

## CHAPTER 2014-38

### House Bill No. 5601

An act relating to taxation; amending s. 202.11, F.S.; revising the term “prepaid calling arrangement”; amending s. 212.05, F.S.; clarifying and updating which services are included under the definition “prepaid calling arrangement” and subject to a sales tax; conforming provisions to changes made by the act to taxes on electrical power and energy made; providing retroactive application; amending s. 203.01, F.S.; providing for an additional tax on charges for, or the use of, certain electrical power or energy and the rate for such tax; providing an exemption; providing for the redistribution of certain taxes on electrical power and energy; providing applicability; providing that a seller of electrical power or energy may combine the collection of certain taxes if properly reflected in its return to the Department of Revenue; amending s. 205.0535, F.S.; providing that a county or municipality may repeal or reduce a local business tax by majority vote; amending s. 210.20, F.S.; revising the payment and distribution of the Cigarette Tax Collection Trust Fund; amending s. 212.08, F.S.; exempting therapeutic veterinary diets obtainable only from a licensed veterinarian from the state tax on sales, use, and other transactions; increasing the amount of tax credits that may be granted for certain approved projects that provide homeownership opportunities; extending the expiration date applicable to the granting of community contribution tax credits against the sales and use tax for contributions to eligible sponsors of community projects approved by the Department of Economic Opportunity; revising provisions exempting certain prepaid meal plans and certain machinery and equipment from the sales and use tax exempting sales of child restraint systems and booster seats for use in motor vehicles and youth bicycle helmets from the sales and use tax; amending s. 212.12, F.S.; conforming provisions to changes made by the act; amending s. 212.20, F.S.; revising the distribution of taxes, including the taxes collected on charges for electrical power and energy; authorizing the Department of Revenue to adopt emergency rules; amending s. 212.17, F.S.; providing procedures, requirements, and calculation methodologies that allow dealers to obtain tax credits or refunds for taxes paid on worthless or uncollectible private-label credit card accounts or receivables; providing a cap on the amount that may be recovered; providing definitions; amending s. 213.0535, F.S.; providing provisions related to the publication of statistics regarding the Registration Information Sharing and Exchange Program; amending s. 220.183, F.S.; increasing the amount of tax credits that may be granted for certain approved programs; extending the expiration date applicable to the granting of community contribution tax credits against the corporate income tax for contributions to eligible sponsors of community projects approved by the Department of Economic Opportunity; amending s. 288.9914, F.S.; revising limits on tax credits that may be approved by the Department of Economic Opportunity under the New Markets Development Program;

amending s. 624.4094, F.S.; deleting a provision relating to the reporting or payment of specified insurance premium taxes; amending s. 624.509, F.S.; requiring an insurer to pay to the Department of Revenue a specified amount of the direct written premiums for bail bonds; amending s. 624.5105, F.S.; increasing the amount of tax credits that may be granted for certain approved programs; extending the expiration date applicable to the granting of community contribution tax credits against the insurance premium tax for contributions to eligible sponsors of community projects approved by the Department of Economic Opportunity; amending s. 627.7711, F.S.; conforming provisions to changes made by the act; providing for a sales tax holiday for certain Energy Star and WaterSense products; providing restrictions; specifying a period during which the sale of clothing, wallets, bags, school supplies, personal computers, and personal computer-related accessories are exempt from the sales tax; providing definitions; providing exceptions; authorizing the Department of Revenue to adopt emergency rules; providing an exemption from the sales and use tax for sales during a specified period of certain tangible personal property related to hurricane preparedness; authorizing the Department of Revenue to adopt emergency rules; providing an exemption from the sales and use tax for sales during a specified period of certain tangible personal property related to hurricane preparedness; authorizing the Department of Revenue to adopt emergency rules; providing appropriations; providing effective dates.

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

Section 1. Effective July 1, 2014, subsection (9) of section 202.11, Florida Statutes, is amended to read:

202.11 Definitions.—As used in this chapter, the term:

(9) “Prepaid calling arrangement” means: ~~the separately stated retail sale by advance payment of~~

(a) A right to use communications services, other than mobile communications services, for which a separately stated price must be paid in advance, which is sold at retail in predetermined units that decline in number with use on a predetermined basis, and which that consist exclusively of telephone calls originated by using an access number, authorization code, or other means that may be manually, electronically, or otherwise entered; or and that are sold in predetermined units or dollars of which the number declines with use in a known amount.

(b) A right to use mobile communications services that must be paid for in advance and is sold at retail in predetermined units that expire or decline in number on a predetermined basis if:

1. The purchaser’s right to use mobile communications services terminates upon all purchased units’ expiring or being exhausted unless the purchaser pays for additional units;

2. The purchaser is not required to purchase additional units; and

3. Any right of the purchaser to use units to obtain communications services other than mobile communications services is limited to services that are provided to or through the same handset or other electronic device that is used by the purchaser to access mobile communications services.

Predetermined units described in this subsection may be quantified as amounts of usage, time, money, or a combination of these or other means of measurement.

Section 2. Effective July 1, 2014, paragraph (e) of subsection (1) of section 212.05, Florida Statutes, is amended to read:

212.05 Sales, storage, use tax.—It is hereby declared to be the legislative intent that every person is exercising a taxable privilege who engages in the business of selling tangible personal property at retail in this state, including the business of making mail order sales, or who rents or furnishes any of the things or services taxable under this chapter, or who stores for use or consumption in this state any item or article of tangible personal property as defined herein and who leases or rents such property within the state.

(1) For the exercise of such privilege, a tax is levied on each taxable transaction or incident, which tax is due and payable as follows:

(e)1. At the rate of 6 percent on charges for:

a. Prepaid calling arrangements. The tax on charges for prepaid calling arrangements shall be collected at the time of sale and remitted by the selling dealer.

(I) “Prepaid calling arrangement” has the same meaning as provided in s. 202.11 ~~means the separately stated retail sale by advance payment of communications services that consist exclusively of telephone calls originated by using an access number, authorization code, or other means that may be manually, electronically, or otherwise entered and that are sold in predetermined units or dollars whose number declines with use in a known amount.~~

(II) If the sale or recharge of the prepaid calling arrangement does not take place at the dealer’s place of business, it shall be deemed to have taken ~~take~~ place at the customer’s shipping address or, if no item is shipped, at the customer’s address or the location associated with the customer’s mobile telephone number.

(III) The sale or recharge of a prepaid calling arrangement shall be treated as a sale of tangible personal property for purposes of this chapter, regardless of whether or not ~~or not~~ a tangible item evidencing such arrangement is furnished to the purchaser, and such sale within this state subjects the selling dealer to the jurisdiction of this state for purposes of this subsection.

(IV) No additional tax under this chapter or chapter 202 is due or payable if a purchaser of a prepaid calling arrangement who has paid tax under this chapter on the sale or recharge of such arrangement applies one or more units of the prepaid calling arrangement to obtain communications services as described in s. 202.11(9)(b)3., other services that are not communications services, or products.

b. The installation of telecommunication and telegraphic equipment.

c. Electrical power or energy, except that the tax rate for charges for electrical power or energy is 4.357 percent. Charges for electrical power and energy do not include taxes imposed under ss. 166.231 and 203.01(1)(a)3.

2. Section ~~The provisions of s. 212.17(3), regarding credit for tax paid on charges subsequently found to be worthless, is shall be equally applicable to any tax paid under the provisions of this section on charges for prepaid calling arrangements, telecommunication or telegraph services, or electric power subsequently found to be uncollectible. As used in this paragraph, the term word “charges” in this paragraph does not include any excise or similar tax levied by the Federal Government, a any political subdivision of this the state, or a any municipality upon the purchase, sale, or recharge of prepaid calling arrangements or upon the purchase or sale of telecommunication, television system program, or telegraph service or electric power, which tax is collected by the seller from the purchaser.~~

Section 3. The amendments made to ss. 202.11 and 212.05(1)(e)1.a., Florida Statutes, by this act are intended to be remedial in nature and apply retroactively, but do not provide a basis for an assessment of any tax not paid or create a right to a refund or credit of any tax paid before the effective date of this act.

Section 4. Effective July 1, 2014, subsections (1), (3), (4), and (7) of section 203.01, Florida Statutes, are amended to read:

203.01 Tax on gross receipts for utility and communications services.—

(1)(a)1. A tax is imposed on gross receipts from utility services that are delivered to a retail consumer in this state. The tax shall be levied as provided in paragraphs (b)-(j).

2. A tax is levied on communications services as defined in s. 202.11(1). The tax shall be applied to the same services and transactions as are subject to taxation under chapter 202, and to communications services that are subject to the exemption provided in s. 202.125(1). The tax shall be applied to the sales price of communications services when sold at retail, as the terms are defined in s. 202.11, shall be due and payable at the same time as the taxes imposed pursuant to chapter 202, and shall be administered and collected pursuant to ~~the provisions of chapter 202.~~

3. An additional tax is levied on charges for, or the use of, electrical power or energy that is subject to the tax levied pursuant to s. 212.05(1)(e)1.c. or s.

212.06(1). The tax shall be applied to the same transactions or uses as are subject to taxation under s. 212.05(1)(e)1.c. or s. 212.06(1). If a transaction or use is exempt from the tax imposed under 212.05(1)(e)1.c. or s. 212.06(1), the transaction or use is also exempt from the tax imposed under this subparagraph. The tax shall be applied to charges for electrical power or energy and is due and payable at the same time as taxes imposed pursuant to chapter 212. Chapter 212 governs the administration and enforcement of the tax imposed by this subparagraph. The charges upon which the tax imposed by this subparagraph is applied do not include the taxes imposed by subparagraph 1. or s. 166.231. The tax imposed by this subparagraph becomes state funds at the moment of collection and is not considered as revenue of a utility for purposes of a franchise agreement between the utility and a local government.

(b)1. The rate applied to utility services shall be 2.5 percent.

2. The rate applied to communications services shall be 2.37 percent.

3. ~~There shall be~~ An additional rate of 0.15 percent shall be applied to communication services subject to the tax levied pursuant to s. 202.12(1)(a), (c), and (d). The exemption provided in s. 202.125(1) applies to the tax levied pursuant to this subparagraph.

4. The rate applied to electrical power or energy taxed under subparagraph (a)3. shall be 2.6 percent.

(c)1. The tax imposed under subparagraph (a)1. shall be levied against the total amount of gross receipts received by a distribution company for its sale of utility services if the utility service is delivered to the retail consumer by a distribution company and the retail consumer pays the distribution company a charge for utility service which includes a charge for both the electricity and the transportation of electricity to the retail consumer. The distribution company shall report and remit to the Department of Revenue by the 20th day of each month the taxes levied pursuant to this paragraph during the preceding month.

2. To the extent practicable, the Department of Revenue must distribute all receipts of taxes remitted under this chapter to the Public Education Capital Outlay and Debt Service Trust Fund in the same month as the department collects such taxes.

(d)1. Each distribution company that receives payment for the delivery of electricity to a retail consumer in this state is subject to tax on the exercise of this privilege as provided by this paragraph unless the payment is subject to tax under paragraph (c). For the exercise of this privilege, the tax levied on the such distribution company's receipts for the delivery of electricity shall be determined by multiplying the number of kilowatt hours delivered by the index price and applying the rate in subparagraph (b)1. ~~paragraph (b)~~ to the result.

2. The index price is the Florida price per kilowatt hour for retail consumers in the previous calendar year, as published in the United States Energy Information Administration Electric Power Monthly and announced by the Department of Revenue on June 1 of each year to be effective for the 12-month period beginning July 1 of that year. For each residential, commercial, and industrial customer class, the applicable index posted for residential, commercial, and industrial shall ~~will~~ be applied in calculating the gross receipts to which the tax applies. If publication of the indices is delayed or discontinued, the last posted index shall be used until a current index is posted or the department adopts a comparable index by rule.

3. Tax due under this paragraph shall be administered, paid, and reported in the same manner as the tax due under paragraph (c).

4. The amount of tax due under this paragraph shall be reduced by the amount of any like tax lawfully imposed on and paid by the person from whom the retail consumer purchased the electricity, whether imposed by and paid to this state, another state, a territory of the United States, or the District of Columbia. This reduction in tax shall be available to the retail consumer as a refund made pursuant to s. 215.26 and does not inure to the benefit of the person who receives payment for the delivery of the electricity. The methods of demonstrating proof of payment and the amount of such refund shall be made according to rules of the Department of Revenue.

(e)1. A ~~Every~~ distribution company that receives payment for the sale or transportation of natural or manufactured gas to a retail consumer in this state is subject to tax on the exercise of this privilege as provided by this paragraph. For the exercise of this privilege, the tax levied on the ~~such~~ distribution company's receipts for the sale or transportation of natural or manufactured gas shall be determined by dividing the number of cubic feet delivered by 1,000, multiplying the resulting number by the index price, and applying the rate in subparagraph (b)1. ~~paragraph (b)~~ to the result.

2. The index price is the Florida price per 1,000 cubic feet for retail consumers in the previous calendar year as published in the United States Energy Information Administration Natural Gas Monthly and announced by the Department of Revenue on June 1 of each year to be effective for the 12-month period beginning July 1 of that year. For each residential, commercial, and industrial customer class, the applicable index posted for residential, commercial, and industrial shall ~~will~~ be applied in calculating the gross receipts to which the tax applies. If publication of the indices is delayed or discontinued, the last posted index shall be used until a current index is posted or the department adopts a comparable index by rule.

3. Tax due under this paragraph shall be administered, paid, and reported in the same manner as the tax due under paragraph (c).

4. The amount of tax due under this paragraph shall be reduced by the amount of any like tax lawfully imposed on and paid by the person from whom the retail consumer purchased the natural gas or manufactured gas,

whether imposed by and paid to this state, another state, a territory of the United States, or the District of Columbia. This reduction in tax shall be available to the retail consumer as a refund pursuant to s. 215.26 and does not inure to the benefit of the person providing the transportation service. The methods of demonstrating proof of payment and the amount of such refund shall be made according to rules of the Department of Revenue.

(f) Any person who imports into this state electricity, natural gas, or manufactured gas, or severs natural gas, for that person's own use or consumption as a substitute for purchasing utility, transportation, or delivery services taxable under subparagraph (a)1, ~~this chapter~~ and who cannot demonstrate payment of the tax imposed by this chapter must register with the Department of Revenue and pay into the State Treasury each month an amount equal to the cost price, as defined in s. 212.02, of such electricity, natural gas, or manufactured gas times the rate set forth in subparagraph (b)1, ~~paragraph (b)~~, reduced by the amount of any like tax lawfully imposed on and paid by the person from whom the electricity, natural gas, or manufactured gas was purchased or any person who provided delivery service or transportation service in connection with the electricity, natural gas, or manufactured gas. ~~For purposes of this paragraph, the term "cost price" has the meaning ascribed in s. 212.02(4).~~ The methods of demonstrating proof of payment and the amount of such reductions in tax shall be made according to rules of the Department of Revenue.

(g) Electricity produced by cogeneration or by small power producers which is transmitted and distributed by a public utility between two locations of a customer of the utility pursuant to s. 366.051 is subject to the tax imposed by subparagraph (a)1 ~~this section~~. The tax shall be applied to the cost price, as defined in s. 212.02, of such electricity ~~as provided in s. 212.02(4)~~ and shall be paid each month by the producer of such electricity.

(h) Electricity produced by cogeneration or by small power producers during the 12-month period ending June 30 of each year which is in excess of nontaxable electricity produced during the 12-month period ending June 30, 1990, is subject to the tax imposed by subparagraph (a)1 ~~this section~~. The tax shall be applied to the cost price, as defined in s. 212.02, of such electricity ~~as provided in s. 212.02(4)~~ and shall be paid each month, beginning with the month in which total production exceeds the production of nontaxable electricity for the 12-month period ending June 30, 1990. As used in ~~For purposes of this paragraph, the term~~ "nontaxable electricity" means electricity produced by cogeneration or by small power producers which is not subject to tax under paragraph (g). Taxes paid pursuant to paragraph (g) may be credited against taxes due under this paragraph. Electricity generated as part of an industrial manufacturing process ~~that which~~ manufactures products from phosphate rock, raw wood fiber, paper, citrus, or any agricultural product ~~is shall not be~~ subject to the tax imposed by this paragraph. The term "industrial manufacturing process" means the entire process conducted at the location where the process takes place.

(i) Any person other than a cogenerator or small power producer described in paragraph (h) who produces for his or her own use electrical energy that which is a substitute for electrical energy produced by an electric utility as defined in s. 366.02 is subject to the tax imposed by subparagraph (a)1 this section. The tax shall be applied to the cost price, as defined in s. 212.02, of such electrical energy ~~as provided in s. 212.02(4)~~ and shall be paid each month. ~~The provisions of This paragraph does~~ do not apply to any electrical energy produced and used by an electric utility.

(j) Notwithstanding any other provision of this chapter, with the exception of a communications services dealer reporting taxes administered under chapter 202, the department may require:

1. A quarterly return and payment when the tax remitted for the preceding four calendar quarters did not exceed \$1,000;

2. A semiannual return and payment when the tax remitted for the preceding four calendar quarters did not exceed \$500; or

3. An annual return and payment when the tax remitted for the preceding four calendar quarters did not exceed \$100.

(3) The tax imposed by subparagraph (1)(a)1. ~~subsection (1)~~ does not apply to:

(a)1. The sale or transportation of natural gas or manufactured gas to a public or private utility, including a municipal corporation or rural electric cooperative association, ~~either~~ for resale or for use as fuel in the generation of electricity; or

2. The sale or delivery of electricity to a public or private utility, including a municipal corporation or rural electric cooperative association, for resale, or as part of an electrical interchange agreement or contract between such utilities for the purpose of transferring more economically generated power;

~~if provided~~ the person deriving gross receipts from such sale demonstrates that a sale, transportation, or delivery for resale in fact occurred and complies with the following requirements: A sale, transportation, or delivery for resale must be in strict compliance with the rules ~~and regulations~~ of the Department of Revenue; and any sale subject to the tax imposed by this section which is not in strict compliance with the rules ~~and regulations~~ of the Department of Revenue shall be subject to the tax at the appropriate rate imposed on utilities under subparagraph (1)(b)1. ~~by paragraph (b)~~ on the person making the sale. Any person making a sale for resale may, through an informal protest provided ~~for~~ in s. 213.21 and the rules of the Department of Revenue, provide the department with evidence of the exempt status of a sale. The department shall adopt rules that provide that valid proof and documentation of the resale by a person making the sale for resale will be accepted by the department when submitted during the protest period but

will not be accepted when submitted in any proceeding under chapter 120 or any circuit court action instituted under chapter 72;

(b) Wholesale sales of electric transmission service;

(c) The use of natural gas in the production of oil or gas, or the use of natural or manufactured gas by a person transporting natural or manufactured gas, when used and consumed in providing such services; or

(d) The sale or transportation to, or use of, natural gas or manufactured gas by a person eligible for an exemption under s. 212.08(7)(ff)2. for use as an energy source or a raw material. Possession by a seller of natural or manufactured gas or by any person providing transportation or delivery of natural or manufactured gas of a written certification by the purchaser, certifying the purchaser's entitlement to the exclusion permitted by this paragraph, relieves the seller or person providing transportation or delivery from the responsibility of remitting tax on the nontaxable amounts, and the department shall look solely to the purchaser for recovery of such tax if the department determines that the purchaser was not entitled to the exclusion. The certification must include an acknowledgment by the purchaser that it will be liable for tax pursuant to paragraph (1)(f) if the requirements for exclusion are not met.

(4) The tax imposed pursuant to subparagraph (1)(a)1. ~~this chapter~~ relating to the provision of ~~any~~ utility services at the option of the person supplying the taxable services may be separately stated as Florida gross receipts tax on the total amount of any bill, invoice, or other tangible evidence of the provision of such taxable services and may be added as a component part of the total charge. ~~If~~ Whenever a provider of taxable services elects to separately state such tax as a component of the charge for the provision of such taxable services, any ~~every~~ person, including all governmental units, shall remit the tax to the person who provides such taxable services as a part of the total bill, and the tax is a component part of the debt of the purchaser to the person who provides such taxable services until paid and, if unpaid, is recoverable at law in the same manner as any other part of the charge for such taxable services. For a utility, the decision to separately state any increase in the rate of tax imposed by this chapter which is effective after December 31, 1989, and the ability to recover the increased charge from the customer is ~~shall~~ not be subject to regulatory approval.

(7) Gross receipts subject to the tax imposed under subparagraph (1)(a)1. ~~by this section~~ for the provision of electricity must ~~shall~~ include receipts from monthly customer charges or monthly customer facility charges.

Section 5. The amendments to s. 212.05(1)(e)1.c. made in section 2 of this act and to s. 203.01 made in section 4 of this act apply to taxable transactions included on bills that are for utility services and that are dated on or after July 1, 2014.

Section 6. In complying with the amendments to ss. 203.01 and 212.05, Florida Statutes, relating to the additional tax on electrical power or energy, made by this act, a seller of electrical power or energy may collect a combined rate of 6.95 percent, which consists of the 4.35 percent and 2.6 percent required under ss. 212.05(1)(e)1.c. and 203.01(1)(b)4., Florida Statutes, respectively, if the provider properly reflects the tax collected with respect to the two provisions as required in the return to the Department of Revenue.

Section 7. Subsections (4) and (5) of section 205.0535, Florida Statutes, are amended to read:

205.0535 Reclassification and rate structure revisions.—

(4) After the conditions specified in subsections (2) and (3) are met, municipalities and counties may, every other year thereafter, increase or decrease by ordinance the rates of business taxes by up to 5 percent. However, an increase must, however, may not be enacted by at least less than a majority plus one vote of the governing body.

(5) Nothing in This chapter does not shall be construed to prohibit a municipality or county from decreasing or repealing any business tax authorized under this chapter. By majority vote, the governing body of a county or municipality may adopt an ordinance repealing a local business tax or establishing new rates that decrease local business taxes and do not result in an increase in local business taxes for a taxpayer. Such ordinances are not subject to subsections (2) and (3).

~~(6)(5)~~ A receipt may not be issued unless the federal employer identification number or social security number is obtained from the person to be taxed.

Section 8. Paragraph (b) of subsection (2) of section 210.20, Florida Statutes, is amended 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) Beginning July 1, 2004, and continuing through June 30, 2013, 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 1.47 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, 2014 ~~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 4.04 ~~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 constructing, furnishing, equipping, financing, operating, and maintaining cancer research and clinical and related facilities; furnishing, equipping, operating, and maintaining other properties owned or leased by 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.

Section 9. Effective July 1, 2014, paragraphs (i) through (k) of subsection (2) of section 212.08, Florida Statutes, are redesignated as paragraphs (j) through (l), respectively, and a new paragraph (i) is added to that subsection, paragraph (p) of subsection (5) and paragraph (r) of subsection (7) are amended, paragraph (kkk) of subsection (7), as created by chapter 2013-39, Laws of Florida, is amended, and paragraphs (lll) and (mmm) 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.

(2) EXEMPTIONS; MEDICAL.—

(i) Sales of therapeutic veterinary diets specifically formulated to aid in the management of illness and disease of a diagnosed health disorder in an animal and which are only available from a licensed veterinarian are exempt from the tax imposed under this chapter.

(5) EXEMPTIONS; ACCOUNT OF USE.—

(p) *Community contribution tax credit for donations.*—

1. Authorization.—Persons who are registered with the department under s. 212.18 to collect or remit sales or use tax and who make donations

to eligible sponsors are eligible for tax credits against their state sales and use tax liabilities as provided in this paragraph:

a. The credit shall be computed as 50 percent of the person's approved annual community contribution.

b. The credit shall be granted as a refund against state sales and use taxes reported on returns and remitted in the 12 months preceding the date of application to the department for the credit as required in sub-subparagraph 3.c. If the annual credit is not fully used through such refund because of insufficient tax payments during the applicable 12-month period, the unused amount may be included in an application for a refund made pursuant to sub-subparagraph 3.c. in subsequent years against the total tax payments made for such year. Carryover credits may be applied for a 3-year period without regard to any time limitation that would otherwise apply under s. 215.26.

c. A person may not receive more than \$200,000 in annual tax credits for all approved community contributions made in any one year.

d. All proposals for the granting of the tax credit require the prior approval of the Department of Economic Opportunity.

e. The total amount of tax credits which may be granted for all programs approved under this paragraph, s. 220.183, and s. 624.5105 is ~~\$18.4~~ \$10.5 million annually for projects that provide homeownership opportunities for low-income households or very-low-income households as those terms are defined in s. 420.9071~~(19) and (28)~~ and \$3.5 million annually for all other projects.

f. A person who is eligible to receive the credit provided ~~for~~ in this paragraph, s. 220.183, or s. 624.5105 may receive the credit only under ~~the~~ one section of the person's choice.

2. Eligibility requirements.—

a. A community contribution by a person must be in the following form:

(I) Cash or other liquid assets;

(II) Real property;

(III) Goods or inventory; or

(IV) Other physical resources as identified by the Department of Economic Opportunity.

b. All community contributions must be reserved exclusively for use in a project. As used in this sub-subparagraph, the term "project" means ~~any~~ activity undertaken by an eligible sponsor which is designed to construct, improve, or substantially rehabilitate housing that is affordable to low-

income households or very-low-income households as those terms are defined in s. 420.9071(19) ~~and (28)~~; designed to provide commercial, industrial, or public resources and facilities; or designed to improve entrepreneurial and job-development opportunities for low-income persons. A project may be the investment necessary to increase access to high-speed broadband capability in rural communities with enterprise zones, including projects that result in improvements to communications assets that are owned by a business. A project may include the provision of museum educational programs and materials that are directly related to a ~~any~~ project approved between January 1, 1996, and December 31, 1999, and located in an enterprise zone designated pursuant to s. 290.0065. This paragraph does not preclude projects that propose to construct or rehabilitate housing for low-income households or very-low-income households on scattered sites. With respect to housing, contributions may be used to pay the following eligible low-income and very-low-income housing-related activities:

(I) Project development impact and management fees for low-income or very-low-income housing projects;

(II) Down payment and closing costs for low-income persons and very-low-income eligible persons, as those terms are defined in s. 420.9071(19) ~~and (28)~~;

(III) Administrative costs, including housing counseling and marketing fees, not to exceed 10 percent of the community contribution, directly related to low-income or very-low-income projects; and

(IV) Removal of liens recorded against residential property by municipal, county, or special district local governments ~~if when~~ satisfaction of the lien is a necessary precedent to the transfer of the property to a low-income person or very-low-income an eligible person, as those terms are defined in s. 420.9071(19) ~~and (28)~~, for the purpose of promoting home ownership. Contributions for lien removal must be received from a nonrelated third party.

c. The project must be undertaken by an “eligible sponsor,” which includes:

(I) A community action program;

(II) A nonprofit community-based development organization whose mission is the provision of housing for low-income households or very-low-income households or increasing entrepreneurial and job-development opportunities for low-income persons;

(III) A neighborhood housing services corporation;

(IV) A local housing authority created under chapter 421;

(V) A community redevelopment agency created under s. 163.356;

- (VI) A historic preservation district agency or organization;
- (VII) A regional workforce board;
- (VIII) A direct-support organization as provided in s. 1009.983;
- (IX) An enterprise zone development agency created under s. 290.0056;

(X) A community-based organization incorporated under chapter 617 which is recognized as educational, charitable, or scientific pursuant to s. 501(c)(3) of the Internal Revenue Code and whose bylaws and articles of incorporation include affordable housing, economic development, or community development as the primary mission of the corporation;

(XI) Units of local government;

(XII) Units of state government; or

(XIII) Any other agency that the Department of Economic Opportunity designates by rule.

~~In no event may~~ A contributing person may not have a financial interest in the eligible sponsor.

d. The project must be located in an area designated an enterprise zone or a Front Porch Florida Community, unless the project increases access to high-speed broadband capability for rural communities that have with enterprise zones but is physically located outside the designated rural zone boundaries. Any project designed to construct or rehabilitate housing for low-income households or very-low-income households as those terms are defined in s. 420.9071~~(19) and (28)~~ is exempt from the area requirement of this subparagraph.

e.(I) If, during the first 10 business days of the state fiscal year, eligible tax credit applications for projects that provide homeownership opportunities for low-income households or very-low-income households as those terms are defined in s. 420.9071~~(19) and (28)~~ are received for less than the annual tax credits available for those projects, the Department of Economic Opportunity shall grant tax credits for those applications and ~~shall~~ grant remaining tax credits on a first-come, first-served basis for ~~any~~ subsequent eligible applications received before the end of the state fiscal year. If, during the first 10 business days of the state fiscal year, eligible tax credit applications for projects that provide homeownership opportunities for low-income households or very-low-income households as those terms are defined in s. 420.9071~~(19) and (28)~~ are received for more than the annual tax credits available for those projects, the Department of Economic Opportunity shall grant the tax credits for those applications as follows:

(A) If tax credit applications submitted for approved projects of an eligible sponsor do not exceed \$200,000 in total, the credits shall be granted in full if the tax credit applications are approved.

(B) If tax credit applications submitted for approved projects of an eligible sponsor exceed \$200,000 in total, the amount of tax credits granted pursuant to sub-sub-sub-subparagraph (A) shall be subtracted from the amount of available tax credits, and the remaining credits shall be granted to each approved tax credit application on a pro rata basis.

(II) If, during the first 10 business days of the state fiscal year, eligible tax credit applications for projects other than those that provide homeownership opportunities for low-income households or very-low-income households as those terms are defined in s. 420.9071(19) ~~and (28)~~ are received for less than the annual tax credits available for those projects, the Department of Economic Opportunity shall grant tax credits for those applications and shall grant remaining tax credits on a first-come, first-served basis for ~~any~~ subsequent eligible applications received before the end of the state fiscal year. If, during the first 10 business days of the state fiscal year, eligible tax credit applications for projects other than those that provide homeownership opportunities for low-income households or very-low-income households as those terms are defined in s. 420.9071(19) ~~and (28)~~ are received for more than the annual tax credits available for those projects, the Department of Economic Opportunity shall grant the tax credits for those applications on a pro rata basis.

### 3. Application requirements.—

a. Any eligible sponsor seeking to participate in this program must submit a proposal to the Department of Economic Opportunity which sets forth the name of the sponsor, a description of the project, and the area in which the project is located, together with such supporting information as is prescribed by rule. The proposal must also contain a resolution from the local governmental unit in which the project is located certifying that the project is consistent with local plans and regulations.

b. Any person seeking to participate in this program must submit an application for tax credit to the Department of Economic Opportunity which sets forth the name of the sponsor, a description of the project, and the type, value, and purpose of the contribution. The sponsor shall verify, in writing, the terms of the application and indicate its receipt of the contribution, and such ~~which~~ verification must be ~~in writing and~~ accompany the application for tax credit. The person must submit a separate tax credit application to the Department of Economic Opportunity for each individual contribution that it makes to each individual project.

c. Any person who has received notification from the Department of Economic Opportunity that a tax credit has been approved must apply to the department to receive the refund. Application must be made on the form prescribed for claiming refunds of sales and use taxes and be accompanied by a copy of the notification. A person may submit only one application for refund to the department within a ~~any~~ 12-month period.

### 4. Administration.—

a. The Department of Economic Opportunity may adopt rules pursuant to ~~ss. 120.536(1) and 120.54~~ necessary to administer this paragraph, including rules for the approval or disapproval of proposals by a person.

b. The decision of the Department of Economic Opportunity must be in writing, and, if approved, the notification shall state the maximum credit allowable to the person. Upon approval, the Department of Economic Opportunity shall transmit a copy of the decision to the department of Revenue.

c. The Department of Economic Opportunity shall periodically monitor all projects in a manner consistent with available resources to ensure that resources are used in accordance with this paragraph; however, each project must be reviewed at least once every 2 years.

d. The Department of Economic Opportunity shall, in consultation with the statewide and regional housing and financial intermediaries, market the availability of the community contribution tax credit program to community-based organizations.

5. Expiration.—This paragraph expires June 30, 2016 ~~2015~~; however, any accrued credit carryover that is unused on that date may be used until the expiration of the 3-year carryover period for such credit.

(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.

(r) *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, except that prepaid meal plans purchased from a college or other institution of higher learning by students currently enrolled at that college or other institution of higher learning are exempt. ~~As used in this paragraph,~~

“prepaid meal plans” means payment in advance to a college or institution of higher learning for the provision of a defined quantity of units that must expire at the end of an academic term, cannot be refunded to the student upon expiration, and which may only be exchanged for food.

(kkk) Certain machinery and equipment.—

1. Industrial machinery and equipment purchased by eligible manufacturing businesses which is used at a fixed location within this state, or a mixer drum affixed to a mixer truck which is used at any location within this state to mix, agitate, and transport freshly mixed concrete in a plastic state, for the manufacture, processing, compounding, or production of items of tangible personal property for sale shall be exempt from the tax imposed by this chapter. Parts and labor required to affix a mixer drum exempt under this paragraph to a mixer truck are also exempt. If at the time of purchase the purchaser furnishes the seller with a signed certificate certifying the purchaser’s entitlement to exemption pursuant to this paragraph, the seller is relieved of the responsibility for collecting the tax on the sale of such items, and the department shall look solely to the purchaser for recovery of the tax if it determines that the purchaser was not entitled to the exemption.

2. For purposes of this paragraph, the term:

a. “Eligible manufacturing business” means any business whose primary business activity at the location where the industrial machinery and equipment is located is within the industries classified under NAICS codes 31, 32, and 33. As used in this subparagraph, “NAICS” means those classifications contained in the North American Industry Classification System, as published in 2007 by the Office of Management and Budget, Executive Office of the President.

b. “Primary business activity” means an activity representing more than fifty percent of the activities conducted at the location where the industrial machinery and equipment is located.

c. “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. 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 for industrial machinery and

equipment only to the extent that the parts and accessories are purchased prior to the date the machinery and equipment are placed in service.

3. This paragraph is repealed April 30, 2017.

(III) Motor vehicle child restraint.—The sale of a child restraint system or booster seat for use in a motor vehicle is exempt from the tax imposed by this chapter.

(mmm) Youth bicycle helmets.—The sale of a bicycle helmet marketed for use by youth is exempt from the tax imposed by this chapter.

Section 10. 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 ~~4.35~~ 7 percent pursuant to s. 212.05(1)(e) ~~1.c. 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 11. Effective September 1, 2014, paragraphs (c) and (d) of subsection (6) of section 212.20, Florida Statutes, are amended to read:

212.20 Funds collected, disposition; additional powers of department; operational expense; refund of taxes adjudicated unconstitutionally collected.—

(6) Distribution of all proceeds under this chapter, ~~and s. 202.18(1)(b) and (2)(b), and s. 203.01(1)(a)3.~~ is shall be as follows:

(c)1. Proceeds from the fees imposed under ss. 212.05(1)(h)3. and 212.18(3) shall remain with the General Revenue Fund.

2. The portion of the proceeds which constitutes gross receipts tax imposed pursuant to s. 203.01(1)(a)3. shall be deposited as provided by law and in accordance with s. 9, Art. XII of the State Constitution.

(d) The proceeds of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be distributed as follows:

1. In any fiscal year, the greater of \$500 million, minus an amount equal to 4.6 percent of the proceeds of the taxes collected pursuant to chapter 201, or 5.2 percent of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in monthly installments into the General Revenue Fund.

2. After the distribution under subparagraph 1., ~~8.8854~~ 8.814 percent of the amount remitted by a sales tax dealer located within a participating county pursuant to s. 218.61 shall be transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to be transferred shall be reduced by 0.1 percent, and the department shall distribute this amount to the Public Employees Relations Commission Trust Fund less \$5,000 each month, which shall be added to the amount calculated in subparagraph 3. and distributed accordingly.

3. After the distribution under subparagraphs 1. and 2., ~~0.0956~~ 0.095 percent shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and distributed pursuant to s. 218.65.

4. After the distributions under subparagraphs 1., 2., and 3., ~~2.0603~~ 2.0440 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Counties pursuant to s. 218.215.

5. After the distributions under subparagraphs 1., 2., and 3., ~~1.3409~~ 1.3517 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Municipalities pursuant to s. 218.215. If the total revenue to be distributed pursuant to this subparagraph is at least as great as the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, no municipality shall receive less than the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000. If the total proceeds to be distributed are less than the amount received in combination from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, each municipality shall receive an amount proportionate to the amount it was due in state fiscal year 1999-2000.

6. Of the remaining proceeds:

a. In each fiscal year, the sum of \$29,915,500 shall be divided into as many equal parts as there are counties in the state, and one part shall be distributed to each county. The distribution among the several counties must begin each fiscal year on or before January 5th and continue monthly for a total of 4 months. If a local or special law required that any moneys accruing to a county in fiscal year 1999-2000 under the then-existing provisions of s. 550.135 be paid directly to the district school board, special district, or a municipal government, such payment must continue until the local or special law is amended or repealed. The state covenants with holders of bonds or other instruments of indebtedness issued by local governments, special

districts, or district school boards before July 1, 2000, that it is not the intent of this subparagraph to adversely affect the rights of those holders or relieve local governments, special districts, or district school boards of the duty to meet their obligations as a result of previous pledges or assignments or trusts entered into which obligated funds received from the distribution to county governments under then-existing s. 550.135. This distribution specifically is in lieu of funds distributed under s. 550.135 before July 1, 2000.

b. The department shall distribute \$166,667 monthly pursuant to ~~s. 288.1162~~ to each applicant certified as a facility for a new or retained professional sports franchise pursuant to s. 288.1162. Up to \$41,667 shall be distributed monthly by the department to each certified applicant as defined in s. 288.11621 for a facility for a spring training franchise. However, not more than \$416,670 may be distributed monthly in the aggregate to all certified applicants for facilities for spring training franchises. Distributions begin 60 days after such certification and continue for not more than 30 years, except as otherwise provided in s. 288.11621. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided ~~for~~ in s. 288.1162(5) or s. 288.11621(3).

c. Beginning 30 days after notice by the Department of Economic Opportunity to the Department of Revenue that an applicant has been certified as the professional golf hall of fame pursuant to s. 288.1168 and is open to the public, \$166,667 shall be distributed monthly, for up to 300 months, to the applicant.

d. Beginning 30 days after notice by the Department of Economic Opportunity to the Department of Revenue that the applicant has been certified as the International Game Fish Association World Center facility pursuant to s. 288.1169, and the facility is open to the public, \$83,333 shall be distributed monthly, for up to 168 months, to the applicant. This distribution is subject to reduction pursuant to s. 288.1169. A lump sum payment of \$999,996 shall be made, after certification and before July 1, 2000.

e. The department shall distribute up to \$55,555 monthly to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise, or up to \$111,110 monthly to each certified applicant as defined in s. 288.11631 for a facility used by more than one spring training franchise. Monthly distributions begin 60 days after such certification or July 1, 2016, whichever is later, and continue for not more than 30 years, except as otherwise provided in s. 288.11631. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in s. 288.11631(3).

7. All other proceeds must remain in the General Revenue Fund.

Section 12. The Department of Revenue may, and all conditions are deemed met to, adopt emergency rules pursuant to ss. 120.536(1) and 120.54,

Florida Statutes, for the purpose of implementing the amendments to ss. 203.01, 212.05, 212.12, and 212.20, Florida Statutes, relating to changes to the taxation of electrical power or energy, made by this act. This section expires July 1, 2017.

Section 13. Effective July 1, 2014, section 212.17, Florida Statutes, is reordered and amended to read:

~~212.17 Tax credits or refunds for returned goods, rentals, or admissions; goods acquired for dealer's own use and subsequently resold; additional powers of department.—~~

(1)(a) ~~If In the event~~ purchases are returned to a dealer by the purchaser or consumer after the tax imposed by this chapter has been collected from or charged to the account of the consumer or user, the dealer ~~is shall be~~ entitled to reimbursement of the amount of tax collected or charged by the dealer, in the manner prescribed by the department.

(b) A registered dealer that purchases property for the dealer's own use, pays tax on acquisition, and sells the property subsequent to acquisition without ever having used the property is entitled to reimbursement, in the manner prescribed by the department, of the amount of tax paid on the property's acquisition.

(c) If the tax has not been remitted by a dealer to the department, the dealer may deduct the same in submitting his or her return upon receipt of a signed statement ~~by of~~ the dealer as to the gross amount of such refunds during the period covered by ~~the said~~ signed statement, which ~~may period~~ shall not be longer than 90 days. The department shall issue to the dealer an official credit memorandum equal to the net amount remitted by the dealer for such tax collected or paid. Such memorandum shall be accepted by the department at full face value from the dealer to whom it is issued ~~upon, in~~ the remittance of ~~of for~~ subsequent taxes accrued under ~~the provisions of~~ this chapter. If a dealer has retired from business and has filed a final return, a refund of tax may be made if it can be established to the satisfaction of the department that the tax was not due.

(2) A dealer who has paid the tax imposed by this chapter on tangible personal property sold under a retained title, conditional sale, or similar contract, or under a contract in which ~~wherein~~ the dealer retains a security interest in the property pursuant to chapter 679, may take credit or obtain a refund for the tax paid by the dealer on the unpaid balance due him or her when he or she repossesses the property, (with or without judicial process,) ~~the property~~ within 12 months after ~~following~~ the month in which the property was repossessed. ~~If When~~ such repossessed property is resold, the sale is subject in all respects to the tax imposed by this chapter.

(3) Except as provided in subsection (4), a dealer who has paid the tax imposed by this chapter on tangible personal property or services may take a credit or obtain a refund for any tax paid by the dealer on the unpaid balance

due on worthless accounts within 12 months after following the month in which the bad debt has been charged off for federal income tax purposes. If any accounts so charged off for which a credit or refund has been obtained are subsequently, thereafter in whole or in part, paid to the dealer, the amount so paid shall be included in the first return filed after such collection and the tax paid accordingly.

(4) With respect to the payment of taxes on purchases made through a private-label credit card program:

(a) If consumer accounts or receivables are found to be worthless or uncollectible, the dealer may claim a credit for, or obtain a refund of, the tax remitted by the dealer on the unpaid balance due if:

1. The accounts or receivables have been charged off as bad debt on the lender's books and records on or after January 1, 2014;

2. A credit was not previously claimed and a refund was not previously allowed on any portion of the accounts or receivables; and

3. The credit or refund is claimed within 12 months after the month in which the bad debt has been charged off by the lender for federal income tax purposes.

(b) If the dealer or the lender subsequently collects, in whole or in part, the accounts or receivables for which a credit or refund has been granted under paragraph (a), the dealer shall include the taxable percentage of the amount collected in the first return filed after the collection and pay the tax on the portion of that amount for which a credit or refund was granted.

(c) The credit or refund allowed includes all credit sale transaction amounts that are outstanding in the specific private-label credit card account or receivable at the time the account or receivable is charged off, regardless of the date on which the credit sale transaction actually occurred.

(d) A dealer must use one of the following methods to determine the amount of the credit or refund:

1. An apportionment method to substantiate the amount of tax imposed under this chapter which is included in the bad debt to which the credit or refund applies. The method must use the dealer's Florida and non-Florida sales, the dealer's taxable and nontaxable sales, and the amount of tax the dealer remitted to this state; or

2. A specified percentage of the accounts or receivables giving rise to the credit or refund, which is derived from a sampling of the dealer's or lender's records in accordance with a methodology agreed upon by the department and the dealer.

(e) For purposes of computing the credit or refund, payments on the accounts or receivables shall be allocated based on the terms and conditions of the contract between the dealer or lender and the consumer.

(f) The credit or refund for tax on bad debt may be claimed on any return filed by an entity related by a direct or indirect common ownership of 50 percent or more.

(g) The amount of the credit or refund that a dealer is eligible to recover under this subsection is limited to 64.4 percent of the tax paid to the department which is attributable to bad debt.

(h) As used in this subsection, the term:

1. “Dealer’s affiliates” means an entity affiliated with the dealer under 26 U.S.C. s. 1504 or an entity that would be an affiliate under that section if the entity were a corporation.

2. “Lender” means a person who owns or has owned a private-label credit card account or an interest in a private-label credit card receivable that:

a. The person purchased directly from a dealer who remitted the tax imposed under this chapter or from the dealer’s affiliates, or that was transferred from a third party;

b. The person originated pursuant to that person’s contract with a dealer who remitted the tax imposed under this chapter or with the dealer’s affiliates; or

c. Is affiliated in the manner described under 26 U.S.C. s. 1504, regardless of whether the different entities are corporations, with a person described in sub-subparagraph a. or sub-subparagraph b. or with an assignee or other transferee of such person.

3. “Private-label credit card” means a charge card or credit card that carries, refers to, or is branded with the name or logo of a dealer and can be used for purchases from the dealer whose name or logo appears on the card or for purchases from the dealer’s affiliates or franchises.

~~(6)(4)(a)~~ The department shall:

(a) Design, prepare, print and furnish to all dealers, except dealers filing through electronic data interchange, or make available or prescribe to the dealers, all necessary forms for filing returns and instructions to ensure a full collection from dealers and an accounting for the taxes due. ~~The, but~~ failure of a ~~any~~ dealer to secure such forms does not relieve the dealer from the payment of the tax at the time and in the manner provided.

~~(b) The department shall~~ Prescribe the format and instructions necessary for filing returns in a manner that is initiated through an electronic data interchange to ensure a full collection from dealers and an accounting for the

taxes due. The failure of a any dealer to use such format does not relieve the dealer from the payment of the tax at the time and in the manner provided.

~~(7)(5)~~ The department and its assistants are hereby authorized and empowered to administer the oath for the purpose of enforcing and administering ~~the provisions of this chapter.~~

~~(8)(6)~~ The department may ~~has authority to~~ adopt rules pursuant to ss. 120.536(1) and 120.54 to administer and enforce the provisions of this section ~~chapter.~~

~~(5)(7)~~ ~~If The department,~~ where admissions, license fees, or rental payments, or payments for services are made and thereafter returned to the payors after the taxes thereon have been paid, the department shall return or credit the taxpayer for taxes so paid on the moneys returned in the same manner as is provided for returns or credits of taxes if ~~where~~ purchases or tangible personal property are returnable to a dealer.

Section 14. Subsection (5) of section 213.0535, Florida Statutes, is amended to read:

213.0535 Registration Information Sharing and Exchange Program.—

(5) A Any provision of law imposing confidentiality upon data shared under this section, including, but not limited to, a any provision imposing penalties for disclosure, applies to recipients of this data and their employees. Data exchanged under this section may not be provided to a any person or entity other than a person or entity administering the tax or licensing provisions of those provisions ~~of law~~ enumerated in paragraph (4)(a), and such data may not be used for any purpose other than for enforcing those tax or licensing provisions. This subsection does not prevent a level-two participant from publishing statistics classified so as to prevent the identification of particular accounts, reports, declarations, or returns. However, statistics may not be published if they contain data pertaining to fewer than three taxpayers or if the statistics are prepared for geographic areas below the county level and contain data pertaining to fewer than 10 taxpayers. This subsection does not authorize the publishing of statistics that could be used to calculate the gross receipts or income of any individual taxpayer. Statistics may not be published under this section if a single taxpayer has remitted more than 33 percent of the tax that is the subject of the statistics. Statistics published under this subsection must relate only to tourist development taxes imposed under s. 125.0104, the tourist impact tax imposed under s. 125.0108, convention development taxes imposed under s. 212.0305, or the municipal resort tax authorized under chapter 67-930, Laws of Florida. This subsection does not prevent the Department of Revenue from meeting the requirements of s. 125.0104(3)(h).

Section 15. Effective July 1, 2014, paragraph (c) of subsection (1) and subsection (5) of section 220.183, Florida Statutes, are amended to read:

220.183 Community contribution tax credit.—

(1) AUTHORIZATION TO GRANT COMMUNITY CONTRIBUTION TAX CREDITS; LIMITATIONS ON INDIVIDUAL CREDITS AND PROGRAM SPENDING.—

(c) The total amount of tax credit which may be granted for all programs approved under this section, s. 212.08(5)(p), and s. 624.5105 is ~~\$18.4~~ \$10.5 million annually for projects that provide homeownership opportunities for low-income or very-low-income households as defined in s. 420.9071(19) ~~and (28)~~ and \$3.5 million annually for all other projects.

(5) EXPIRATION.—The provisions of this section, except paragraph (1)(e), ~~shall expire and are~~ be void on June 30, 2016 2015.

Section 16. Effective July 1, 2014, 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 ~~\$216.34~~ \$178.8 million in tax credits during the existence of the program or more than \$36.6 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. Effective January 1, 2015, subsection (5) of section 624.4094, Florida Statutes, is amended to read:

624.4094 Bail bond premiums.—

~~(5) This section does not affect the reporting or payment of insurance premium taxes under ss. 624.509, 624.5091, and 624.5092, and the insurance premium tax and related excise taxes shall continue to be calculated using gross bail bond premiums.~~

Section 18. Effective January 1, 2015, subsections (1) and (8) of section 624.509, Florida Statutes, are amended to read:

624.509 Premium tax; rate and computation.—

(1) In addition to the license taxes provided for in this chapter, each insurer shall also annually, and on or before March 1 in each year, except as to wet marine and transportation insurance taxed under s. 624.510, pay to the Department of Revenue a tax on insurance premiums, premiums for title insurance, or assessments, including membership fees and policy fees and gross deposits received from subscribers to reciprocal or interinsurance

agreements, and on annuity premiums or considerations, received during the preceding calendar year, the amounts thereof to be determined as set forth in this section, to wit:

(a) An amount equal to 1.75 percent of the gross amount of such receipts on account of life and health insurance policies covering persons resident in this state and on account of all other types of policies and contracts, ~~(except annuity policies or contracts taxable under paragraph (b) and bail bond policies or contracts taxable under paragraph (c),)~~ covering property, subjects, or risks located, resident, or to be performed in this state, omitting premiums on reinsurance accepted, and less return premiums or assessments, but without deductions:

1. For reinsurance ceded to other insurers;
2. For moneys paid upon surrender of policies or certificates for cash surrender value;
3. For discounts or refunds for direct or prompt payment of premiums or assessments; and
4. On account of dividends of any nature or amount paid and credited or allowed to holders of insurance policies; certificates; or surety, indemnity, reciprocal, or interinsurance contracts or agreements; ~~and~~

(b) An amount equal to 1 percent of the gross receipts on annuity policies or contracts paid by holders thereof in this state; ~~and~~.

(c) An amount equal to 1.75 percent of the direct written premiums for bail bonds, excluding any amounts retained by licensed bail bond agents or licensed managing general agents.

~~(8) From and after July 1, 1980, The premium tax authorized by this section may shall not be imposed on: upon~~

(a) Any portion of the title insurance premium retained by a title insurance agent or agency; or

(b) Receipts of annuity premiums or considerations paid by holders in this state if the tax savings derived are credited to the annuity holders. Upon request by the Department of Revenue, an any insurer availing itself of this provision shall submit to the department evidence that which establishes that the tax savings derived have been credited to annuity holders. As used in this paragraph subsection, the term "holders" includes shall be deemed to include employers contributing to an employee's pension, annuity, or profit-sharing plan.

Section 19. Effective July 1, 2014, paragraph (c) of subsection (1) and subsection (6) of section 624.5105, Florida Statutes, are amended to read:

624.5105 Community contribution tax credit; authorization; limitations; eligibility and application requirements; administration; definitions; expiration.—

(1) AUTHORIZATION TO GRANT TAX CREDITS; LIMITATIONS.—

(c) The total amount of tax credit which may be granted for all programs approved under this section and ss. 212.08(5)(p) and 220.183 is ~~\$18.4~~ \$10.5 million annually for projects that provide homeownership opportunities for low-income or very-low-income households as defined in s. 420.9071(19) ~~and (28)~~ and \$3.5 million annually for all other projects.

(6) EXPIRATION.—The provisions of this section, except paragraph (1)(e), ~~shall expire and are~~ be void on June 30, 2016 2015.

Section 20. Effective January 1, 2015, subsection (2) of section 627.7711, Florida Statutes, is amended to read

627.7711 Definitions.—As used in this part, the term:

(2) “Premium” means the charge, as specified by rule of the commission, ~~which that~~ is made by a title insurer for a title insurance policy, including the charge for performance of primary title services by a title insurer or title insurance agent or agency, and incurring the risks incident to such policy, under the several classifications of title insurance contracts and forms, and upon which charge a premium tax is paid under s. 624.509. As used in this part or in any other law, with respect to title insurance, the word “premium” does not include a commission.

Section 21. Sales tax holiday for Energy Star and WaterSense products.

(1) The tax levied under chapter 212, Florida Statutes, may not be collected during the period from 12:01 a.m. on September 19, 2014, through 11:59 p.m. on September 21, 2014, on the first \$1,500 of the sales price of a new Energy Star product or WaterSense product. However, a person is limited to one purchase of each specific type of Energy Star or WaterSense product listed in paragraph (2)(a) or paragraph (2)(b) with a sales price of \$500 or more. A second or subsequent purchase of a specific type of Energy Star product or WaterSense product with a sales price of \$500 or more is subject to tax.

(2) As used in this section, the term:

(a) “Energy Star product” means a room air conditioner, air purifier, ceiling fan, clothes washer, clothes dryer, dehumidifier, dishwasher, freezer, refrigerator, water heater, swimming pool pump, or package of light bulbs that is designated by the United States Environmental Protection Agency and the United States Department of Energy as meeting or exceeding each agency’s requirements under the Energy Star program and that is affixed with an Energy Star label.

(b) “WaterSense product” means a bathroom sink faucet, faucet accessory, high-efficiency toilet or urinal, showerhead, or weather or sensor-based irrigation controller that is recognized as water efficient by the WaterSense program sponsored by the United States Environmental Protection Agency and that is affixed with a WaterSense label.

(3) The Department of Revenue may, and all conditions are deemed met to, adopt emergency rules pursuant to ss. 120.536(1) and 120.54, Florida Statutes, to administer this section.

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 1, 2014, through 11:59 p.m. on August 3, 2014, 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 \$100 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, and 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 levied under chapter 212, Florida Statutes, may not be collected during the period from 12:01 a.m. on August 1, 2014, through 11:59 p.m. on August 3, 2014, on the first \$750 of the sales price of personal computers or personal computer-related accessories purchased for noncommercial home or personal use. As used in this subsection, the term:

(a) “Personal computers” includes electronic book readers, laptops, desktops, handhelds, tablets, and tower computers. The term does not include cellular telephones, video game consoles, digital media receivers, or devices that are not primarily designed to process data.

(b) “Personal computer-related accessories” includes keyboards, mice, personal digital assistants, monitors, other peripheral devices, modems, routers, and nonrecreational software, regardless of whether the accessories are used in association with a personal computer base unit. The term does not include furniture or systems, devices, software, or peripherals designed or intended primarily for recreational use.

(c) “Monitors” does not include devices that have a television tuner.

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

(4) The Department of Revenue may, and all conditions are deemed met to, adopt emergency rules pursuant to ss. 120.536(1) and 120.54, Florida Statutes, to administer this section.

Section 23. (1) The tax levied under chapter 212, Florida Statutes, may not be collected during the period from 12:01 a.m. on May 31, 2014, through 11:59 p.m. on June 8, 2014, on the sale of:

- (a) A portable self-powered light source selling for \$20 or less.
- (b) A portable self-powered radio, two-way radio, or weatherband radio selling for \$50 or less.
- (c) A tarpaulin or other flexible waterproof sheeting selling for \$50 or less.
- (d) A self-contained first-aid kit selling for \$30 or less.
- (e) A ground anchor system or tie-down kit selling for \$50 or less.
- (f) A gas or diesel fuel tank selling for \$25 or less.
- (g) A package of AA-cell, C-cell, D-cell, 6-volt, or 9-volt batteries, excluding automobile and boat batteries, selling for \$30 or less.
- (h) A nonelectric food storage cooler selling for \$30 or less.
- (i) A portable generator used to provide light or communications or preserve food in the event of a power outage selling for \$750 or less.
- (j) Reusable ice selling for \$10 or less.

(2) The Department of Revenue may, and all conditions are deemed met to, adopt emergency rules pursuant to ss. 120.536(1) and 120.54, Florida Statutes, to administer this section.

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

Section 24. For fiscal year 2014-2015, the sum of \$43,941 of nonrecurring funds is appropriated from the General Revenue Fund to the Department of Revenue for the purpose of administering the sales tax holiday for Energy Star and WaterSense products.

Section 25. For the 2013-2014 fiscal year, the sum of \$223,048 in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Revenue for the purpose of administering the provisions of this act relating to the tax exemption for specified school supplies. Funds from the appropriation that remain unexpended or unencumbered as of June 30, 2014, shall revert and be reappropriated for the same purpose in the 2014-2015 fiscal year.

Section 26. For the 2013-2014 fiscal year, the sum of \$280,912 in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Revenue for purposes of administering the tax exemptions for the purchase of tangible personal property relating to hurricane preparedness specified under this act.

Section 27. Except as otherwise expressly provided in this act, this act shall take effect upon becoming a law.

Approved by the Governor May 12, 2014.

Filed in Office Secretary of State May 12, 2014.