

House Bill No. 643

An act relating to an exemption from the tax on sales, use, and other transactions for farm equipment; amending s. 212.02, F.S.; revising definitions; amending s. 212.08, F.S.; making total a partial exemption for certain farm equipment; amending s. 212.12, F.S.; correcting a cross reference to conform; providing an effective date.

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

Section 1. Subsections (30) through (34) of section 212.02, Florida Statutes, are amended to read:

212.02 Definitions.—The following terms and phrases when used in this chapter have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

(30) “~~Power Self-propelled~~ farm equipment” means moving or stationary equipment that contains within itself the means for its own propulsion or power and, including, but not limited to, tractors.

(31) “~~Power-drawn farm equipment~~” means ~~equipment that is pulled, dragged, or otherwise attached to self-propelled equipment, including, but not limited to, disks, harrows, hay balers, and mowers.~~

(32) “~~Power-driven farm equipment~~” means moving or stationary equipment that is dependent upon an external power source to perform its functions ~~function, including, but not limited to, conveyors, augers, feeding systems, and pumps.~~

(31)(33) “Forest” means the land stocked by trees of any size used in the production of forest products, or formerly having such tree cover, and not currently developed for nonforest use.

(32)(34) “Agricultural production” means the production of plants and animals useful to humans, including the preparation, planting, cultivating, or harvesting of these products or any other practices necessary to accomplish production through the harvest phase, and includes aquaculture, horticulture, floriculture, viticulture, forestry, dairy, livestock, poultry, bees, and any and all forms of farm products and farm production.

Section 2. Subsection (3) 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.

(3) EXEMPTIONS, ~~PARTIAL~~; CERTAIN FARM EQUIPMENT.—There shall be no tax on ~~taxable at the rate of 2.5 percent~~ the sale, rental, lease,

use, consumption, or storage for use in this state of power self-propelled, power-drawn, or power-driven farm equipment used exclusively on a farm or in a forest in the agricultural production of crops or products as produced by those agricultural industries included in s. 570.02(1), or for fire prevention and suppression work with respect to such crops or products. Harvesting may not be construed to include processing activities. This exemption is not forfeited by moving farm equipment between farms or forests. However, this exemption shall not be allowed unless the purchaser, renter, or lessee signs a certificate stating that the farm equipment is to be used exclusively on a farm or in a forest for agricultural production or for fire prevention and suppression, as required by this subsection. Possession by a seller, lessor, or other dealer of a written certification by the purchaser, renter, or lessee certifying the purchaser's, renter's, or lessee'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.

Section 3. Subsection (11) of section 212.12, Florida Statutes, is amended to read:

212.12 Dealer's credit for collecting tax; penalties for noncompliance; powers of Department of Revenue in dealing with delinquents; brackets applicable to taxable transactions; records required.—

(11) The department shall make available in an electronic format or otherwise the tax amounts and brackets applicable to all taxable transactions that occur in counties that have a surtax at a rate other than 1 percent which transactions would otherwise have been transactions taxable at the rate of 6 percent. Likewise, the department shall make available in an electronic format or otherwise the tax amounts and brackets applicable to ~~transactions taxable at 2.5 or 3 percent pursuant to s. 212.08(3)~~, transactions taxable at 7 percent pursuant to s. 212.05(1)(e), and on transactions which would otherwise have been so taxable in counties which have adopted a discretionary sales surtax.

Section 4. This act shall take effect July 1, 2005.

Approved by the Governor June 10, 2005.

Filed in Office Secretary of State June 10, 2005.