of the Internal Revenue Code, as amended, and that have been designated citizen support organizations in support of state-funded environmental programs or the management of state-owned lands in accordance with s. 370.0205, or to support one or more state parks in accordance with s. 258.015 ~~are exempt from the tax imposed by this chapter.~~

~~(jj)(ll)~~ Florida Folk Festival.—There shall be exempt from the tax imposed by this chapter income of a revenue nature received from admissions to the Florida Folk Festival held pursuant to s. 267.16 at the Stephen Foster State Folk Culture Center, a unit of the state park system.

~~(kk)(mm)~~ Solar energy systems.—Also exempt are solar energy systems or any component thereof. The Florida Solar Energy Center shall from time to time certify to the department a list of equipment and requisite hardware considered to be a solar energy system or a component thereof. This exemption is repealed July 1, 2002.

~~(ll)(nn)~~ Nonprofit cooperative hospital laundries.—~~Also exempt from the tax imposed by this chapter are sales or leases to~~ nonprofit organizations that are incorporated under chapter 617 and which are treated, for federal income tax purposes, as cooperatives under subchapter T of the Internal Revenue Code, whose sole purpose is to offer laundry supplies and services to their members, which members must all be exempt from federal income tax pursuant to s. 501(c)(3) of the Internal Revenue Code, ~~are exempt from the tax imposed by this chapter.~~

~~(mm)(oo)~~ Complimentary meals.—Also exempt from the tax imposed by this chapter are food or drinks that are furnished as part of a packaged room rate by any person offering for rent or lease any transient living accommodations as described in s. 509.013(4)(a) which are licensed under part I of chapter 509 and which are subject to the tax under s. 212.03, if a separate charge or specific amount for the food or drinks is not shown. Such food or drinks are considered to be sold at retail as part of the total charge for the transient living accommodations. Moreover, the person offering the accommodations is not considered to be the consumer of items purchased in furnishing such food or drinks and may purchase those items under conditions of a sale for resale.

~~(nn)(pp)~~ Nonprofit corporation conducting the correctional work programs.—Products sold pursuant to s. 946.515 by the corporation organized pursuant to part II of chapter 946 are exempt from the tax imposed by this chapter. This exemption applies retroactively to July 1, 1983.

~~(oo)(qq)~~ Parent-teacher organizations, parent-teacher associations, and schools having grades K through 12.—Parent-teacher organizations and associations qualified as educational institutions as defined by subparagraph (cc)8.a. under paragraph (e) associated with schools having grades K through 12, and schools having grades K through 12, may pay tax to their suppliers on the cost price of school materials and supplies purchased, rented, or leased for resale or rental to students in grades K through 12, of items sold for fundraising purposes, and of items sold through vending machines located on the school premises, in lieu of collecting the tax imposed by this chapter from the purchaser. This paragraph also applies to food or beverages sold through vending machines located in the student lunchroom or dining room of a school having kindergarten through grade 12.

~~(pp)(rr)~~ Mobile home lot improvements.—Items purchased by developers for use in making improvements to a mobile home lot owned by the developer may be purchased tax-exempt as a sale for resale if made pursuant to a contract that requires the developer to sell a mobile home to a purchaser, place the mobile home on the lot, and make the improvements to the lot for a single lump-sum price. The developer must collect and remit sales tax on the entire lump-sum price.

~~(qq)(ss)~~ Veterans Administration.—When a veteran of the armed forces purchases an aircraft, boat, mobile home, motor vehicle, or other vehicle from a dealer pursuant to the provisions of 38 U.S.C. s. 3902(a), or any successor provision of the United States Code, the amount that is paid directly to the dealer by the Veterans Administration is not taxable. However, any portion of the purchase price which is paid directly to the dealer by the veteran is taxable.

~~(rr)(tt)~~ Complimentary items.—There is exempt from the tax imposed by this chapter:

1. Any food or drink, whether or not cooked or prepared on the premises, provided without charge as a sample or for the convenience of customers by a dealer that primarily sells food product items at retail.

2. Any item given to a customer as part of a price guarantee plan related to point-of-sale errors by a dealer that primarily sells food products at retail.

The exemptions in this paragraph do not apply to businesses with the primary activity of serving prepared meals or alcoholic beverages for immediate consumption.

~~(ss)~~(uu) Donated foods or beverages.—Any food or beverage donated by a dealer that sells food products at retail to a food bank or an organization that holds a current exemption from federal corporate income tax pursuant to s. 501(c) of the Internal Revenue Code of 1986, as amended, is exempt from the tax imposed by this chapter.

~~(tt)~~(vv) Racing dogs.—The sale of a racing dog by its owner is exempt if the owner is also the breeder of the animal.

~~(uu)~~(ww) Equipment used in aircraft repair and maintenance.—There shall be exempt from the tax imposed by this chapter replacement engines, parts, and equipment used in the repair or maintenance of aircraft of more than 15,000 pounds maximum certified takeoff weight and rotary wing aircraft of more than 10,300 pounds maximum certified takeoff weight, when such parts or equipment are installed on such aircraft that is being repaired or maintained in this state. are installed on such aircraft that is being repaired or maintained in this state.

~~(vv)~~(xx) Aircraft sales or leases.—The sale or lease of an aircraft of more than 15,000 pounds maximum certified takeoff weight for use by a common carrier is exempt from the tax imposed by this chapter. As used in this paragraph, “common carrier” means an airline operating under Federal Aviation Administration regulations contained in Title 14, chapter I, part 121 or part 129 of the Code of Federal Regulations.

~~(yy)~~—Sales or leases to Gasparilla Distance Classic Association, Inc.—Also exempt from the tax imposed by this chapter are sales or leases to the Gasparilla Distance Classic Association, Inc., if that organization holds a current exemption from federal corporate income tax liability pursuant to s. 501(c)(3) of the Internal Revenue Code of 1986, as amended.

~~(zz)~~—Nonprofit organizations raising funds for or making grants to organizations holding consumer’s certificate of exemption.—Sales or leases to an organization which holds current exemption from federal income tax pursuant to s. 501(c)(3) of the Internal Revenue Code, as amended, the sole or primary function of which is to raise funds for or make grants to another organization or organizations currently holding a consumer’s certificate of exemption issued by the department are exempt from the tax imposed by this chapter.

~~(ww)~~(aaa) Nonprofit water systems.—Sales or leases to a not-for-profit corporation which holds a current exemption from federal income tax under s. 501(c)(12) of the Internal Revenue Code, as amended, are exempt from the tax imposed by this chapter if the sole or primary function of the corporation is to construct, maintain, or operate a water system in this state.

~~(xx)(bbb)~~ Library cooperatives.—Sales or leases to library cooperatives certified under s. 257.41(2) are exempt from the tax imposed by this chapter.

~~(yy)(ccc)~~ Advertising agencies.—

1. As used in this paragraph, the term “advertising agency” means any firm that is primarily engaged in the business of providing advertising materials and services to its clients.

2. The sale of advertising services by an advertising agency to a client is exempt from the tax imposed by this chapter. Also exempt from the tax imposed by this chapter are items of tangible personal property such as photographic negatives and positives, videos, films, galleys, mechanicals, veloxes, illustrations, digital audiotapes, analog tapes, printed advertisement copies, compact discs for the purpose of recording, digital equipment, and artwork and the services used to produce those items if the items are:

a. Sold to an advertising agency that is acting as an agent for its clients pursuant to contract, and are created for the performance of advertising services for the clients;

b. Produced, fabricated, manufactured, or otherwise created by an advertising agency for its clients, and are used in the performance of advertising services for the clients; or

c. Sold by an advertising agency to its clients in the performance of advertising services for the clients, whether or not the charges for these items are marked up or separately stated.

The exemption provided by this subparagraph does not apply when tangible personal property such as film, paper, and videotapes is purchased to create items such as photographic negatives and positives, videos, films, galleys, mechanicals, veloxes, illustrations, and artwork that are sold to an advertising agency or produced in-house by an advertising agency on behalf of its clients.

3. The items exempted from tax under subparagraph 2. and the creative services used by an advertising agency to design the advertising for promotional goods such as displays, display containers, exhibits, newspaper inserts, brochures, catalogues, direct mail letters or flats, shirts, hats, pens, pencils, key chains, or other printed goods or materials are not subject to tax. However, when such promotional goods are produced or reproduced for distribution, tax applies to the sales price charged to the client for such promotional goods.

4. For items purchased by an advertising agency and exempt from tax under this paragraph, possession of an exemption certificate from the advertising agency certifying the agency's entitlement to exemption relieves the vendor of the responsibility of collecting the tax on the sale of such items to the advertising agency, and the department shall look solely to the advertising agency for recovery of tax if it determines that the advertising agency was not entitled to the exemption.

5. The exemptions provided by this paragraph apply retroactively, except that all taxes that have been collected must be remitted, and taxes that have been remitted before July 1, 1999, on transactions that are subject to exemption under this paragraph are not subject to refund.

6. The department may adopt rules that interpret or define the provisions of these exemptions and provide examples regarding the application of these exemptions.

~~(zz)(ddd)~~ Bullion.—The sale of gold, silver, or platinum bullion, or any combination thereof, in a single transaction is exempt if the sales price exceeds \$500. The dealer must maintain proper documentation, as prescribed by rule of the department, to identify that portion of a transaction which involves the sale of gold, silver, or platinum bullion and is exempt under this paragraph.

~~(aaa)(eee)~~ Certain repair and labor charges.—

1. Subject to the provisions of subparagraphs 2. and 3., there is exempt from the tax imposed by this chapter all labor charges for the repair of, and parts and materials used in the repair of and incorporated into, industrial machinery and equipment which is used for the manufacture, processing, compounding, or production of items of tangible personal property at a fixed location within this state.

2. This exemption applies only to industries classified under SIC Industry Major Group Numbers 10, 12, 13, 14, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 36, 37, 38, and 39 and Industry Group Number 212. As used in this subparagraph, “SIC” means those classifications contained in the Standard Industrial Classification Manual, 1987, as published by the Office of Management and Budget, Executive Office of the President.

3. This exemption shall be applied as follows:

a. Beginning July 1, 1999, 25 percent of such charges for repair parts and labor shall be exempt.

b. Beginning July 1, 2000, 50 percent of such charges for repair parts and labor shall be exempt.

c. Beginning July 1, 2001, 75 percent of such charges for repair parts and labor shall be exempt.

d. Beginning July 1, 2002, 100 percent of such charges for repair parts and labor shall be exempt.

~~(bbb)(fff)~~ Film and other printing supplies.—Also exempt are the following materials purchased, produced, or created by businesses classified under SIC Industry Numbers 275, 276, 277, 278, or 279 for use in producing graphic matter for sale: film, photographic paper, dyes used for embossing and engraving, artwork, typography, lithographic plates, and negatives. As used in this paragraph, “SIC” means those classifications contained in the Standard Industrial Classification Manual, 1987, as published by the Office of Management and Budget, Executive Office of the President.

Exemptions provided to any entity by this subsection shall not inure to any transaction otherwise taxable under this chapter when payment is made by a representative or employee of such entity by any means, including, but not limited to, cash, check, or credit card even when that representative or employee is subsequently reimbursed by such entity.

Section 2. Subsection (6) of section 212.084, Florida Statutes, is amended to read:

212.084 Review of exemption certificates; reissuance; specified expiration date; temporary exemption certificates.—

(6)(a) The Department of Revenue may issue temporary exemption certificates to newly organized charitable organizations applying for exemption under s. 212.08(7)(p) ~~s. 212.08(7)(e)2.b.~~ when a lack of historical information prevents the applicant from qualifying immediately for an exemption certificate. The department may require the applicant to submit the information necessary to demonstrate that the organization's proposed activities will qualify for exemption under this chapter. The application must include an estimate of the organization's expenditures that would be taxable except for the temporary exemption certificate. If at any time the amount of actual expenditures otherwise subject to tax exceeds the anticipated amount, the applicant must file with the department a supplemental application stating the actual expenditures and the estimated expenditures for the duration of the period covered by the temporary certificate.

(b) A recipient of a temporary certificate must qualify for a permanent certificate before the temporary certificate expires, or the recipient will be liable for the taxes and interest on all purchases for which the temporary exemption certificate was used. The executive director of the department may require the applicant for a temporary exemption certificate to file a cash or surety bond in an amount sufficient to satisfy the department's estimate of taxes and interest that would be due if the organization failed to timely qualify for a regular exemption certificate.

(c) A temporary exemption certificate expires 12 months after the date of issuance and may be renewed once for an additional 12 months. If at any time the department determines that the organization will not meet the criteria in s. 212.08(7)(p) ~~s. 212.08(7)(e)2.b.~~ for the issuance of a regular exemption certificate, the temporary exemption certificate must be canceled, and the taxes and interest on all purchases for which the temporary exemption certificate was used are due within 30 days after the cancellation. The department may adopt rules governing the application for, the issuance of, and the form of the temporary exemption certificate and providing for the collection of back taxes and interest.

Section 3. Subsection (4) of section 196.195 and paragraph (c) of subsection (1) of section 196.196, Florida Statutes, are repealed.

Section 4. Subsection (2) of section 212.0821, Florida Statutes, is amended to read:

212.0821 Legislative intent that political subdivisions and public libraries use their sales tax exemption certificates for purchases on behalf of specified groups.—It is the intent of the Legislature that the political subdivisions of the state and the public libraries utilize their sales tax exemption certificates to purchase, with funds provided by the following groups, services, equipment, supplies, and items necessary for the operation of such groups, in addition to the normal exempt purchases that political subdivisions and libraries are empowered to make:

(2) Counties and municipalities shall purchase necessary goods and services requested by REACT groups, neighborhood crime watch groups, and state or locally recognized organizations solely engaged in youth activities identical to those discussed in s. 212.08(7)(l) ~~s. 212.08(7)(n)~~.

Section 5. Paragraph (a) of subsection (2) of section 376.3072, Florida Statutes, is amended to read:

376.3072 Florida Petroleum Liability and Restoration Insurance Program.—

(2)(a) Any owner or operator of a petroleum storage system may become an insured in the restoration insurance program at a facility provided:

1. A site at which an incident has occurred shall be eligible for restoration if the insured is a participant in the third-party liability insurance program or otherwise meets applicable financial responsibility requirements. After July 1, 1993, the insured must also provide the required excess insurance coverage or self-insurance for restoration to achieve the financial responsibility requirements of 40 C.F.R. s. 280.97, subpart H, not covered by paragraph (d).

2. A site which had a discharge reported prior to January 1, 1989, for which notice was given pursuant to s. 376.3071(9) or (12), and which is ineligible for the third-party liability insurance program solely due to that discharge shall be eligible for participation in the restoration program for any incident occurring on or after January 1, 1989, in accordance with subsection (3). Restoration funding for an eligible contaminated site will be provided without participation in the third-party liability insurance program until the site is restored as required by the department or until the department determines that the site does not require restoration.

3. Notwithstanding paragraph (b), a site where an application is filed with the department prior to January 1, 1995, where the owner is a small business under s. 288.703(1), a state community college with less than 2,500 FTE, a religious institution as defined by s. 212.08(7)(m) ~~s. 212.08(7)(o)2.a.~~, a charitable institution as defined by s. 212.08(7)(p) ~~s. 212.08(7)(o)2.b.~~, or a county or municipality with a population of less than 50,000, shall be eligible for up to \$300,000 of eligible restoration costs, less a deductible of \$10,000 for small businesses, eligible community colleges, and religious or charitable institutions, and \$30,000 for eligible counties and municipalities, provided that:

- a. Except as provided in sub-subparagraph e., the facility was in compliance with department rules at the time of the discharge.
- b. The owner or operator has, upon discovery of a discharge, promptly reported the discharge to the department, and drained and removed the system from service, if necessary.
- c. The owner or operator has not intentionally caused or concealed a discharge or disabled leak detection equipment.
- d. The owner or operator proceeds to complete initial remedial action as defined by department rules.
- e. The owner or operator, if required and if it has not already done so, applies for third-party liability coverage for the facility within 30 days of receipt of an eligibility order issued by the department pursuant to this provision.

However, the department may consider in-kind services from eligible counties and municipalities in lieu of the \$30,000 deductible. The cost of conducting initial remedial action as defined by department rules shall be an eligible restoration cost pursuant to this provision.

4.a. By January 1, 1997, facilities at sites with existing contamination shall be required to have methods of release detection to be eligible for restoration insurance coverage for new discharges subject to department rules for secondary containment. Annual storage system testing, in conjunction with inventory control, shall be considered to be a method of release detection until the later of December 22, 1998, or 10 years after the date of installation or the last upgrade. Other methods of release detection for storage tanks which meet such requirement are:

- (I) Interstitial monitoring of tank and integral piping secondary containment systems;
- (II) Automatic tank gauging systems; or
- (III) A statistical inventory reconciliation system with a tank test every 3 years.

b. For pressurized integral piping systems, the owner or operator must use:

- (I) An automatic in-line leak detector with flow restriction meeting the requirements of department rules used in conjunction with an annual tightness or pressure test; or
- (II) An automatic in-line leak detector with electronic flow shut-off meeting the requirements of department rules.

c. For suction integral piping systems, the owner or operator must use:

- (I) A single check valve installed directly below the suction pump, provided there are no other valves between the dispenser and the tank; or

(II) An annual tightness test or other approved test.

d. Owners of facilities with existing contamination that install internal release detection systems in accordance with sub-subparagraph a. shall permanently close their external groundwater and vapor monitoring wells in accordance with department rules by December 31, 1998. Upon installation of the internal release detection system, these wells shall be secured and taken out of service until permanent closure.

e. Facilities with vapor levels of contamination meeting the requirements of or below the concentrations specified in the performance standards for release detection methods specified in department rules may continue to use vapor monitoring wells for release detection.

f. The department may approve other methods of release detection for storage tanks and integral piping which have at least the same capability to detect a new release as the methods specified in this subparagraph.

Section 6. Section 403.715, Florida Statutes, is amended to read:

403.715 Certification of resource recovery or recycling equipment.—For purposes of implementing the tax exemptions provided by s. 212.08(5)(e) and ~~(7)(q)~~ ~~(7)(p)~~, the department shall establish a system for the examination and certification of resource recovery or recycling equipment. Application for certification of equipment shall be submitted to the department on forms prescribed by it which include such pertinent information as the department may require. The department may require appropriate certification by a certified public accountant or professional engineer that the equipment for which these exemptions are being sought complies with the exemption criteria set forth in s. 212.08(5)(e) and ~~(7)(q)~~ ~~(7)(p)~~. Within 30 days after receipt of an application by the department, a representative of the department may inspect the equipment. Within 30 days after such inspection, the department shall issue a written decision granting or denying certification.

Section 7. Section 414.029, Florida Statutes, is amended to read:

414.029 WAGES Program Business Registry.—Each local WAGES coalition created pursuant to s. 414.028 must establish a business registry for business firms committed to assist in the effort of finding jobs for WAGES Program participants. Registered businesses agree to work with the coalition and to hire WAGES Program participants to the maximum extent possible consistent with the nature of their business. Each quarter, the coalition must publish a list of businesses registered as a prerequisite for receiving a tax exemption provided under s. 212.08(5)(b) or ~~(7)(gg)~~ ~~(7)(ii)~~ and the number of jobs each has provided for program participants.

Section 8. Subsection (8) of section 496.404, Florida Statutes, is amended to read:

496.404 Definitions.—As used in ss. 496.401-496.424:

(8) “Educational institutions” means those institutions and organizations described in s. 212.08(7)(cc)8.a. ~~s. 212.08(7)(a)2.d.~~

Section 9. Paragraph (b) of subsection (3) of section 564.02, Florida Statutes, is amended to read:

564.02 License fees; vendors; manufacturers and distributors.—

(3)

(b) A bona fide religious order, monastery, church, or religious body that has a tax-exempt status as a ~~religious organization~~ as provided by s. 212.08(7)(m) or (p) ~~s. 212.08(7)(e)~~ may be licensed as a distributor under this subsection if its sales and distribution are limited to wines sold solely for religious or sacramental purposes to holders of valid permits obtained under s. 564.03; and such religious order, monastery, church, or religious body shall pay a state license tax of \$50 for each and every such distribution establishment to be operated by the licensee.

Section 10. This act shall take effect January 1, 2001.

Approved by the Governor June 6, 2000.

Filed in Office Secretary of State June 6, 2000.