

CHAPTER 2012-32

House Bill No. 7087

An act relating to economic development; amending s. 196.199, F.S.; providing an exemption from intangible tax for lessees performing a governmental, municipal, or public purpose or function; providing that the exemption from intangible tax applies retroactively to all governmental leaseholds in existence as of a certain date; providing that the provision is remedial in nature and does not create a right to certain refunds; amending s. 210.20, F.S.; deleting obsolete provisions; establishing a funding source for the H. Lee Moffitt Cancer Center and Research Institute from a portion of the cigarette tax collections; directing the purposes for which such funds may be used; establishing a funding source for the Department of Health from a portion of the cigarette tax collections to establish grants and undertake other activities in conjunction with the Sanford-Burnham Medical Research Institute to further biomedical research; directing the purposes for which such funds may be used; amending s. 210.201, F.S.; establishing the purposes for which funding to the H. Lee Moffitt Cancer Center and Research Institute may be used; amending s. 211.3103, F.S.; revising the excise tax rates levied upon each ton of phosphate rock severed; specifying the period during which the rates apply; revising the distribution of the revenues received; deleting obsolete provisions; amending s. 211.02, F.S.; defining the term “mature field recovery oil” and applying to such oil the tiered severance tax rates applicable to tertiary oil; amending s. 211.06, F.S.; revising the distribution of certain proceeds from the Oil and Gas Tax Trust Fund; amending s. 212.08, F.S.; providing an exemption from the tax on sales, use, and other transactions for electricity used by packinghouses; defining the term “packinghouse”; expanding exemptions from the sales and use tax on labor, parts, and equipment used in repairs of certain aircraft; exempting certain items used to manufacture, produce, or modify aircraft and gas turbine engines and parts from the tax on sales, use, and other transactions; revising a condition for an exemption for machinery and equipment; providing an exemption from the tax on sales, use, and other transactions for the sale or lease of accessible taxicabs; defining the term “accessible taxicab”; amending s. 212.097, F.S.; revising the eligibility criteria for tax credits under the Urban High-Crime Area Job Tax Credit Program; amending s. 220.14, F.S.; increasing the amount of income that is exempt from the corporate income tax; amending s. 220.63, F.S.; increasing the amount of income that is exempt from the franchise tax imposed on banks and savings associations; amending s. 283.35, F.S.; requiring an agency, university, college, school district, or other political subdivision of the state to grant a specified preference to a vendor located within the state when awarding a contract for printing; specifying the percentage of preference to be granted; amending s. 287.057, F.S.; providing an exception to the requirement for competitive solicitation of contractual services and commodities for public service announcement programs provided by

certain nonprofit corporations; amending s. 287.084, F.S.; requiring, rather than authorizing, an agency, university, college, school district, or other political subdivision of the state in making purchases of personal property through competitive solicitation to award a preference to the lowest responsible and responsive vendor having a principal place of business within this state under specified circumstances; specifying the percentage of preference to be granted; providing nonapplicability; prohibiting the preclusion of a vendor whose principal place of business is in this state from being an authorized reseller of information technology commodities of state contractors, under certain circumstances; amending s. 288.1254, F.S.; redefining the terms “digital media project,” “off-season certified production,” and “production”; defining the terms “high-impact digital media project” and “interactive website”; revising provisions limiting the amount of tax credits for high-impact television series and digital media productions; providing criteria for determining priority for tax credits that have not yet been certified; reducing the required percent of certain production components necessary to qualify for additional credits; authorizing credit allocations for the 2015-2016 fiscal year; extending program repeal provisions by 1 year; amending s. 288.9914, F.S.; revising limits on tax credits that may be claimed by qualified community development entities under the program; amending s. 288.9915, F.S.; revising restrictions on a qualified community development entity’s making of cash interest payments on certain long-term debt securities; creating s. 290.00729, F.S.; authorizing Charlotte County to apply to the Department of Economic Opportunity for designation of an enterprise zone; providing application requirements; authorizing the Department of Economic Opportunity to designate an enterprise zone in Charlotte County; requiring that the Department of Economic Opportunity establish the initial effective date for the enterprise zone; creating s. 290.00731, F.S.; authorizing Citrus County to apply to the Department of Economic Opportunity for designation of an enterprise zone; providing an application deadline and requirements; authorizing the Department of Economic Opportunity to designate an enterprise zone in Citrus County; requiring the Department of Economic Opportunity to establish the effective date of the enterprise zone; amending s. 332.08, F.S.; authorizing a municipality participating in a federal airport privatization pilot program to lease or sell to a private party an airport or other air navigation facility or certain real property, improvements, and equipment; requiring approval by the Department of Transportation of the sale or lease agreement under certain circumstances; providing criteria for department approval; amending s. 565.07, F.S.; providing that a distilled spirit greater than 153 proof may be distilled, bottled, packaged, or processed for export or sale outside the state; creating provisions specifying a period during this year when the sale of clothing, wallets, bags, and school supplies are exempt from the tax on sales; providing definitions; providing exceptions; providing an appropriation to the Department of Revenue; providing an appropriation to the State Economic Enhancement and Development Trust Fund and subsequent appropriation from the trust fund to the Department of Economic Opportunity to fund economic development programs for the 2012-2013

fiscal year; authorizing the Department of Revenue to adopt emergency rules; providing effective dates.

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

Section 1. Paragraph (a) of subsection (2) of section 196.199, Florida Statutes, is amended to read:

196.199 Government property exemption.—

(2) Property owned by the following governmental units but used by nongovernmental lessees shall only be exempt from taxation under the following conditions:

(a) Leasehold interests in property of the United States, of the state or any of its several political subdivisions, or of municipalities, agencies, authorities, and other public bodies corporate of the state shall be exempt from ad valorem taxation and the intangible tax pursuant to paragraph (b) only when the lessee serves or performs a governmental, municipal, or public purpose or function, as defined in s. 196.012(6). In all such cases, all other interests in the leased property shall also be exempt from ad valorem taxation. However, a leasehold interest in property of the state may not be exempted from ad valorem taxation when a nongovernmental lessee uses such property for the operation of a multipurpose hazardous waste treatment facility.

Section 2. The amendment to s. 196.199, Florida Statutes, made by this act shall take effect upon this act becoming a law and shall apply retroactively to all governmental leaseholds in existence as of January 1, 2011. This section is intended to be remedial in nature and does not create a right to a refund or require any governmental entity to refund any tax, penalty, or interest remitted to the Department of Revenue before the effective date of this act.

Section 3. Paragraph (b) of subsection (2) of section 210.20, Florida Statutes, is amended, and paragraph (c) is added to subsection (2) of that section, to read:

210.20 Employees and assistants; distribution of funds.—

(2) As collections are received by the division from such cigarette taxes, it shall pay the same into a trust fund in the State Treasury designated “Cigarette Tax Collection Trust Fund” which shall be paid and distributed as follows:

~~(b)1.— Beginning January 1, 1999, and continuing for 10 years thereafter, the division shall from month to month certify to the Chief Financial Officer the amount derived from the cigarette tax imposed by s. 210.02, less the service charges provided for in s. 215.20 and less 0.9 percent of the amount derived from the cigarette tax imposed by s. 210.02, which shall be deposited~~

into the Alcoholic Beverage and Tobacco Trust Fund, specifying an amount equal to 2.59 percent of the net collections, and that amount shall be paid to the Board of Directors of the H. Lee Moffitt Cancer Center and Research Institute, established under s. 1004.43, by warrant drawn by the Chief Financial Officer upon the State Treasury. These funds are hereby appropriated monthly out of the Cigarette Tax Collection Trust Fund, to be used for the purpose of constructing, furnishing, and equipping a cancer research facility at the University of South Florida adjacent to the H. Lee Moffitt Cancer Center and Research Institute. In fiscal years 1999-2000 and thereafter with the exception of fiscal year 2008-2009, the appropriation to the H. Lee Moffitt Cancer Center and Research Institute authorized by this subparagraph shall not be less than the amount that would have been paid to the H. Lee Moffitt Cancer Center and Research Institute for fiscal year 1998-1999 had payments been made for the entire fiscal year rather than for a 6-month period thereof.

2. ~~Beginning July 1, 2002, and continuing through June 30, 2004, the division shall, in addition to the distribution authorized in subparagraph 1., from month to month certify to the Chief Financial Officer the amount derived from the cigarette tax imposed by s. 210.02, less the service charges provided for in s. 215.20 and less 0.9 percent of the amount derived from the cigarette tax imposed by s. 210.02, which shall be deposited into the Alcoholic Beverage and Tobacco Trust Fund, specifying an amount equal to 0.2632 percent of the net collections, and that amount shall be paid to the Board of Directors of the H. Lee Moffitt Cancer Center and Research Institute, established under s. 1004.43, by warrant drawn by the Chief Financial Officer. Beginning July 1, 2004, and continuing through June 30, 2013~~ 2020, the division shall, in addition to the distribution authorized in subparagraph 1., from month to month certify to the Chief Financial Officer the amount derived from the cigarette tax imposed by s. 210.02, less the service charges provided for in s. 215.20 and less 0.9 percent of the amount derived from the cigarette tax imposed by s. 210.02, which shall be deposited into the Alcoholic Beverage and Tobacco Trust Fund, specifying an amount equal to 1.47 percent of the net collections, and that amount shall be paid to the Board of Directors of the H. Lee Moffitt Cancer Center and Research Institute, established under s. 1004.43, by warrant drawn by the Chief Financial Officer. Beginning July 1, 2013, and continuing through June 30, 2033, the division shall from month to month certify to the Chief Financial Officer the amount derived from the cigarette tax imposed by s. 210.02, less the service charges provided for in s. 215.20 and less 0.9 percent of the amount derived from the cigarette tax imposed by s. 210.02, which shall be deposited into the Alcoholic Beverage and Tobacco Trust Fund, specifying an amount equal to 2.75 percent of the net collections, and that amount shall be paid to the Board of Directors of the H. Lee Moffitt Cancer Center and Research Institute, established under s. 1004.43, by warrant drawn by the Chief Financial Officer. These funds are appropriated monthly out of the Cigarette Tax Collection Trust Fund, to be used for lawful purposes, including the purpose of constructing, furnishing, and equipping, financing, operating, and maintaining a cancer research and clinical and related facilities; furnishing,

equipping, operating, and maintaining other properties owned or leased by facility at the University of South Florida adjacent to the H. Lee Moffitt Cancer Center and Research Institute; and paying costs incurred in connection with purchasing, financing, operating, and maintaining such equipment, facilities, and properties. In fiscal years 2004-2005 and thereafter, the appropriation to the H. Lee Moffitt Cancer Center and Research Institute authorized by this subparagraph shall not be less than the amount that would have been paid to the H. Lee Moffitt Cancer Center and Research Institute in fiscal year 2001-2002, had this subparagraph been in effect.

(c) Beginning July 1, 2013, and continuing through June 30, 2021, the division shall from month to month certify to the Chief Financial Officer the amount derived from the cigarette tax imposed by s. 210.02, less the service charges provided for in s. 215.20 and less 0.9 percent of the amount derived from the cigarette tax imposed by s. 210.02, which shall be deposited into the Alcoholic Beverage and Tobacco Trust Fund, specifying an amount equal to 1 percent of the net collections, and that amount shall be deposited into the Biomedical Research Trust Fund in the Department of Health. These funds are appropriated annually in an amount not to exceed \$3 million from the Biomedical Research Trust Fund for the Department of Health and the Sanford-Burnham Medical Research Institute to work in conjunction for the purpose of establishing activities and grant opportunities in relation to biomedical research.

Section 4. Section 210.201, Florida Statutes, is amended to read:

210.201 H. Lee Moffitt Cancer Center and Research Institute facilities ~~Cancer research facility at the University of South Florida; establishment;~~ funding.—The Board of Directors of the H. Lee Moffitt Cancer Center and Research Institute shall construct, furnish, and equip, and shall covenant to complete, the cancer research and clinical and related facilities of facility at the University of South Florida adjacent to the H. Lee Moffitt Cancer Center and Research Institute funded with proceeds from the Cigarette Tax Collection Trust Fund pursuant to s. 210.20. Moneys transferred to the Board of Directors of the H. Lee Moffitt Cancer Center and Research Institute pursuant to s. 210.20 ~~may~~ shall be used to secure financing to pay costs related to constructing, furnishing, ~~and equipping, operating, and maintaining the cancer research and clinical and related facilities; furnishing, equipping, operating, and maintaining other leased or owned properties; and paying costs incurred in connection with purchasing, financing, operating, and maintaining such equipment, facilities, and properties as provided in s. 210.20~~ facility. Such financing may include the issuance of tax-exempt bonds or other forms of indebtedness by a local authority, municipality, or county pursuant to parts II and III of chapter 159. Such bonds shall not constitute state bonds for purposes of s. 11, Art. VII of the State Constitution, but shall constitute bonds of a “local agency,” as defined in s. 159.27(4). The cigarette tax dollars pledged to ~~facilities this facility~~ pursuant to s. 210.20 may be replaced annually by the Legislature from tobacco litigation settlement proceeds.

Section 5. Section 211.3103, Florida Statutes, is amended to read:

211.3103 Levy of tax on severance of phosphate rock; rate, basis, and distribution of tax.—

(1) There is hereby levied an excise tax upon each every person engaging in the business of severing phosphate rock from the soils or waters of this state for commercial use. The tax shall be collected, administered, and enforced by the department.

(2) The tax rate shall be \$1.61 per ton severed, except for the time period beginning January 1, 2015, until December 31, 2022, when the tax rate shall be \$1.80 per ton severed.

~~(2) Beginning July 1, 2004, the proceeds of all taxes, interest, and penalties imposed under this section shall be paid into the State Treasury as follows:~~

~~(a) The first \$10 million in revenue collected from the tax during each fiscal year shall be paid to the credit of the Conservation and Recreation Lands Trust Fund.~~

~~(b) The remaining revenues collected from the tax during that fiscal year, after the required payment under paragraph (a), shall be paid into the State Treasury as follows:~~

~~1. To the credit of the General Revenue Fund of the state, 40.1 percent.~~

~~2. For payment to counties in proportion to the number of tons of phosphate rock produced from a phosphate rock matrix located within such political boundary, 16.5 percent. The department shall distribute this portion of the proceeds annually based on production information reported by the producers on the annual returns for the taxable year. Any such proceeds received by a county shall be used only for phosphate-related expenses.~~

~~3. For payment to counties that have been designated a rural area of critical economic concern pursuant to s. 288.0656 in proportion to the number of tons of phosphate rock produced from a phosphate rock matrix located within such political boundary, 13 percent. The department shall distribute this portion of the proceeds annually based on production information reported by the producers on the annual returns for the taxable year. Payments under this subparagraph shall be made to the counties unless the Legislature by special act creates a local authority to promote and direct the economic development of the county. If such authority exists, payments shall be made to that authority.~~

~~4. To the credit of the Phosphate Research Trust Fund in the Division of Universities of the Department of Education, 9.3 percent.~~

~~5. To the credit of the Minerals Trust Fund, 10.7 percent.~~

6.—To the credit of the Nonmandatory Land Reclamation Trust Fund, 10.4 percent.

~~(3)—Beginning July 1, 2003, and annually thereafter, the Department of Environmental Protection may use up to \$2 million of the funds in the Nonmandatory Land Reclamation Trust Fund to purchase a surety bond or a policy of insurance, the proceeds of which would pay the cost of restoration, reclamation, and cleanup of any phosphogypsum stack system and phosphate mining activities in the event that an operator or permittee thereof has been subject to a final order of bankruptcy and all funds available therefrom are determined to be inadequate to accomplish such restoration, reclamation, and cleanup. This section does not imply that such operator or permittee is thereby relieved of its obligations or relieved of any liabilities pursuant to any other remedies at law, administrative remedies, statutory remedies, or remedies pursuant to bankruptcy law. The department shall adopt rules to implement this subsection, including the purchase and oversight of the bond or policy.~~

~~(4)—Funds distributed pursuant to subparagraphs (2)(b)3. and (11)(c)4. shall be used for:~~

~~(a)—Planning, preparing, and financing of infrastructure projects for job creation and capital investment, especially those related to industrial and commercial sites. Infrastructure investments may include the following public or public-private partnership facilities: stormwater systems, telecommunications facilities, roads or other remedies to transportation impediments, nature-based tourism facilities, or other physical requirements necessary to facilitate trade and economic development activities.~~

~~(b)—Maximizing the use of federal, local, and private resources, including, but not limited to, those available under the Small Cities Community Development Block Grant Program.~~

~~(c)—Projects that improve inadequate infrastructure that has resulted in regulatory action that prohibits economic or community growth, if such projects are related to specific job creation or job retention opportunities.~~

~~(5)—Beginning January 1, 2004, the tax rate shall be the base rate of \$1.62 per ton severed.~~

~~(6)—Beginning January 1, 2005, and annually thereafter, the tax rate shall be the base rate times the base rate adjustment for the tax year as calculated by the department in accordance with subsection (8).~~

~~(3)(7)~~ The excise tax levied by this section applies shall apply to the total production of the producer during the taxable year, measured on the basis of bone-dry tons produced at the point of severance.

~~(8)(a)—On or before March 30, 2004, and annually thereafter, the department shall calculate the base rate adjustment, if any, for phosphate rock based on the change in the unadjusted annual producer price index for~~

the prior calendar year in relation to the unadjusted annual producer price index for calendar year 1999.

~~(b) For the purposes of determining the base rate adjustment for any year, the base rate adjustment shall be a fraction, the numerator of which is the unadjusted annual producer price index for the prior calendar year and the denominator of which is the unadjusted annual producer price index for calendar year 1999.~~

~~(c) The department shall provide the base rate, the base rate adjustment, and the resulting tax rate to affected producers by written notice on or before April 15 of the current year.~~

~~(d) If the producer price index for phosphate rock is substantially revised, the department shall make appropriate adjustment in the method used to compute the base rate adjustment under this subsection which will produce results reasonably consistent with the result that would have been obtained if the producer price index for phosphate rock had not been revised. However, the tax rate shall not be less than \$1.51 per ton severed.~~

~~(e) If the producer price index for phosphate rock is discontinued, a comparable index shall be selected by the department and adopted by rule.~~

~~(4)(9) The excise tax levied on the severance of phosphate rock is shall be in addition to any ad valorem taxes levied upon the separately assessed mineral interest in the real property upon which the site of severance is located, or any other tax, permit, or license fee imposed by the state or its political subdivisions.~~

~~(5)(10) The tax levied by this section shall be collected in the manner prescribed in s. 211.33.~~

~~(11)(a) Beginning July 1, 2008, there is hereby levied a surcharge of \$1.38 per ton severed in addition to the excise tax levied by this section. The surcharge shall be levied until the last day of the calendar quarter in which the total revenue generated by the surcharge equals \$60 million. Revenues derived from the surcharge shall be deposited into the Nonmandatory Land Reclamation Trust Fund and shall be exempt from the general revenue service charge provided in s. 215.20. Revenues derived from the surcharge shall be used to augment funds appropriated for the rehabilitation, management, and closure of the Piney Point and Mulberry sites and for approved reclamation of nonmandatory lands in accordance with chapter 378. A minimum of 75 percent of the revenues from the surcharge shall be dedicated to the Piney Point and Mulberry sites.~~

~~(b) Beginning July 1, 2008, the excise tax rate shall be \$1.945 per ton severed and the base rate adjustment provided in subsection (6) shall not apply.~~

~~(c)1. Beginning July 1 of the 2010-2011 fiscal year, the tax rate shall be the base rate of \$1.71 per ton severed.~~

~~2.— Beginning July 1 of the 2011-2012 fiscal year, the tax rate shall be the base rate of \$1.61 per ton severed.~~

~~3.— The base rate adjustment provided in subsection (6) shall not apply until the conditions of paragraph (d) are met.~~

~~(d) Beginning July 1 of the fiscal year following the date on which a taxpayer's surcharge offset equals or exceeds the total amount of surcharge remitted by such taxpayer under paragraph (a), and each year thereafter, the excise tax rate levied on such taxpayer shall be adjusted as provided in subsection (6). The surcharge offset for each taxpayer is an amount calculated by the department equal to the cumulative difference between the amount of excise tax that would have been collected under subsections (5) and (6) and the excise tax collected under subparagraphs (c)1. and 2. from such taxpayer.~~

~~(e) Beginning July 1 of the 2010-2011 fiscal year, the proceeds of all taxes, interest, and penalties imposed under this section shall be exempt from the general revenue service charge provided in s. 215.20, and shall be paid into the State Treasury as follows:~~

~~1.— To the credit of the Conservation and Recreation Lands Trust Fund, 21.9 percent.~~

~~2.— To the credit of the General Revenue Fund of the state, 37.1 percent.~~

~~3.— For payment to counties in proportion to the number of tons of phosphate rock produced from a phosphate rock matrix located within such political boundary, 12 percent. The department shall distribute this portion of the proceeds annually based on production information reported by the producers on the annual returns for the taxable year. Any such proceeds received by a county shall be used only for phosphate-related expenses.~~

~~4.— For payment to counties that have been designated a rural area of critical economic concern pursuant to s. 288.0656 in proportion to the number of tons of phosphate rock produced from a phosphate rock matrix located within such political boundary, 9.4 percent. The department shall distribute this portion of the proceeds annually based on production information reported by the producers on the annual returns for the taxable year. Payments under this subparagraph shall be made to the counties unless the Legislature by special act creates a local authority to promote and direct the economic development of the county. If such authority exists, payments shall be made to that authority.~~

~~5.— To the credit of the Nonmandatory Land Reclamation Trust Fund, 5.8 percent.~~

~~6.— To the credit of the Phosphate Research Trust Fund in the Division of Universities of the Department of Education, 5.8 percent.~~

~~7.— To the credit of the Minerals Trust Fund, 8.0 percent.~~

(6)(a)(f) Beginning July 1 of the 2011-2012 fiscal year, the proceeds of all taxes, interest, and penalties imposed under this section are exempt from the general revenue service charge provided in s. 215.20, and such proceeds shall be paid into the State Treasury as follows:

1. To the credit of the Conservation and Recreation Lands Trust Fund, 25.5 percent.
2. To the credit of the General Revenue Fund of the state, 35.7 percent.
3. For payment to counties in proportion to the number of tons of phosphate rock produced from a phosphate rock matrix located within such political boundary, 12.8 percent. The department shall distribute this portion of the proceeds annually based on production information reported by the producers on the annual returns for the taxable year. Any such proceeds received by a county shall be used only for phosphate-related expenses.
4. For payment to counties that have been designated as a rural area of critical economic concern pursuant to s. 288.0656 in proportion to the number of tons of phosphate rock produced from a phosphate rock matrix located within such political boundary, 10.0 percent. The department shall distribute this portion of the proceeds annually based on production information reported by the producers on the annual returns for the taxable year. Payments under this subparagraph shall be made to the counties unless the Legislature by special act creates a local authority to promote and direct the economic development of the county. If such authority exists, payments shall be made to that authority.
5. To the credit of the Nonmandatory Land Reclamation Trust Fund, 6.2 percent.
6. To the credit of the Phosphate Research Trust Fund in the Division of Universities of the Department of Education, 6.2 percent.
7. To the credit of the Minerals Trust Fund, 3.6 percent.

(b) Notwithstanding paragraph (a), from January 1, 2015, until December 31, 2022, the proceeds of all taxes, interest, and penalties imposed under this section are exempt from the general revenue service charge provided in s. 215.20, and such proceeds shall be paid to the State Treasury as follows:

1. To the credit of the Conservation and Recreation Lands Trust Fund, 22.8 percent.
2. To the credit of the General Revenue Fund of the state, 31.9 percent.
3. For payment to counties pursuant to subparagraph (a)3., 11.5 percent.
4. For payment to counties pursuant to subparagraph (a)4., 8.9 percent.

5. To the credit of the Nonmandatory Land Reclamation Trust Fund, 16.1 percent.

6. To the credit of the Phosphate Research Trust Fund in the Division of Universities of the Department of Education, 5.6 percent.

7. To the credit of the Minerals Trust Fund, 3.2 percent.

(c)(g) For purposes of this section, “phosphate-related expenses” means those expenses that provide for infrastructure or services in support of the phosphate industry, reclamation or restoration of phosphate lands, community infrastructure on such reclaimed lands, and similar expenses directly related to support of the industry.

Section 6. Paragraph (b) of subsection (1) of section 211.02, Florida Statutes, is amended, present subsections (4) and (5) of that section are renumbered as subsections (5) and (6), respectively, and a new subsection (4) is added to that section, to read:

211.02 Oil production tax; basis and rate of tax; tertiary oil and mature field recovery oil.—An excise tax is hereby levied upon every person who severs oil in the state for sale, transport, storage, profit, or commercial use. Except as otherwise provided in this part, the tax is levied on the basis of the entire production of oil in this state, including any royalty interest. Such tax shall accrue at the time the oil is severed and shall be a lien on production regardless of the place of sale, to whom sold, or by whom used, and regardless of the fact that delivery of the oil may be made outside the state.

(1) The amount of tax shall be measured by the value of the oil produced and saved or sold during a month. The value of oil shall be taxed at the following rates:

(b) Tertiary oil and mature field recovery oil:

1. One percent of the gross value of oil on the value of oil \$60 dollars and below;

2. Seven percent of the gross value of oil on the value of oil above \$60 and below \$80; and

3. Nine percent of the gross value of oil on the value of oil \$80 and above.

(4) As used in this section, the term “mature field recovery oil” means the barrels of oil recovered from new wells that begin production after July 1, 2012, in fields that were discovered prior to 1981.

Section 7. Subsection (2) of section 211.06, Florida Statutes, is amended to read:

211.06 Oil and Gas Tax Trust Fund; distribution of tax proceeds.—All taxes, interest, and penalties imposed under this part shall be collected by

the department and placed in a special fund designated the “Oil and Gas Tax Trust Fund.”

(2) ~~Beginning July 1, 1995,~~ The remaining proceeds in the Oil and Gas Tax Trust Fund shall be distributed monthly by the department and shall be paid into the State Treasury as follows:

(a) To the credit of the General Revenue Fund of the state:

1. Seventy-five percent of the proceeds from the oil production tax imposed under s. 211.02(1)(c).

2. ~~Sixty-three~~ Sixty-seven and one-half percent of the proceeds from the tax on small well oil, and tertiary oil, and mature field recovery oil imposed under s. 211.02(1)(a) and (b).

3. Sixty-seven and one-half percent of the proceeds from the tax on gas imposed under s. 211.025.

4. Sixty-seven and one-half percent of the proceeds of the tax on sulfur imposed under s. 211.026.

(b) To the credit of the general revenue fund of the board of county commissioners of the county where produced, subject to the service charge imposed under chapter 215:

1. Twelve and one-half percent of the proceeds from the tax on oil imposed under s. 211.02(1)(c).

2. Twenty percent of the proceeds from the tax on small well oil, and tertiary oil, and mature field recovery oil imposed under s. 211.02(1)(a) and (b).

3. Twenty percent of the proceeds from the tax on gas imposed under s. 211.025.

4. Twenty percent of the proceeds from the tax on sulfur imposed under s. 211.026.

(c) To the credit of the Minerals Trust Fund:

1. Twelve and one-half percent of the proceeds from the tax on oil imposed under s. 211.02(1)(c).

2. ~~Sixteen~~ Twelve and one-half percent of the proceeds from the tax on small well oil, and tertiary oil, and mature field recovery oil imposed under s. 211.02(1)(a) and (b).

3. Twelve and one-half percent of the proceeds from the tax on gas imposed under s. 211.025.

4. Twelve and one-half percent of the proceeds from the tax on sulfur imposed under s. 211.026.

Section 8. Effective January 1, 2013, paragraphs (b) and (e) of subsection (5) and paragraphs (ee) and (rr) of subsection (7) of section 212.08, Florida Statutes, are amended, and paragraph (hhh) and (iii) are added to subsection (7) of that section, 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.

(5) EXEMPTIONS; ACCOUNT OF USE.—

(b) *Machinery and equipment used to increase productive output.*—

1. Industrial machinery and equipment purchased for exclusive use by a new business in spaceport activities as defined by s. 212.02 or for use in new businesses that manufacture, process, compound, or produce for sale items of tangible personal property at fixed locations are exempt from the tax imposed by this chapter upon an affirmative showing by the taxpayer to the satisfaction of the department that such items are used in a new business in this state. Such purchases must be made ~~before~~ prior to the date the business first begins its productive operations, and delivery of the purchased item must be made within 12 months after that date.

2. Industrial machinery and equipment purchased for exclusive use by an expanding facility which is engaged in spaceport activities as defined by s. 212.02 or for use in expanding manufacturing facilities or plant units which manufacture, process, compound, or produce for sale items of tangible personal property at fixed locations in this state are exempt from any amount of tax imposed by this chapter upon an affirmative showing by the taxpayer to the satisfaction of the department that such items are used to increase the productive output of such expanded facility or business by not less than 5 ~~10~~ percent.

3.a. To receive an exemption provided by subparagraph 1. or subparagraph 2., a qualifying business entity shall apply to the department for a temporary tax exemption permit. The application shall state that a new business exemption or expanded business exemption is being sought. Upon a tentative affirmative determination by the department pursuant to subparagraph 1. or subparagraph 2., the department shall issue such permit.

b. The applicant shall maintain all necessary books and records to support the exemption. Upon completion of purchases of qualified machinery and equipment pursuant to subparagraph 1. or subparagraph 2., the temporary tax permit shall be delivered to the department or returned to the department by certified or registered mail.

c. If, in a subsequent audit conducted by the department, it is determined that the machinery and equipment purchased as exempt under subparagraph 1. or subparagraph 2. did not meet the criteria mandated by this paragraph or if commencement of production did not occur, the amount of taxes exempted at the time of purchase shall immediately be due and payable to the department by the business entity, together with the appropriate interest and penalty, computed from the date of purchase, in the manner prescribed by this chapter.

d. If a qualifying business entity fails to apply for a temporary exemption permit or if the tentative determination by the department required to obtain a temporary exemption permit is negative, a qualifying business entity shall receive the exemption provided in subparagraph 1. or subparagraph 2. through a refund of previously paid taxes. No refund may be made for such taxes unless the criteria mandated by subparagraph 1. or subparagraph 2. have been met and commencement of production has occurred.

4. The department shall adopt rules governing applications for, issuance of, and the form of temporary tax exemption permits; provisions for recapture of taxes; and the manner and form of refund applications, and may establish guidelines as to the requisites for an affirmative showing of increased productive output, commencement of production, and qualification for exemption.

5. The exemptions provided in subparagraphs 1. and 2. do not apply to machinery or equipment purchased or used by electric utility companies, communications companies, oil or gas exploration or production operations, publishing firms that do not export at least 50 percent of their finished product out of the state, any firm subject to regulation by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation, or any firm that does not manufacture, process, compound, or produce for sale items of tangible personal property or that does not use such machinery and equipment in spaceport activities as required by this paragraph. The exemptions provided in subparagraphs 1. and 2. shall apply to machinery and equipment purchased for use in phosphate or other solid minerals severance, mining, or processing operations.

6. For the purposes of the exemptions provided in subparagraphs 1. and 2., these terms have the following meanings:

a. "Industrial machinery and equipment" means tangible personal property or other property that has a depreciable life of 3 years or more and that is used as an integral part in the manufacturing, processing, compounding, or production of tangible personal property for sale or is exclusively used in spaceport activities. A building and its structural components are not industrial machinery and equipment unless the building or structural component is so closely related to the industrial machinery and equipment that it houses or supports that the building or structural component can be expected to be replaced when the machinery and equipment are replaced. Heating and air-conditioning systems are not

industrial machinery and equipment unless the sole justification for their installation is to meet the requirements of the production process, even though the system may provide incidental comfort to employees or serve, to an insubstantial degree, nonproduction activities. The term includes parts and accessories only to the extent that the exemption thereof is consistent with the provisions of this paragraph.

b. “Productive output” means the number of units actually produced by a single plant, operation, or product line in a single continuous 12-month period, irrespective of sales. Increases in productive output shall be measured by the output for 12 continuous months selected by the expanding business ~~after following~~ the completion of the installation of such machinery or equipment over the output for the 12 continuous months immediately preceding such installation. However, in no case may such time period begin later than 2 years ~~after following~~ the completion of the installation of the new machinery and equipment. The units used to measure productive output shall be physically comparable between the two periods, irrespective of sales.

(e) *Gas or electricity used for certain agricultural purposes.*—

1. Butane gas, propane gas, natural gas, and all other forms of liquefied petroleum gases are exempt from the tax imposed by this chapter if used in any tractor, vehicle, or other farm equipment which is used exclusively on a farm or for processing farm products on the farm and no part of which gas is used in any vehicle or equipment driven or operated on the public highways of this state. This restriction does not apply to the movement of farm vehicles or farm equipment between farms. The transporting of bees by water and the operating of equipment used in the apiary of a beekeeper is also deemed an exempt use.

2. Electricity used directly or indirectly for production, packing, or processing of agricultural products on the farm, or used directly or indirectly in a packinghouse, is exempt from the tax imposed by this chapter. As used in this subsection, the term “packinghouse” means any building or structure where fruits, vegetables, or meat from cattle or hogs are packed or otherwise prepared for market or shipment in fresh form for wholesale distribution. The exemption does not apply to electricity used in buildings or structures where agricultural products are sold at retail. This exemption applies only if the electricity used for the exempt purposes is separately metered. If the electricity is not separately metered, it is conclusively presumed that some portion of the electricity is used for a nonexempt purpose, and all of the electricity used for such purposes is taxable.

(7) MISCELLANEOUS EXEMPTIONS.—Exemptions provided to any entity by this chapter do not inure to any transaction that is otherwise taxable under this chapter when payment is made by a representative or employee of the entity by any means, including, but not limited to, cash, check, or credit card, even when that representative or employee is subsequently reimbursed by the entity. In addition, exemptions provided to any entity by this subsection do not inure to any transaction that is

otherwise taxable under this chapter unless the entity has obtained a sales tax exemption certificate from the department or the entity obtains or provides other documentation as required by the department. Eligible purchases or leases made with such a certificate must be in strict compliance with this subsection and departmental rules, and any person who makes an exempt purchase with a certificate that is not in strict compliance with this subsection and the rules is liable for and shall pay the tax. The department may adopt rules to administer this subsection.

(ee) *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 qualified aircraft, aircraft of more than 2,000 ~~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.

(rr) *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 qualified aircraft, aircraft of more than 2,000 ~~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.

(hhh) *Items used in manufacturing and fabricating aircraft and gas turbine engines.*—Chemicals, machinery, parts, and equipment used and consumed in the manufacture or fabrication of aircraft engines and gas turbine engines, including cores, electrical discharge machining supplies, brass electrodes, ceramic guides, reamers, grinding and deburring wheels, Norton vortex wheels, argon, nitrogen, helium, fluid abrasive cutters, solvents and soaps, boroscopes, penetrants, patterns, dies, and molds consumed in the production of castings are exempt from the tax imposed by this chapter.

(iii) *Accessible taxicabs.*—The sale or lease of accessible taxicabs is exempt from the tax imposed by this chapter. As used in this paragraph, the term “accessible taxicab” means a chauffeur-driven taxi, limousine, sedan, van, or other passenger vehicle for which an operator is hired to use for the transportation of persons for compensation; which transports eight passengers or fewer; is equipped with a lift or ramp designed specifically to transport physically disabled persons or contains any other device designed to permit access to, and enable the transportation of, physically disabled persons, including persons who use wheelchairs, motorized wheelchairs, or similar mobility aids; which complies with the accessibility requirements of the Americans with Disabilities Act of 1990, 49 C.F.R. ss. 38.23, 38.25, and 38.31, as amended, regardless of whether such requirements would apply under federal law; and meets all applicable federal motor vehicle safety standards and regulations adopted thereunder. If the lift or ramp or any other device is installed through an aftermarket conversion of a stock vehicle,

only the value of the conversion is exempt from the tax imposed by this chapter.

Section 9. Subsections (3) and (5) of section 212.097, Florida Statutes, are amended to read:

212.097 Urban High-Crime Area Job Tax Credit Program.—

(3)(a) An existing eligible business may apply for a tax credit under this subsection at any time it is entitled to such credit, except as restricted by this subsection. An existing eligible business in a tier-one qualified high-crime area which on the date of application has at least 5 more qualified employees than it had 1 year prior to its date of application shall receive a \$1,500 tax credit for each such additional employee. An existing eligible business in a tier-two qualified high-crime area which on the date of application has at least 10 more qualified employees than it had 1 year prior to its date of application shall receive a \$1,000 credit for each such additional employee. An existing business in a tier-three qualified high-crime area which on the date of application has at least 15 more qualified employees than it had 1 year prior to its date of application shall receive a \$500 tax credit for each such additional employee. An existing eligible business may apply for the credit under this subsection no more than once in any 12-month period. Any existing eligible business that received a credit under subsection (2) may not apply for the credit under this subsection sooner than 12 months after the application date for the credit under subsection (2).

(b) An existing eligible business that filed an application for a tax credit under this subsection on or after January 1, 2009, and was denied because of the limitation set forth in subsection (5) at the time of such application, may refile the application on or before December 31, 2012, if the number of qualified employees employed on the day the denied application is refiled is no lower than the number of qualified employees on the day the denied application was initially filed. Any credit resulting from the refiled application is subject to the aggregate limitation set forth in subsection (10) for the calendar year 2012. For purposes of applying the tax credit eligibility determination required by this section to the refiled application, the terms “date of application” and “application date” mean the date the denied application was initially filed.

(5) To be eligible for a tax credit under subsection (3), the number of qualified employees employed 1 year ~~before~~ prior to the application date must be no lower than the number of qualified employees on January 1, 2009, or on the application date on which a credit under this section was based for any previous application, including an application under subsection (2).

Section 10. Effective January 1, 2013, and applying to tax years beginning on or after January 1, 2013, subsection (1) of section 220.14, Florida Statutes, is amended to read:

220.14 Exemption.—

(1) In computing a taxpayer's liability for tax under this code, there shall be exempt from the tax ~~\$50,000~~ \$25,000 of net income as defined in s. 220.12 or such lesser amount as will, without increasing the taxpayer's federal income tax liability, provide the state with an amount under this code which is equal to the maximum federal income tax credit which may be available from time to time under federal law.

Section 11. Effective January 1, 2013, and applying to tax years beginning on or after January 1, 2013, subsection (3) of section 220.63, Florida Statutes, is amended to read:

220.63 Franchise tax imposed on banks and savings associations.—

(3) For purposes of this part, the franchise tax base shall be adjusted federal income, as defined in s. 220.13, apportioned to this state, plus nonbusiness income allocated to this state pursuant to s. 220.16, less the deduction allowed in subsection (5) and less ~~\$50,000~~ \$25,000.

Section 12. Section 283.35, Florida Statutes, is amended to read:

283.35 Preference given printing within the state.—~~Every agency shall give preference to vendors located within the state~~ When awarding a contract ~~contracts~~ to have materials printed, the agency, university, college, school district, or other political subdivision of this state awarding the contract shall grant a preference to the lowest responsible and responsive vendor having a principal place of business within this state. The preference shall be 5 percent if the lowest bid is submitted by a vendor whose principal place of business is located outside the state and if the ~~whenever such~~ printing can be performed in this state ~~done at no greater expense than the expense of awarding a contract to a vendor located outside the state and can be done at a level of quality comparable to that obtainable from the a vendor submitting the lowest bid located outside the state. As used in this section, the term "other political subdivision of this state" does not include counties or municipalities.~~

Section 13. Paragraph (f) of subsection (3) of section 287.057, Florida Statutes, is amended to read:

287.057 Procurement of commodities or contractual services.—

(3) When the purchase price of commodities or contractual services exceeds the threshold amount provided in s. 287.017 for CATEGORY TWO, no purchase of commodities or contractual services may be made without receiving competitive sealed bids, competitive sealed proposals, or competitive sealed replies unless:

(f) The following contractual services and commodities are not subject to the competitive-solicitation requirements of this section:

1. Artistic services. For the purposes of this subsection, the term "artistic services" does not include advertising or typesetting. As used in this

subparagraph, the term “advertising” means the making of a representation in any form in connection with a trade, business, craft, or profession in order to promote the supply of commodities or services by the person promoting the commodities or contractual services.

2. Academic program reviews if the fee for such services does not exceed \$50,000.

3. Lectures by individuals.

4. Legal services, including attorney, paralegal, expert witness, appraisal, or mediator services.

5.a. Health services involving examination, diagnosis, treatment, prevention, medical consultation, or administration.

b. Beginning January 1, 2011, health services, including, but not limited to, substance abuse and mental health services, involving examination, diagnosis, treatment, prevention, or medical consultation, when such services are offered to eligible individuals participating in a specific program that qualifies multiple providers and uses a standard payment methodology. Reimbursement of administrative costs for providers of services purchased in this manner shall also be exempt. For purposes of this sub-subparagraph, “providers” means health professionals, health facilities, or organizations that deliver or arrange for the delivery of health services.

6. Services provided to persons with mental or physical disabilities by not-for-profit corporations which have obtained exemptions under the provisions of s. 501(c)(3) of the United States Internal Revenue Code or when such services are governed by the provisions of Office of Management and Budget Circular A-122. However, in acquiring such services, the agency shall consider the ability of the vendor, past performance, willingness to meet time requirements, and price.

7. Medicaid services delivered to an eligible Medicaid recipient unless the agency is directed otherwise in law.

8. Family placement services.

9. Prevention services related to mental health, including drug abuse prevention programs, child abuse prevention programs, and shelters for runaways, operated by not-for-profit corporations. However, in acquiring such services, the agency shall consider the ability of the vendor, past performance, willingness to meet time requirements, and price.

10. Training and education services provided to injured employees pursuant to s. 440.491(6).

11. Contracts entered into pursuant to s. 337.11.

12. Services or commodities provided by governmental agencies.

13. Statewide public service announcement programs provided by a Florida statewide nonprofit corporation under s. 501(c)(6) of the Internal Revenue Code, with a guaranteed documented match of at least \$3 to \$1.

Section 14. Section 287.084, Florida Statutes, is amended to read:

287.084 Preference to Florida businesses.—

(1)(a) When an agency, university, college, county, municipality, school district, or other political subdivision of the state is required to make purchases of personal property through competitive solicitation and the lowest responsible and responsive bid, proposal, or reply is by a vendor whose principal place of business is in a state or political subdivision thereof which grants a preference for the purchase of such personal property to a person whose principal place of business is in such state, then the agency, university, college county, municipality, school district, or other political subdivision of this state shall ~~may~~ award a preference to the lowest responsible and responsive vendor having a principal place of business within this state, which preference is equal to the preference granted by the state or political subdivision thereof in which the lowest responsible and responsive vendor has its principal place of business. In a competitive solicitation in which the lowest bid is submitted by a vendor whose principal place of business is located outside the state and that state does not grant a preference in competitive solicitation to vendors having a principal place of business in that state, the preference to the lowest responsible and responsive vendor having a principal place of business in this state shall be 5 percent.

(b) Paragraph (a) However, this section does not apply to transportation projects for which federal aid funds are available.

(c) As used in this section, the term “other political subdivision of this state” does not include counties or municipalities.

~~(2) If a solicitation provides for the granting of such preference as is provided in this section, A~~ Any vendor whose principal place of business is outside ~~this~~ the state of Florida must accompany any written bid, proposal, or reply documents with a written opinion of an attorney at law licensed to practice law in that foreign state, as to the preferences, if any or none, granted by the law of that state to its own business entities whose principal places of business are in that foreign state in the letting of any or all public contracts.

(3)(a) A vendor whose principal place of business is in this state may not be precluded from being an authorized reseller of information technology commodities of a state contractor as long as the vendor demonstrates that it employs an internationally recognized quality management system, such as ISO 9001 or its equivalent, and provides a warranty on the information technology commodities which is, at a minimum, of equal scope and length as that of the contract.

(b) This subsection applies to any renewal of any state contract executed on or after July 1, 2012.

Section 15. Effective upon this act becoming a law, paragraphs (b), (d), and (f) of subsection (1), paragraph (b) of subsection (4), and subsections (7) and (11) of section 288.1254, Florida Statutes, are amended, present paragraphs (c) through (o) of subsection (1) of that section are redesignated as paragraphs (d) through (p), respectively, and new paragraphs (c) and (q) are added to that subsection, to read:

288.1254 Entertainment industry financial incentive program.—

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

(b) “Digital media project” means a production of interactive entertainment that is produced for distribution in commercial or educational markets. The term includes a video game or production intended for Internet or wireless distribution, an interactive website, digital animation, and visual effects, including, but not limited to, three-dimensional movie productions and movie conversions. The term does not include a production that contains ~~obscene content~~ that is obscene as defined in s. 847.001(10).

(c) “High-impact digital media project” means a digital media project that has qualified expenditures greater than \$4.5 million.

~~(e)~~(d) “Off-season certified production” means a feature film, independent film, or television series or pilot ~~that which~~ films 75 percent or more of its principal photography days from June 1 through November 30.

~~(g)~~(f) “Production” means a theatrical or direct-to-video motion picture; a made-for-television motion picture; visual effects or digital animation sequences produced in conjunction with a motion picture; a commercial; a music video; an industrial or educational film; an infomercial; a documentary film; a television pilot program; a presentation for a television pilot program; a television series, including, but not limited to, a drama, a reality show, a comedy, a soap opera, a telenovela, a game show, an awards show, or a miniseries production; or a digital media project by the entertainment industry. One season of a television series is considered one production. The term does not include a weather or market program; a sporting event or a sporting event broadcast; ~~a sports show;~~ a gala; a production that solicits funds; a home shopping program; a political program; a political documentary; political advertising; a gambling-related project or production; a concert production; or a local, regional, or Internet-distributed-only news show or, current-events show; a sports news or sports recap show; ~~a,~~ pornographic production; or any production deemed obscene under chapter 847 ~~current-affairs show.~~ A production may be produced on or by film, tape, or otherwise by means of a motion picture camera; electronic camera or device; tape device; computer; any combination of the foregoing; or any other means, method, or device.

(q) “Interactive website” means a website or group of websites that includes interactive and downloadable content, and creates 25 new Florida full-time equivalent positions operating from a principal place of business located within Florida. An interactive website or group of websites must provide documentation that those jobs were created to the Office of Film and Entertainment prior to the award of tax credits. Each subsequent program application must provide proof that 25 Florida full-time equivalent positions are maintained.

(4) TAX CREDIT ELIGIBILITY; TAX CREDIT AWARDS; QUEUES; ELECTION AND DISTRIBUTION; CARRYFORWARD; CONSOLIDATED RETURNS; PARTNERSHIP AND NONCORPORATE DISTRIBUTIONS; MERGERS AND ACQUISITIONS.—

(b) *Tax credit eligibility.*—

1. General production queue.—Ninety-four percent of tax credits authorized pursuant to subsection (6) in any state fiscal year must be dedicated to the general production queue. The general production queue consists of all qualified productions other than those eligible for the commercial and music video queue or the independent and emerging media production queue. A qualified production that demonstrates a minimum of \$625,000 in qualified expenditures is eligible for tax credits equal to 20 percent of its actual qualified expenditures, up to a maximum of \$8 million. A qualified production that incurs qualified expenditures during multiple state fiscal years may combine those expenditures to satisfy the \$625,000 minimum threshold.

a. An off-season certified production that is a feature film, independent film, or television series or pilot is eligible for an additional 5 percent ~~5-percent~~ tax credit on actual qualified expenditures. An off-season certified production that does not complete 75 percent of principal photography due to a disruption caused by a hurricane or tropical storm may not be disqualified from eligibility for the additional 5 percent ~~5-percent~~ credit as a result of the disruption.

b. If more than 45 ~~25~~ percent of the sum of total tax credits initially certified and awarded to productions after April July 1, 2012, 2010, and total tax credits initially certified after April 1, 2012, but not yet awarded, and total tax credits available for certification after April 1, 2012, but not yet certified to productions currently in this state has been awarded for high- ~~certified to productions currently in this state has been awarded for high-~~ impact television series, then no high-impact television series is or pilot shall ~~is or pilot shall~~ be eligible for tax credits under this subparagraph. Tax credits initially certified for a high-impact television series after April 1, 2012, may not be awarded if the award will cause the percentage threshold in this sub- ~~tax credits initially certified for a high-impact television series after April 1, 2012, may not be awarded if the award will cause the percentage threshold in this sub-~~ subparagraph to be exceeded. This sub-subparagraph does not prohibit the award of tax credits certified before April 1, 2012, for high-impact television series.

~~e.—The calculations required by this sub-subparagraph shall use only credits available to be certified and awarded on or after July 1, 2011.~~

~~(I) If the provisions of sub-subparagraph b. are not applicable and less than 25 percent of the sum of the total tax credits awarded to productions and the total tax credits certified, but not yet awarded, to productions currently in this state has been to high-impact television series, any qualified high-impact television series shall be allowed first position in this queue for tax credit awards not yet certified.~~

~~(II) If less than 20 percent of the sum of the total tax credits awarded to productions and the total tax credits certified, but not yet awarded, to productions currently in this state has been to digital media projects, any digital media project with qualified expenditures of greater than \$4,500,000 shall be allowed first position in this queue for tax credit awards not yet certified.~~

c.(III) Subject to sub-subparagraph b., first priority in the queue for tax credit awards not yet certified shall be given to high-impact television series and high-impact digital media projects. For the purposes of determining priority position between a high-impact television series allowed first position and a high-impact digital media project allowed first position under this sub-subparagraph, the first position must go to the first application received. Thereafter, priority shall be determined by alternating between a high-impact television series and a high-impact digital media project tax credits shall be awarded on a first-come, first-served basis. However, if the Office of Film and Entertainment receives an application for a high-impact television series or high-impact digital media project that would be certified but for the alternating priority, the office may certify the project as being in the priority position if an application that would normally be the priority position is not received within 5 business days.

~~d. A qualified production for which that incurs at least 67 85 percent of its principal photography days occur qualified expenditures within a region designated as an underutilized region at the time that the production is certified is eligible for an additional 5 percent 5-percent tax credit.~~

~~e. A Any qualified production that employs students enrolled full-time in a film and entertainment-related or digital media-related course of study at an institution of higher education in this state is eligible for an additional 15 percent 15-percent tax credit on qualified expenditures that are wages, salaries, or other compensation paid to such students. The additional 15 percent 15-percent tax credit is shall also be applicable to persons hired within 12 months after of graduating from a film and entertainment-related or digital media-related course of study at an institution of higher education in this state. The additional 15 percent 15-percent tax credit applies shall apply to qualified expenditures that are wages, salaries, or other compensation paid to such recent graduates for 1 year after from the date of hiring.~~

f. A qualified production for which 50 percent or more of its principal photography occurs at a qualified production facility, or a qualified digital media project or the digital animation component of a qualified production for which 50 percent or more of the project's or component's qualified expenditures are related to a qualified digital media production facility, ~~is~~ shall be eligible for an additional 5 percent ~~5-percent~~ tax credit on actual qualified expenditures for production activity at that facility.

g. ~~A~~ No qualified production ~~is not shall~~ be eligible for tax credits provided under this paragraph totaling more than 30 percent of its actual qualified expenses.

2. Commercial and music video queue.—Three percent of tax credits authorized pursuant to subsection (6) in any state fiscal year must be dedicated to the commercial and music video queue. A qualified production company that produces national or regional commercials or music videos may be eligible for a tax credit award if it demonstrates a minimum of \$100,000 in qualified expenditures per national or regional commercial or music video and exceeds a combined threshold of \$500,000 after combining actual qualified expenditures from qualified commercials and music videos during a single state fiscal year. After a qualified production company that produces commercials, music videos, or both reaches the threshold of \$500,000, it is eligible to apply for certification for a tax credit award. The maximum credit award shall be equal to 20 percent of its actual qualified expenditures up to a maximum of \$500,000. If there is a surplus at the end of a fiscal year after the Office of Film and Entertainment certifies and determines the tax credits for all qualified commercial and video projects, such surplus tax credits shall be carried forward to the following fiscal year and are be available to any eligible qualified productions under the general production queue.

3. Independent and emerging media production queue.—Three percent of tax credits authorized pursuant to subsection (6) in any state fiscal year must be dedicated to the independent and emerging media production queue. This queue is intended to encourage ~~Florida~~ independent film and emerging media production in this state. Any qualified production, excluding commercials, infomercials, or music videos, which ~~that~~ demonstrates at least \$100,000, but not more than \$625,000, in total qualified expenditures is eligible for tax credits equal to 20 percent of its actual qualified expenditures. If a surplus exists at the end of a fiscal year after the Office of Film and Entertainment certifies and determines the tax credits for all qualified independent and emerging media production projects, such surplus tax credits shall be carried forward to the following fiscal year and are be available to any eligible qualified productions under the general production queue.

4. Family-friendly productions.—A certified theatrical or direct-to-video motion picture production or video game determined by the Commissioner of Film and Entertainment, with the advice of the Florida Film and Entertainment Advisory Council, to be family-friendly, based on ~~the~~ review of the

script and the review of the final release version, is eligible for an additional tax credit equal to 5 percent of its actual qualified expenditures. Family-friendly productions are those that have cross-generational appeal; would be considered suitable for viewing by children age 5 or older; are appropriate in theme, content, and language for a broad family audience; embody a responsible resolution of issues; and do not exhibit or imply any act of smoking, sex, nudity, or vulgar or profane language.

(7) ANNUAL ALLOCATION OF TAX CREDITS.—

(a) The aggregate amount of the tax credits that may be certified pursuant to paragraph (3)(d) may not exceed:

1. For fiscal year 2010-2011, \$53.5 million.
2. For fiscal year 2011-2012, \$74.5 million.
3. For fiscal years 2012-2013, 2013-2014, and 2014-2015, and 2015-2016, \$42 million per fiscal year.

(b) Any portion of the maximum amount of tax credits established per fiscal year in paragraph (a) that is not certified as of the end of a fiscal year shall be carried forward and made available for certification during the following 2 fiscal years in addition to the amounts available for certification under paragraph (a) for those fiscal years.

(c) Upon approval of the final tax credit award amount pursuant to subparagraph (3)(f)2., an amount equal to the difference between the maximum tax credit award amount previously certified under paragraph (3)(d) and the approved final tax credit award amount shall immediately be available for recertification during the current and following fiscal years in addition to the amounts available for certification under paragraph (a) for those fiscal years.

(d) If, during a fiscal year, the total amount of credits applied for, pursuant to paragraph (3)(a), exceeds the amount of credits available for certification in that fiscal year, such excess shall be treated as having been applied for on the first day of the next fiscal year in which credits remain available for certification.

(11) REPEAL.—This section is repealed July 1, 2016 ~~2015~~, except that:

(a) Tax credits certified under paragraph (3)(d) before July 1, 2016 ~~2015~~, may be awarded under paragraph (3)(f) on or after July 1, 2016 ~~2015~~, if the other requirements of this section are met.

(b) Tax credits carried forward under paragraph (4)(e) remain valid for the period specified.

(c) Subsections (5), (8) and (9) shall remain in effect until July 1, 2021 ~~2020~~.

Section 16. Paragraph (c) of subsection (3) of section 288.9914, Florida Statutes, is amended to read:

288.9914 Certification of qualified investments; investment issuance reporting.—

(3) REVIEW.—

(c) The department may not approve a cumulative amount of qualified investments that may result in the claim of more than \$163.8 ~~\$97.5~~ million in tax credits during the existence of the program or more than \$33.6 ~~\$20~~ million in tax credits in a single state fiscal year. However, the potential for a taxpayer to carry forward an unused tax credit may not be considered in calculating the annual limit.

Section 17. Subsection (1) of section 288.9915, Florida Statutes, is amended to read:

288.9915 Use of proceeds from qualified investments; recordkeeping.—

(1) For the period from the issuance of the qualified investment to the 7th anniversary of such issuance, a qualified community development entity may not make cash interest payments on a long-term debt security that is a qualified investment, but not in excess of the entity's cumulative operating income as of the date of the cash interest payment. For purposes of calculating operating income under this section, the interest expense on the security is disregarded for 6 years following the issuance of the security.

Section 18. Section 290.00729, Florida Statutes, is created to read:

290.00729 Enterprise zone designation for Charlotte County.—Charlotte County may apply to the Department of Economic Opportunity for designation of one enterprise zone encompassing an area not to exceed 20 square miles within Charlotte County. The application must be submitted by December 31, 2012, and must comply with the requirements in s. 290.0055. Notwithstanding s. 290.0065 limiting the total number of enterprise zones designated and the number of enterprise zones within a population category, the department may designate one enterprise zone under this section. The department shall establish the initial effective date of the enterprise zone designated under this section.

Section 19. Section 12. Section 290.00731, Florida Statutes, is created to read:

290.00731 Enterprise zone designation for Citrus County.—Citrus County may apply to the department for designation of one enterprise zone for an area within Citrus County. The application must be submitted by December 31, 2012, and must comply with the requirements of s. 290.0055. Notwithstanding s. 290.0065 limiting the total number of enterprise zones designated and the number of enterprise zones within a population category, the department may designate one enterprise zone under this section. The

department shall establish the initial effective date of the enterprise zone designated under this section.

Section 20. Section 332.08, Florida Statutes, is amended to read:

332.08 Additional powers.—

(1) In addition to the general powers in ss. 332.01-332.12 conferred and without limitation thereof, a municipality that ~~which~~ has established or may hereafter establish airports, restricted landing areas, or other air navigation facilities, or that ~~which~~ has acquired or set apart or may hereafter acquire or set apart real property for such purposes, is hereby authorized:

(a)(1) To vest authority for the construction, enlargement, improvement, maintenance, equipment, operation, and regulation thereof in an officer, a board or body of such municipality by ordinance or resolution which shall prescribe the powers and duties of such officer, board or body. The expense of such construction, enlargement, improvement, maintenance, equipment, operation, and regulation shall be a responsibility of the municipality.

(b)(2)(a) To adopt and amend all needful rules, regulations, and ordinances for the management, government, and use of any properties under its control, whether within or without the territorial limits of the municipality; to appoint airport guards or police, with full police powers; to fix by ordinance or resolution, as may be appropriate, penalties for the violation of said rules, regulations, and ordinances, and enforce said penalties in the same manner in which penalties prescribed by other rules, regulations, and ordinances of the municipality are enforced.

~~(b)—Provided, where a county operates one or more airports, its regulations for the government thereof shall be by resolution of the board of county commissioners, shall be recorded in the minutes of the board and promulgated by posting a copy at the courthouse and at every such airport for 4 consecutive weeks or by publication once a week in a newspaper published in the county for the same period. Such regulations shall be enforced as are the criminal laws. Violation thereof shall be a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.~~

(c)(3) To lease for a term not exceeding 30 years such airports or other air navigation facilities, or real property acquired or set apart for airport purposes, to private parties, any municipal or state government or the national government, or any department of either thereof, for operation; to lease or assign for a term not exceeding 30 years to private parties, any municipal or state government or the national government, or any department of either thereof, for operation or use consistent with the purposes of ss. 332.01-332.12, space, area, improvements, or equipment on such airports; to sell any part of such airports, other air navigation facilities, or real property to any municipal or state government, or the United States or any department or instrumentality thereof, for aeronautical purposes or purposes incidental thereto, and to confer the privileges of concessions of

supplying upon its airports goods, commodities, things, services, and facilities; provided, that in each case in so doing the public is not deprived of its rightful equal and uniform use thereof.

(d)(4) To sell or lease any property, real or personal, acquired for airport purposes and belonging to the municipality, which, in the judgment of its governing body, may not be required for aeronautic purposes, in accordance with the laws of this state, or the provisions of the charter of the municipality, governing the sale or leasing of similar municipally owned property.

(e)(5) To exercise all powers necessarily incidental to the exercise of the general and special powers herein granted, and is specifically authorized to assess and shall assess against and collect from the owner or operator of each and every airplane using such airports a sufficient fee or service charge to cover the cost of the service furnished airplanes using such airports, including the liquidation of bonds or other indebtedness for construction and improvements.

(2) If a county operates one or more airports, its regulations for the governance thereof shall be by resolution of the board of county commissioners, recorded in the minutes of the board, and promulgated by posting a copy at the courthouse and at every such airport for 4 consecutive weeks or by publication once a week in a newspaper published in the county for the same period. Such regulations shall be enforced in the same manner as the criminal laws. Violation thereof is a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.

(3) Notwithstanding any other provision of this section, a municipality participating in the Federal Aviation Administration's Airport Privatization Pilot Program pursuant to 49 U.S.C. s. 47134 may lease or sell an airport or other air navigation facility or real property, together with improvements and equipment, acquired or set apart for airport purposes to a private party under such terms and conditions as negotiated by the municipality. If state funds were provided to the municipality pursuant to s. 332.007, the municipality must obtain approval of the agreement from the Department of Transportation, which may approve the agreement if it determines that the state's investment has been adequately considered and protected consistent with the applicable conditions specified in 49 U.S.C. s. 47134.

Section 21. Section 565.07, Florida Statutes, is amended to read:

565.07 Sale or consumption of certain distilled spirits prohibited.—~~A~~ No distilled spirit greater than 153 proof may not ~~shall~~ be sold, ~~preessed,~~ or consumed in the state. However, a distilled spirit greater than 153 proof may be distilled, bottled, packaged, or processed for export or sale outside the state.

Section 22. (1) The tax levied under chapter 212, Florida Statutes, may not be collected during the period from 12:01 a.m. on August 3, 2012, through 11:59 p.m. on August 5, 2012, on the sale of:

(a) Clothing, wallets, or bags, including handbags, backpacks, fanny packs, and diaper bags, but excluding briefcases, suitcases, and other garment bags, having a sales price of \$75 or less per item. As used in this paragraph, the term "clothing" means:

1. Any article of wearing apparel intended to be worn on or about the human body, excluding watches, watchbands, jewelry, umbrellas, or handkerchiefs; and

2. All footwear, excluding skis, swim fins, roller blades, and skates.

(b) School supplies having a sales price of \$15 or less per item. As used in this paragraph, the term "school supplies" means pens, pencils, erasers, crayons, notebooks, notebook filler paper, legal pads, binders, lunch boxes, construction paper, markers, folders, poster board, composition books, poster paper, scissors, cellophane tape, glue or paste, rulers, computer disks, protractors, compasses, and calculators.

(2) The tax exemptions in this section do not apply to sales within a theme park or entertainment complex as defined in s. 509.013(9), Florida Statutes, a public lodging establishment as defined in s. 509.013(4), Florida Statutes, or an airport as defined in s. 330.27(2), Florida Statutes.

Section 23. For the 2011-2012 fiscal year, the sum of \$226,284 in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Revenue for purposes of administering section 22. Funds remaining unexpended or unencumbered from this appropriation as of June 30, 2012, shall revert and be reappropriated for the same purpose in the 2012-2013 fiscal year.

Section 24. (1) The sum of \$14,900,000 in nonrecurring funds is appropriated from the General Revenue Fund to the State Economic Enhancement and Development Trust Fund for the 2012-2013 fiscal year.

(2) The sum of \$14,900,000 is appropriated from the State Economic Enhancement and Development Trust Fund for the 2012-2013 fiscal year to the Department of Economic Opportunity for the Qualified Target Industries, Qualified Defense Contractors, Brownfield Bonus, High Impact Performance Incentive, Quick Action Closing Fund, Brownfield Redevelopment, Innovation Incentive programs, and transportation facilities, and only for projects that meet the eligibility requirements of law. These funds shall not be released for any other purpose and shall only be disbursed when projects meet the contracted performance requirements.

Section 25. (1) The executive director of the Department of Revenue is authorized, and all conditions are deemed met, to adopt emergency rules

under ss. 120.536(1) and 120.54(4), Florida Statutes, for the purpose of implementing this act.

(2) Notwithstanding any provision of law, such emergency rules shall remain in effect for 6 months after the date adopted and may be renewed during the pendency of procedures to adopt permanent rules addressing the subject of the emergency rules.

Section 26. Except as otherwise expressly provided in this act and except for this section, which shall take effect upon this act becoming a law, this act shall take effect July 1, 2012.

Approved by the Governor March 28, 2012.

Filed in Office Secretary of State March 28, 2012.