

Committee Substitute for  
Committee Substitute for House Bill No. 375

An act relating to reimbursement of federal excise taxes on motor fuel; creating s. 686.701, F.S.; providing requirements and limitations on reimbursement provisions of certain fuel supply contracts; providing notice requirements; providing for payment security requirements; providing for electronic transfer of funds; specifying application to contracts; providing an effective date.

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

Section 1. Section 686.701, Florida Statutes, is created to read:

686.701 Reimbursement of federal excise taxes on motor fuel.—

(1)(a) If a fuel supply contract requires one party to reimburse another party for the federal excise tax imposed by 26 U.S.C. s. 4081, whether as a separate item or as part of the contract price, the reimbursing party, at its option and notwithstanding contrary terms of the contract, shall not be required to make the reimbursement more than one business day before the day on which the reimbursed party must remit the taxes to the Internal Revenue Service.

(b) Exercise of the option provided by this section shall not relieve the reimbursing party of its obligation to make the reimbursement as required by the contract, but shall affect only the timing of that reimbursement.

(2)(a) Written notice of the reimbursing party's intent to exercise the option provided in subsection (1) shall be given to the reimbursed party.

(b) The notice shall state the effective date of the exercise of the option, which shall be no earlier than 30 days after the notice of intent is received by the reimbursed party or the beginning of the reimbursed party's next federal tax quarter, whichever is later.

(3)(a) If a reimbursing party exercises the option provided in subsection (1), the reimbursed party may demand security for the payment of the taxes in proportion to the amount the taxes represent compared to the security demanded on the contract as a whole.

(b) The reimbursed party may also require reimbursement to be made by electronic transfer of funds, but may not change the other payment terms of the contract without a valid business reason.

(4)(a) This section applies to all wholesale transactions with terminal suppliers that are:

1. Continuing contracts with no fixed expiration date and are in effect on July 1, 2009; or

2. Contracts entered into or renewed after July 1, 2009.

(b) All contracts in effect on July 1, 2009, that contain a fixed expiration date shall be governed by the law in existence prior to July 1, 2009.

Section 2. This act shall take effect July 1, 2009.

Approved by the Governor June 11, 2009.

Filed in Office Secretary of State June 11, 2009.