

CHAPTER 2016-220

House Bill No. 7099

An act relating to taxation; amending s. 125.0104, F.S.; specifying additional uses for revenues received from tourist development taxes for certain coastal counties; conforming a cross-reference; amending s. 196.012, F.S.; revising definitions related to certain businesses; amending s. 196.1995, F.S.; revising an economic development ad valorem tax exemption for certain enterprise zone businesses; providing applicability of the exemption to data centers; providing retroactive applicability for certain provisions; amending s. 201.15, F.S.; revising a date relating to the payment of debt service for certain bonds; amending s. 206.9825, F.S.; revising eligibility criteria for wholesalers and terminal suppliers to receive aviation fuel tax refunds or credits of previously paid excise taxes; providing for future repeal of such refunds or credits; revising the rate of the excise tax on certain aviation fuels on a specified date; amending s. 210.13, F.S.; providing procedures to be used when a person, other than a dealer, is required but fails to remit certain taxes; amending s. 210.25, F.S.; revising definitions related to tobacco; amending s. 212.05, F.S.; clarifying the requirements for the exemption from tax on certain sales of aircraft that will be registered in a foreign jurisdiction; amending s. 212.06, F.S.; reducing by a specified percentage over time an indexed tax on manufactured asphalt used for a government public works project; exempting such manufactured asphalt from the indexed tax beginning on a specified date; amending s. 212.08, F.S.; exempting the sales of food or drinks by certain qualified veterans' organizations; revising definitions regarding certain industrial machinery and equipment; removing the expiration date on the exemption for purchases of certain machinery and equipment; revising the definition of the term "eligible manufacturing business" for purposes of qualification for the sales and use tax exemption; providing definitions for certain postharvest machinery and equipment, postharvest activities, and eligible postharvest activity businesses; providing an exemption for the purchase of such machinery and equipment; amending s. 220.03, F.S.; adopting the 2016 version of the Internal Revenue Code; providing retroactive applicability; amending s. 220.13, F.S.; incorporating a reference to a recent federal act into state law for the purpose of defining the term "adjusted federal income"; revising the treatment by this state of certain depreciation of assets allowed for federal income tax purposes; providing retroactive applicability; authorizing the Department of Revenue to adopt emergency rules; providing for expiration; amending s. 220.222, F.S.; revising due dates for partnership information returns and corporate tax returns; amending s. 220.241, F.S.; revising due dates to file a declaration of estimated corporate income tax; amending s. 220.33, F.S.; revising the due date of estimated payments of corporate income tax; amending s. 220.34, F.S.; revising the dates for purposes of calculating interest and penalties on underpayments of estimated corporate income tax; amending s. 561.121, F.S.; requiring

that certain taxes related to alcoholic beverages and tobacco products sold on cruise ships be deposited into specified funds; amending s. 564.06, F.S.; specifying the excise tax that is applicable to cider made from pears; amending s. 565.02, F.S.; creating an alternative method of taxation for alcoholic beverages and tobacco products sold on certain cruise ships; requiring the reporting of certain information by each permittee for purposes of determining the base rate applicable to the taxpayers; authorizing the Division of Alcoholic Beverages and Tobacco within the Department of Business and Professional Regulation to independently verify certain reported information; amending s. 951.22, F.S.; conforming a cross-reference; providing an exemption from the sales and use tax for the retail sale of certain clothes and school supplies during a specified period; providing exceptions; authorizing certain dealers to elect not to participate in such tax exemptions; providing requirements for such dealers; 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. Paragraph (c) of subsection (5) of section 125.0104, Florida Statutes, is redesignated as paragraph (d), present paragraph (d) of that subsection is amended, and a new paragraph (c) is added to that subsection, to read:

125.0104 Tourist development tax; procedure for levying; authorized uses; referendum; enforcement.—

(5) AUTHORIZED USES OF REVENUE.—

(c) A county located adjacent to the Gulf of Mexico or the Atlantic Ocean, except a county that receives revenue from taxes levied pursuant to s. 125.0108, which meets the following criteria may use up to 10 percent of the tax revenue received pursuant to this section to reimburse expenses incurred in providing public safety services, including emergency medical services as defined in s. 401.107(3), and law enforcement services, which are needed to address impacts related to increased tourism and visitors to an area. However, if taxes collected pursuant to this section are used to reimburse emergency medical services or public safety services for tourism or special events, the governing board of a county or municipality may not use such taxes to supplant the normal operating expenses of an emergency medical services department, a fire department, a sheriff's office, or a police department. To receive reimbursement, the county must:

1. Generate a minimum of \$10 million in annual proceeds from any tax, or any combination of taxes, authorized to be levied pursuant to this section;

2. Have at least three municipalities; and

3. Have an estimated population of less than 225,000, according to the most recent population estimate prepared pursuant to s. 186.901, excluding the inmate population.

The board of county commissioners must by majority vote approve reimbursement made pursuant to this paragraph upon receipt of a recommendation from the tourist development council.

~~(e)(d)~~ Any use of the local option tourist development tax revenues collected pursuant to this section for a purpose not expressly authorized by paragraph (3)(l) or paragraph (3)(n) or paragraphs (a)-(d) ~~paragraph (a), paragraph (b), or paragraph (e)~~ of this subsection is expressly prohibited.

Section 2. Effective upon this act becoming a law, paragraph (b) of subsection (14) and paragraph (b) of subsection (15) of section 196.012, Florida Statutes, are amended to read:

196.012 Definitions.—For the purpose of this chapter, the following terms are defined as follows, except where the context clearly indicates otherwise:

(14) “New business” means:

(b) Any business or organization located in an area that was designated as an enterprise zone pursuant to chapter 290 as of December 30, 2015, or brownfield area that first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business or organization.

(15) “Expansion of an existing business” means:

(b) Any business or organization located in an area that was designated as an enterprise zone pursuant to chapter 290 as of December 30, 2015, or brownfield area that increases operations on a site located within the same zone or area colocated with a commercial or industrial operation owned by the same business or organization under common control with the same business or organization.

Section 3. Effective upon this act becoming a law, subsections (5) and (11) of section 196.1995, Florida Statutes, are amended to read:

196.1995 Economic development ad valorem tax exemption.—

(5) Upon a majority vote in favor of such authority, the board of county commissioners or the governing authority of the municipality, at its discretion, by ordinance may exempt from ad valorem taxation up to 100 percent of the assessed value of all improvements to real property made by or for the use of a new business and of all tangible personal property of such new business, or up to 100 percent of the assessed value of all added improvements to real property made to facilitate the expansion of an existing business and of the net increase in all tangible personal property

acquired to facilitate such expansion of an existing business. To qualify for this exemption, the improvements to real property must be made or the tangible personal property must be added or increased after approval by motion or resolution of the local governing body, subject to ordinance adoption or on or after the day the ordinance is adopted. However, if the authority to grant exemptions is approved in a referendum in which the ballot question contained in subsection (3) appears on the ballot, the authority of the board of county commissioners or the governing authority of the municipality to grant exemptions is limited solely to new businesses and expansions of existing businesses that are located in an area which was designated as an enterprise zone pursuant to chapter 290 as of December 30, 2015, or in a brownfield area. New businesses and expansions of existing businesses located in an area that was designated as an enterprise zone pursuant to chapter 290 as of December 30, 2015, but is not in a brownfield area, may qualify for the ad valorem tax exemption only if approved by motion or resolution of the local governing body, subject to ordinance adoption, or by ordinance, enacted before December 31, 2015. Property acquired to replace existing property shall not be considered to facilitate a business expansion. All data center equipment for a data center shall be exempt from ad valorem taxation for the term of the approved exemption. The exemption applies only to taxes levied by the respective unit of government granting the exemption. The exemption does not apply, however, to taxes levied for the payment of bonds or to taxes authorized by a vote of the electors pursuant to s. 9(b) or s. 12, Art. VII of the State Constitution. Any such exemption shall remain in effect for up to 10 years with respect to any particular facility, or up to 20 years for a data center, regardless of any change in the authority of the county or municipality to grant such exemptions or the expiration of the Enterprise Zone Act pursuant to chapter 290. The exemption shall not be prolonged or extended by granting exemptions from additional taxes or by virtue of any reorganization or sale of the business receiving the exemption.

(11) An ordinance granting an exemption under this section shall be adopted in the same manner as any other ordinance of the county or municipality and shall include the following:

(a) The name and address of the new business or expansion of an existing business to which the exemption is granted;

(b) The total amount of revenue available to the county or municipality from ad valorem tax sources for the current fiscal year, the total amount of revenue lost to the county or municipality for the current fiscal year by virtue of economic development ad valorem tax exemptions currently in effect, and the estimated revenue loss to the county or municipality for the current fiscal year attributable to the exemption of the business named in the ordinance;

(c) The period of time for which the exemption will remain in effect and the expiration date of the exemption, which may be any period of time up to 10 years, or up to 20 years for a data center; and

(d) A finding that the business named in the ordinance meets the requirements of s. 196.012(14) or (15).

Section 4. The amendments made by this act to ss. 196.012 and 196.1995, Florida Statutes, which relate to the ad valorem tax exemption for certain enterprise zone businesses are remedial in nature and apply retroactively to December 31, 2015, and the amendments to s. 196.1995, Florida Statutes, made by this act which relate to the ad valorem tax exemption for data center equipment apply upon this act becoming a law.

Section 5. Section 201.15, Florida Statutes, is amended to read:

201.15 Distribution of taxes collected.—All taxes collected under this chapter are hereby pledged and shall be first made available to make payments when due on bonds issued pursuant to s. 215.618 or s. 215.619, or any other bonds authorized to be issued on a parity basis with such bonds. Such pledge and availability for the payment of these bonds shall have priority over any requirement for the payment of service charges or costs of collection and enforcement under this section. All taxes collected under this chapter, except taxes distributed to the Land Acquisition Trust Fund pursuant to subsections (1) and (2), are subject to the service charge imposed in s. 215.20(1). Before distribution pursuant to this section, the Department of Revenue shall deduct amounts necessary to pay the costs of the collection and enforcement of the tax levied by this chapter. The costs and service charge may not be levied against any portion of taxes pledged to debt service on bonds to the extent that the costs and service charge are required to pay any amounts relating to the bonds. All of the costs of the collection and enforcement of the tax levied by this chapter and the service charge shall be available and transferred to the extent necessary to pay debt service and any other amounts payable with respect to bonds authorized before January 1, ~~2017~~ 2015, secured by revenues distributed pursuant to this section. All taxes remaining after deduction of costs shall be distributed as follows:

(1) Amounts necessary to make payments on bonds issued pursuant to s. 215.618 or s. 215.619, as provided under paragraphs (3)(a) and (b), or on any other bonds authorized to be issued on a parity basis with such bonds shall be deposited into the Land Acquisition Trust Fund.

(2) If the amounts deposited pursuant to subsection (1) are less than 33 percent of all taxes collected after first deducting the costs of collection, an amount equal to 33 percent of all taxes collected after first deducting the costs of collection, minus the amounts deposited pursuant to subsection (1), shall be deposited into the Land Acquisition Trust Fund.

(3) Amounts on deposit in the Land Acquisition Trust Fund shall be used in the following order:

(a) Payment of debt service or funding of debt service reserve funds, rebate obligations, or other amounts payable with respect to Florida Forever

bonds issued pursuant to s. 215.618. The amount used for such purposes may not exceed \$300 million in each fiscal year. It is the intent of the Legislature that all bonds issued to fund the Florida Forever Act be retired by December 31, 2040. Except for bonds issued to refund previously issued bonds, no series of bonds may be issued pursuant to this paragraph unless such bonds are approved and the debt service for the remainder of the fiscal year in which the bonds are issued is specifically appropriated in the General Appropriations Act.

(b) Payment of debt service or funding of debt service reserve funds, rebate obligations, or other amounts due with respect to Everglades restoration bonds issued pursuant to s. 215.619. Taxes distributed under paragraph (a) and this paragraph must be collectively distributed on a pro rata basis when the available moneys under this subsection are not sufficient to cover the amounts required under paragraph (a) and this paragraph.

Bonds issued pursuant to s. 215.618 or s. 215.619 are equally and ratably secured by moneys distributable to the Land Acquisition Trust Fund.

(4) After the required distributions to the Land Acquisition Trust Fund pursuant to subsections (1) and (2) and deduction of the service charge imposed pursuant to s. 215.20(1), the remainder shall be distributed as follows:

(a) The lesser of 24.18442 percent of the remainder or \$541.75 million in each fiscal year shall be paid into the State Treasury to the credit of the State Transportation Trust Fund. Of such funds, \$75 million for each fiscal year shall be transferred to the State Economic Enhancement and Development Trust Fund within the Department of Economic Opportunity. Notwithstanding any other law, the remaining amount credited to the State Transportation Trust Fund shall be used for:

1. Capital funding for the New Starts Transit Program, authorized by Title 49, U.S.C. s. 5309 and specified in s. 341.051, in the amount of 10 percent of the funds;

2. The Small County Outreach Program specified in s. 339.2818, in the amount of 10 percent of the funds;

3. The Strategic Intermodal System specified in ss. 339.61, 339.62, 339.63, and 339.64, in the amount of 75 percent of the funds after deduction of the payments required pursuant to subparagraphs 1. and 2.; and

4. The Transportation Regional Incentive Program specified in s. 339.2819, in the amount of 25 percent of the funds after deduction of the payments required pursuant to subparagraphs 1. and 2. The first \$60 million of the funds allocated pursuant to this subparagraph shall be allocated annually to the Florida Rail Enterprise for the purposes established in s. 341.303(5).

(b) The lesser of 0.1456 percent of the remainder or \$3.25 million in each fiscal year shall be paid into the State Treasury to the credit of the Grants and Donations Trust Fund in the Department of Economic Opportunity to fund technical assistance to local governments.

Moneys distributed pursuant to paragraphs (a) and (b) may not be pledged for debt service unless such pledge is approved by referendum of the voters.

(c) Eleven and twenty-four hundredths percent of the remainder in each fiscal year shall be paid into the State Treasury to the credit of the State Housing Trust Fund. Of such funds, the first \$35 million shall be transferred annually, subject to any distribution required under subsection (5), to the State Economic Enhancement and Development Trust Fund within the Department of Economic Opportunity. The remainder shall be used as follows:

1. Half of that amount shall be used for the purposes for which the State Housing Trust Fund was created and exists by law.

2. Half of that amount shall be paid into the State Treasury to the credit of the Local Government Housing Trust Fund and used for the purposes for which the Local Government Housing Trust Fund was created and exists by law.

(d) Twelve and ninety-three hundredths percent of the remainder in each fiscal year shall be paid into the State Treasury to the credit of the State Housing Trust Fund. Of such funds, the first \$40 million shall be transferred annually, subject to any distribution required under subsection (5), to the State Economic Enhancement and Development Trust Fund within the Department of Economic Opportunity. The remainder shall be used as follows:

1. Twelve and one-half percent of that amount shall be deposited into the State Housing Trust Fund and expended by the Department of Economic Opportunity and the Florida Housing Finance Corporation for the purposes for which the State Housing Trust Fund was created and exists by law.

2. Eighty-seven and one-half percent of that amount shall be distributed to the Local Government Housing Trust Fund and used for the purposes for which the Local Government Housing Trust Fund was created and exists by law. Funds from this category may also be used to provide for state and local services to assist the homeless.

(e) The lesser of 0.017 percent of the remainder or \$300,000 in each fiscal year shall be paid into the State Treasury to the credit of the General Inspection Trust Fund to be used to fund oyster management and restoration programs as provided in s. 379.362(3).

(5) Distributions to the State Housing Trust Fund pursuant to paragraphs (4)(c) and (d) must be sufficient to cover amounts required to be transferred to the Florida Affordable Housing Guarantee Program's annual

debt service reserve and guarantee fund pursuant to s. 420.5092(6)(a) and (b) up to the amount required to be transferred to such reserve and fund based on the percentage distribution of documentary stamp tax revenues to the State Housing Trust Fund which is in effect in the 2004-2005 fiscal year.

(6) After the distributions provided in the preceding subsections, any remaining taxes shall be paid into the State Treasury to the credit of the General Revenue Fund.

Section 6. Paragraph (b) of subsection (1) of section 206.9825, Florida Statutes, is amended to read:

206.9825 Aviation fuel tax.—

(1)

(b) Any licensed wholesaler or terminal supplier that delivers aviation fuel to an air carrier offering transcontinental jet service and that, after January 1, 1996, but before July 1, 2016, increases the air carrier’s Florida workforce by more than 1,000 ~~1000~~ percent and by 250 or more full-time equivalent employee positions, may receive a credit or refund as the ultimate vendor of the aviation fuel for the 6.9 cents excise tax previously paid, provided that the air carrier has no facility for fueling highway vehicles from the tank in which the aviation fuel is stored. In calculating the new or additional Florida full-time equivalent employee positions, any full-time equivalent employee positions of parent or subsidiary corporations which existed before January 1, 1996, shall not be counted toward reaching the Florida employment increase thresholds. The refund allowed under this paragraph is in furtherance of the goals and policies of the State Comprehensive Plan set forth in s. 187.201(16)(a), (b)1., 2., (17)(a), (b)1., 4., (19)(a), (b)5., (21)(a), (b)1., 2., 4., 7., 9., and 12.

Section 7. Effective July 1, 2019, section 206.9825, Florida Statutes, as amended by this act, is amended to read:

206.9825 Aviation fuel tax.—

(1)(a) Except as otherwise provided in this part, an excise tax of 4.27 ~~6.9~~ cents per gallon of aviation fuel is imposed upon every gallon of aviation fuel sold in this state, or brought into this state for use, upon which such tax has not been paid or the payment thereof has not been lawfully assumed by some person handling the same in this state. Fuel taxed pursuant to this part is ~~shall not be~~ subject to the taxes imposed by ss. 206.41(1)(d), (e), and (f) and 206.87(1)(b), (c), and (d).

~~(b) Any licensed wholesaler or terminal supplier that delivers aviation fuel to an air carrier offering transcontinental jet service and that, after January 1, 1996, but before July 1, 2016, increases the air carrier’s Florida workforce by more than 1,000 percent and by 250 or more full-time equivalent employee positions, may receive a credit or refund as the ultimate vendor of the aviation fuel for the 6.9 cents excise tax previously~~

paid, provided that the air carrier has no facility for fueling highway vehicles from the tank in which the aviation fuel is stored. In calculating the new or additional Florida full-time equivalent employee positions, any full-time equivalent employee positions of parent or subsidiary corporations which existed before January 1, 1996, shall not be counted toward reaching the Florida employment increase thresholds. The refund allowed under this paragraph is in furtherance of the goals and policies of the State Comprehensive Plan set forth in s. 187.201(16)(a), (b)1., 2., (17)(a), (b)1., 4., (19)(a), (b)5., (21)(a), (b)1., 2., 4., 7., 9., and 12.

~~(c) If, before July 1, 2001, the number of full-time equivalent employee positions created or added to the air carrier's Florida workforce falls below 250, the exemption granted pursuant to this section shall not apply during the period in which the air carrier has fewer than the 250 additional employees.~~

~~(d) The exemption taken by credit or refund pursuant to paragraph (b) shall apply only under the terms and conditions set forth therein. If any part of that paragraph is judicially declared to be unconstitutional or invalid, the validity of any provisions taxing aviation fuel shall not be affected and all fuel exempted pursuant to paragraph (b) shall be subject to tax as if the exemption was never enacted. Every person benefiting from such exemption shall be liable for and make payment of all taxes for which a credit or refund was granted.~~

(b)(e)1. Sales of aviation fuel to, and exclusively used for flight training through a school of aeronautics or college of aviation by, a college based in this state which is a tax-exempt organization under s. 501(c)(3) of the Internal Revenue Code or a university based in this state are exempt from the tax imposed by this part if the college or university:

a. Is accredited by or has applied for accreditation by the Aviation Accreditation Board International; and

b. Offers a graduate program in aeronautical or aerospace engineering or offers flight training through a school of aeronautics or college of aviation.

2. A licensed wholesaler or terminal supplier that sells aviation fuel to a college or university qualified under this paragraph and that does not collect the aviation fuel tax from the college or university on such sale may receive an ultimate vendor credit for the 4.27-cent ~~6.9-cent~~ excise tax previously paid on the aviation fuel delivered to such college or university.

3. A college or university qualified under this paragraph which purchases aviation fuel from a retail supplier, including a fixed-base operator, and pays the 4.27-cent ~~6.9-cent~~ excise tax on the purchase may apply for and receive a refund of the aviation fuel tax paid.

(2)(a) An excise tax of ~~4.27~~ 6.9 cents per gallon is imposed on each gallon of kerosene in the same manner as prescribed for diesel fuel under ss. 206.87(2) and 206.872.

(b) The exemptions provided by s. 206.874 shall apply to kerosene if the dyeing and marking requirements of s. 206.8741 are met.

(c) Kerosene prepackaged in containers of 5 gallons or less and labeled “Not for Use in a Motor Vehicle” is exempt from the taxes imposed by this part when sold for home heating and cooking. Packagers may qualify for a refund of taxes previously paid, as prescribed by the department.

(d) Sales of kerosene in quantities of 5 gallons or less by a person not licensed under this chapter who has no facilities for placing kerosene in the fuel supply system of a motor vehicle may qualify for a refund of taxes paid. Refunds of taxes paid shall be limited to sales for use in home heating or cooking and shall be documented as prescribed by the department.

(3) An excise tax of ~~4.27~~ 6.9 cents per gallon is imposed on each gallon of aviation gasoline in the manner prescribed by paragraph (2)(a). However, the exemptions allowed by paragraph (2)(b) do not apply to aviation gasoline.

(4) Any licensed wholesaler or terminal supplier that delivers undyed kerosene to a residence for home heating or cooking may receive a credit or refund as the ultimate vendor of the kerosene for the ~~4.27-cent~~ 6.9-cent excise tax previously paid.

(5) Any licensed wholesaler or terminal supplier that delivers undyed kerosene to a retail dealer not licensed as a wholesaler or terminal supplier for sale as a home heating or cooking fuel may receive a credit or refund as the ultimate vendor of the kerosene for the ~~4.27-cent~~ 6.9-cent excise tax previously paid, provided the retail dealer has no facility for fueling highway vehicles from the tank in which the kerosene is stored.

(6) Any person who fails to meet the requirements of this section is subject to a backup tax as provided by s. 206.873.

Section 8. Section 210.13, Florida Statutes, is amended to read:

210.13 Determination of tax on failure to file a return.—If a dealer or other person required to remit the tax under this part fails to file any return required under this part; or, having filed an incorrect or insufficient return, fails to file a correct or sufficient return, as the case may require, within 10 days after the giving of notice to the dealer or other person by the Division of Alcoholic Beverages and Tobacco that such return or corrected or sufficient return is required, the division shall determine the amount of tax due by such dealer or other person any time within 3 years after the making of the earliest sale included in such determination and give written notice of such determination to such dealer or other person. Such a determination shall finally and irrevocably fix the tax unless the dealer or other person against whom it is assessed shall, within 30 days after the giving of notice of such

determination, applies ~~apply~~ to the division for a hearing. Judicial review shall not be granted unless the amount of tax stated in the decision, with penalties thereon, if any, ~~is shall have been~~ first deposited with the division, and an undertaking or bond filed in the court in which such cause may be pending in such amount and with such sureties as the court shall approve, conditioned that if such proceeding be dismissed or the decision of the division confirmed, the applicant for review will pay all costs and charges which may accrue against the applicant in the prosecution of the proceeding. At the option of the applicant, such undertaking or bond may be in an additional sum sufficient to cover the tax, penalties, costs, and charges aforesaid, in which event the applicant shall not be required to pay such tax and penalties precedent to the granting of such review by such court.

Section 9. Subsections (1) through (13) of section 210.25, Florida Statutes, are renumbered as subsections (2) through (14), respectively, a new subsection (1) is added to that section, and present subsection (13) of that section is amended, to read:

210.25 Definitions.—As used in this part:

(1) “Affiliate” means a manufacturer or other person that directly or indirectly, through one or more intermediaries, controls or is controlled by a distributor or that is under common control with a distributor.

~~(14)(13)~~ “Wholesale sales price” means the sum of:

(a) The full price paid by the distributor to acquire the tobacco products, including charges by the seller for the cost of materials, the cost of labor and service, charges for transportation and delivery, the federal excise tax, and any other charge, even if the charge is listed as a separate item on the invoice paid by the established price for which a manufacturer sells a tobacco product to a distributor, exclusive of any diminution by volume or other discounts, including a discount provided to a distributor by an affiliate; and

(b) The federal excise tax paid by the distributor on the tobacco products if the tax is not included in the full price under paragraph (a).

Section 10. Paragraph (a) 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:

(a)1.a. At the rate of 6 percent of the sales price of each item or article of tangible personal property when sold at retail in this state, computed on each taxable sale for the purpose of remitting the amount of tax due the state, and including each and every retail sale.

b. Each occasional or isolated sale of an aircraft, boat, mobile home, or motor vehicle of a class or type which is required to be registered, licensed, titled, or documented in this state or by the United States Government shall be subject to tax at the rate provided in this paragraph. The department shall by rule adopt any nationally recognized publication for valuation of used motor vehicles as the reference price list for any used motor vehicle which is required to be licensed pursuant to s. 320.08(1), (2), (3)(a), (b), (c), or (e), or (9). If any party to an occasional or isolated sale of such a vehicle reports to the tax collector a sales price which is less than 80 percent of the average loan price for the specified model and year of such vehicle as listed in the most recent reference price list, the tax levied under this paragraph shall be computed by the department on such average loan price unless the parties to the sale have provided to the tax collector an affidavit signed by each party, or other substantial proof, stating the actual sales price. Any party to such sale who reports a sales price less than the actual sales price is guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083. The department shall collect or attempt to collect from such party any delinquent sales taxes. In addition, such party shall pay any tax due and any penalty and interest assessed plus a penalty equal to twice the amount of the additional tax owed. Notwithstanding any other provision of law, the Department of Revenue may waive or compromise any penalty imposed pursuant to this subparagraph.

2. This paragraph does not apply to the sale of a boat or aircraft by or through a registered dealer under this chapter to a purchaser who, at the time of taking delivery, is a nonresident of this state, does not make his or her permanent place of abode in this state, and is not engaged in carrying on in this state any employment, trade, business, or profession in which the boat or aircraft will be used in this state, or is a corporation none of the officers or directors of which is a resident of, or makes his or her permanent place of abode in, this state, or is a noncorporate entity that has no individual vested with authority to participate in the management, direction, or control of the entity's affairs who is a resident of, or makes his or her permanent abode in, this state. For purposes of this exemption, either a registered dealer acting on his or her own behalf as seller, a registered dealer acting as broker on behalf of a seller, or a registered dealer acting as broker on behalf of the purchaser may be deemed to be the selling dealer. This exemption shall not be allowed unless:

a. The purchaser removes a qualifying boat, as described in subparagraph f., from the state within 90 days after the date of purchase or extension, or the purchaser removes a nonqualifying boat or an aircraft from this state within 10 days after the date of purchase or, when the boat or aircraft is repaired or altered, within 20 days after completion of the repairs

or alterations; or if the aircraft will be registered in a foreign jurisdiction and:

(I) Application for the aircraft's registration is properly filed with a civil airworthiness authority of a foreign jurisdiction within 10 days after the date of purchase;

(II) The purchaser removes the aircraft from the state to a foreign jurisdiction within 10 days after the date the aircraft is registered by the applicable foreign airworthiness authority; and

(III) The aircraft is operated in the state solely to remove it from the state to a foreign jurisdiction.

For purposes of this sub-subparagraph, the term "foreign jurisdiction" means any jurisdiction outside of the United States or any of its territories;

b. The purchaser, within 30 days from the date of departure, provides ~~shall provide~~ the department with written proof that the purchaser licensed, registered, titled, or documented the boat or aircraft outside the state. If such written proof is unavailable, within 30 days the purchaser shall provide proof that the purchaser applied for such license, title, registration, or documentation. The purchaser shall forward to the department proof of title, license, registration, or documentation upon receipt;

c. The purchaser, within 10 days of removing the boat or aircraft from Florida, furnishes ~~shall furnish~~ the department with proof of removal in the form of receipts for fuel, dockage, slippage, tie-down, or hanging from outside of Florida. The information so provided must clearly and specifically identify the boat or aircraft;

d. The selling dealer, within 5 days of the date of sale, provides ~~provide~~ to the department a copy of the sales invoice, closing statement, bills of sale, and the original affidavit signed by the purchaser attesting that he or she has read the provisions of this section;

e. The seller makes a copy of the affidavit a part of his or her record for as long as required by s. 213.35; and

f. Unless the nonresident purchaser of a boat of 5 net tons of admeasurement or larger intends to remove the boat from this state within 10 days after the date of purchase or when the boat is repaired or altered, within 20 days after completion of the repairs or alterations, the nonresident purchaser applies ~~shall apply~~ to the selling dealer for a decal which authorizes 90 days after the date of purchase for removal of the boat. The nonresident purchaser of a qualifying boat may apply to the selling dealer within 60 days after the date of purchase for an extension decal that authorizes the boat to remain in this state for an additional 90 days, but not more than a total of 180 days, before the nonresident purchaser is required to pay the tax imposed by this chapter. The department is authorized to issue decals in advance to dealers. The number of decals issued in advance to

a dealer shall be consistent with the volume of the dealer's past sales of boats which qualify under this sub-subparagraph. The selling dealer or his or her agent shall mark and affix the decals to qualifying boats in the manner prescribed by the department, before ~~prior to~~ delivery of the boat.

(I) The department is hereby authorized to charge dealers a fee sufficient to recover the costs of decals issued, except the extension decal shall cost \$425.

(II) The proceeds from the sale of decals will be deposited into the administrative trust fund.

(III) Decals shall display information to identify the boat as a qualifying boat under this sub-subparagraph, including, but not limited to, the decal's date of expiration.

(IV) The department is authorized to require dealers who purchase decals to file reports with the department and may prescribe all necessary records by rule. All such records are subject to inspection by the department.

(V) Any dealer or his or her agent who issues a decal falsely, fails to affix a decal, mismarks the expiration date of a decal, or fails to properly account for decals will be considered prima facie to have committed a fraudulent act to evade the tax and will be liable for payment of the tax plus a mandatory penalty of 200 percent of the tax, and shall be liable for fine and punishment as provided by law for a conviction of a misdemeanor of the first degree, as provided in s. 775.082 or s. 775.083.

(VI) Any nonresident purchaser of a boat who removes a decal before ~~prior to~~ permanently removing the boat from the state, or defaces, changes, modifies, or alters a decal in a manner affecting its expiration date before ~~prior to~~ its expiration, or who causes or allows the same to be done by another, will be considered prima facie to have committed a fraudulent act to evade the tax and will be liable for payment of the tax plus a mandatory penalty of 200 percent of the tax, and shall be liable for fine and punishment as provided by law for a conviction of a misdemeanor of the first degree, as provided in s. 775.082 or s. 775.083.

(VII) The department is authorized to adopt rules necessary to administer and enforce this subparagraph and to publish the necessary forms and instructions.

(VIII) The department is hereby authorized to adopt emergency rules pursuant to s. 120.54(4) to administer and enforce the provisions of this subparagraph.

If the purchaser fails to remove the qualifying boat from this state within the maximum 180 days after purchase or a nonqualifying boat or an aircraft from this state within 10 days after purchase or, when the boat or aircraft is repaired or altered, within 20 days after completion of such repairs or alterations, or permits the boat or aircraft to return to this state within 6

months from the date of departure, except as provided in s. 212.08(7)(fff), or if the purchaser fails to furnish the department with any of the documentation required by this subparagraph within the prescribed time period, the purchaser shall be liable for use tax on the cost price of the boat or aircraft and, in addition thereto, payment of a penalty to the Department of Revenue equal to the tax payable. This penalty shall be in lieu of the penalty imposed by s. 212.12(2). The maximum 180-day period following the sale of a qualifying boat tax-exempt to a nonresident may not be tolled for any reason.

Section 11. Paragraph (c) of subsection (1) of section 212.06, Florida Statutes, is amended to read:

212.06 Sales, storage, use tax; collectible from dealers; “dealer” defined; dealers to collect from purchasers; legislative intent as to scope of tax.—

(1)

(c)1. Notwithstanding the provisions of paragraph (b), the use tax on asphalt manufactured for one’s own use shall be calculated with respect to paragraph (b) only upon the cost of materials which become a component part or which are an ingredient of the finished asphalt and upon the cost of the transportation of such components and ingredients. In addition, an indexed tax of 38 cents per ton of such manufactured asphalt shall be due at the same time and in the same manner as taxes due pursuant to paragraph (b). Beginning July 1, 1989, the indexed tax shall be adjusted each July 1 to an amount, rounded to the nearest cent, equal to the product of 38 cents multiplied by a fraction, the numerator of which is the annual average of the “materials and components for construction” series of the producer price index, as calculated and published by the United States Department of Labor, Bureau of Statistics, for the previous calendar year, and the denominator of which is the annual average of said series for calendar year 1988.

2.a. Beginning July 1, 1999, the indexed tax imposed by this paragraph on manufactured asphalt which is used for any federal, state, or local government public works project shall be reduced by 20 percent.

b. Beginning July 1, 2000, the indexed tax imposed by this paragraph on manufactured asphalt which is used for any federal, state, or local government public works project shall be reduced by 40 percent.

c. Beginning July 1, 2016, the indexed tax imposed by this paragraph on manufactured asphalt which is used for any federal, state, or local government public works project shall be reduced by 60 percent.

d. Beginning July 1, 2017, the indexed tax imposed by this paragraph on manufactured asphalt which is used for any federal, state, or local government public works project shall be reduced by 80 percent.

e. Beginning July 1, 2018, manufactured asphalt used for any federal, state, or local government public works project shall be exempt from the indexed tax imposed by this paragraph.

Section 12. Paragraphs (n) and (kkk) of subsection (7) of section 212.08, Florida Statutes, are amended to read:

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

(7) MISCELLANEOUS EXEMPTIONS.—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.

(n) *Veterans' organizations.*—

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

2. As used in this paragraph, the term "veterans' organizations" means nationally chartered or recognized veterans' organizations, including, but not limited to, the American Legion, Veterans of Foreign Wars of the United States, Florida chapters of the Paralyzed Veterans of America, Catholic War Veterans of the U.S.A., Jewish War Veterans of the U.S.A., and the Disabled American Veterans, Department of Florida, Inc., which hold current exemptions from federal income tax under s. 501(c)(4) or (19) of the Internal Revenue Code of 1986, as amended.

(kkk) *Certain machinery and equipment.*—

1. Industrial machinery and equipment purchased by eligible manufacturing businesses which is used at a fixed location in 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 is ~~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 not required to collect ~~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,~~ and 423930.

b. "Eligible postharvest activity business" means a business whose primary business activity, at the location where the postharvest machinery and equipment is located, is within the industries classified under NAICS code 115114.

c. ~~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.

~~d.b.~~ "Primary business activity" means an activity representing more than 50 percent of the activities conducted at the location where the industrial machinery and equipment or postharvest machinery and equipment is located.

~~e.e.~~ "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. The term includes tangible personal property or other property that has a depreciable life of 3 years or more which is used as an integral part in the recycling of metals 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 before ~~prior to~~ the date the machinery and equipment are placed in service.

f. “Postharvest activities” means services performed on crops, after their harvest, with the intent of preparing them for market or further processing. Postharvest activities include, but are not limited to, crop cleaning, sun drying, shelling, fumigating, curing, sorting, grading, packing, and cooling.

g. “Postharvest machinery and equipment” means tangible personal property or other property with a depreciable life of 3 years or more which is used primarily for postharvest activities. A building and its structural components are not postharvest industrial machinery and equipment unless the building or structural component is so closely related to the postharvest machinery and equipment that it houses or supports that the building or structural component can be expected to be replaced when the postharvest machinery and equipment is replaced. Heating and air conditioning systems are not postharvest machinery and equipment unless the sole justification for their installation is to meet the requirements of the postharvest activities process, even though the system may provide incidental comfort to employees or serve, to an insubstantial degree, nonpostharvest activities.

3. Postharvest machinery and equipment purchased by an eligible postharvest activity business which is used at a fixed location in this state is exempt from the tax imposed by this chapter. All labor charges for the repair of, and parts and materials used in the repair of and incorporated into, such postharvest machinery and equipment 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 subparagraph, the seller is not required to collect 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.

4.3. A mixer drum affixed to a mixer truck which is used at any location in this state to mix, agitate, and transport freshly mixed concrete in a plastic state for sale is exempt from the tax imposed by this chapter. Parts and labor required to affix a mixer drum exempt under this subparagraph 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 subparagraph, the seller is not required to collect 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. This subparagraph ~~paragraph~~ is repealed April 30, 2017.

Section 13. Effective upon this act becoming a law and operating retroactively to January 1, 2016, paragraph (n) of subsection (1) and paragraph (c) of subsection (2) of section 220.03, Florida Statutes, are amended to read:

220.03 Definitions.—

(1) SPECIFIC TERMS.—When used in this code, and when not otherwise distinctly expressed or manifestly incompatible with the intent thereof, the following terms shall have the following meanings:

(n) “Internal Revenue Code” means the United States Internal Revenue Code of 1986, as amended and in effect on January 1, 2016 ~~2015~~, except as provided in subsection (3).

(2) DEFINITIONAL RULES.—When used in this code and neither otherwise distinctly expressed nor manifestly incompatible with the intent thereof:

(c) Any term used in this code has the same meaning as when used in a comparable context in the Internal Revenue Code and other statutes of the United States relating to federal income taxes, as such code and statutes are in effect on January 1, 2016 ~~2015~~. However, if subsection (3) is implemented, the meaning of a term shall be taken at the time the term is applied under this code.

Section 14. Effective upon this act becoming a law and operating retroactively to January 1, 2016, paragraph (e) of subsection (1) of section 220.13, Florida Statutes, is amended to read:

220.13 “Adjusted federal income” defined.—

(1) The term “adjusted federal income” means an amount equal to the taxpayer’s taxable income as defined in subsection (2), or such taxable income of more than one taxpayer as provided in s. 220.131, for the taxable year, adjusted as follows:

(e) *Adjustments related to federal acts.*—Taxpayers shall be required to make the adjustments prescribed in this paragraph for Florida tax purposes with respect to certain tax benefits received pursuant to the Economic Stimulus Act of 2008, the American Recovery and Reinvestment Act of 2009, the Small Business Jobs Act of 2010, the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, the American Taxpayer Relief Act of 2012, ~~and the Tax Increase Prevention Act of 2014,~~ and the Consolidated Appropriations Act, 2016.

1. There shall be added to such taxable income an amount equal to 100 percent of any amount deducted for federal income tax purposes as bonus depreciation for the taxable year pursuant to ss. 167 and 168(k) of the Internal Revenue Code of 1986, as amended by s. 103 of Pub. L. No. 110-185, s. 1201 of Pub. L. No. 111-5, s. 2022 of Pub. L. No. 111-240, s. 401 of Pub. L.

No. 111-312, s. 331 of Pub. L. No. 112-240, and s. 125 of Pub. L. No. 113-295, and s. 143 of Division Q of Pub. L. No. 114-113, for property placed in service after December 31, 2007, and before January 1, ~~2021~~ 2015. For the taxable year and for each of the 6 subsequent taxable years, there shall be subtracted from such taxable income an amount equal to one-seventh of the amount by which taxable income was increased pursuant to this subparagraph, notwithstanding any sale or other disposition of the property that is the subject of the adjustments and regardless of whether such property remains in service in the hands of the taxpayer.

2. There shall be added to such taxable income an amount equal to 100 percent of any amount in excess of \$128,000 deducted for federal income tax purposes for the taxable year pursuant to s. 179 of the Internal Revenue Code of 1986, as amended by s. 102 of Pub. L. No. 110-185, s. 1202 of Pub. L. No. 111-5, s. 2021 of Pub. L. No. 111-240, s. 402 of Pub. L. No. 111-312, s. 315 of Pub. L. No. 112-240, and s. 127 of Pub. L. No. 113-295, for taxable years beginning after December 31, 2007, and before January 1, 2015. For the taxable year and for each of the 6 subsequent taxable years, there shall be subtracted from such taxable income one-seventh of the amount by which taxable income was increased pursuant to this subparagraph, notwithstanding any sale or other disposition of the property that is the subject of the adjustments and regardless of whether such property remains in service in the hands of the taxpayer.

3. There shall be added to such taxable income an amount equal to the amount of deferred income not included in such taxable income pursuant to s. 108(i)(1) of the Internal Revenue Code of 1986, as amended by s. 1231 of Pub. L. No. 111-5. There shall be subtracted from such taxable income an amount equal to the amount of deferred income included in such taxable income pursuant to s. 108(i)(1) of the Internal Revenue Code of 1986, as amended by s. 1231 of Pub. L. No. 111-5.

4. Subtractions available under this paragraph may be transferred to the surviving or acquiring entity following a merger or acquisition and used in the same manner and with the same limitations as specified by this paragraph.

5. The additions and subtractions specified in this paragraph are intended to adjust taxable income for Florida tax purposes, and, notwithstanding any other provision of this code, such additions and subtractions shall be permitted to change a taxpayer's net operating loss for Florida tax purposes.

Section 15. (1) The Department of Revenue is authorized, and all conditions are deemed to be met, to adopt emergency rules pursuant to s. 120.54(4), Florida Statutes, for the purpose of implementing the amendments made by this act to s. 220.03(1)(n) and (2)(c), Florida Statutes, and s. 220.13(1)(e), Florida Statutes.

(2) Notwithstanding any other provision of law, emergency rules adopted pursuant to subsection (1) are effective for 6 months after adoption and may be renewed during the pendency of procedures to adopt permanent rules addressing the subject of the emergency rules.

(3) This section expires January 1, 2020.

Section 16. Effective upon this act becoming a law and applicable to taxable years beginning on or after January 1, 2016, section 220.222, Florida Statutes, is amended to read:

220.222 Returns; time and place for filing.—

(1)(a) Returns required by this code shall be filed with the office of the department in Leon County or at such other place as the department may by regulation prescribe. All returns required for a DISC (Domestic International Sales Corporation) under paragraph 6011(c)(2) of the Internal Revenue Code shall be filed on or before the 1st day of the 10th month after following the close of the taxable year; all partnership information returns shall be filed on or before the 1st day of the 4th 5th month after following the close of the taxable year; and all other returns shall be filed on or before the 1st day of the 5th 4th month after following the close of the taxable year or the 15th day after following the due date, without extension, for the filing of the related federal return for the taxable year, unless under subsection (2) one or more extensions of time, not to exceed 6 months in the aggregate, for any such filing is granted.

(b) Notwithstanding paragraph (a), for taxable years beginning before January 1, 2026, returns of taxpayers with a taxable year ending on June 30 shall be filed on or before the 1st day of the 4th month after the close of the taxable year or the 15th day after the due date, without extension, for the filing of the related federal return for the taxable year, unless under subsection (2) one or more extensions of time for any such filing is granted.

(2)(a) When a taxpayer has been granted an extension or extensions of time within which to file its federal income tax return for any taxable year, and if the requirements of s. 220.32 are met, the filing of a request for such extension or extensions with the department shall automatically extend the due date of the return required under this code until ~~15 days after the expiration of the federal extension or until~~ the expiration of 6 months from the original due date, ~~whichever first occurs.~~

(b) The department may grant an extension or extensions of time for the filing of any return required under this code upon receiving a prior request therefor if good cause for an extension is shown. However, the aggregate extensions of time under ~~paragraph~~ paragraphs (a) and this paragraph must ~~(b) shall not exceed 6 months. An~~ No extension granted under this paragraph ~~is not~~ shall be valid unless the taxpayer complies with the requirements of s. 220.32.

(c) For purposes of this subsection, a taxpayer is not in compliance with the requirements of s. 220.32 if the taxpayer underpays the required payment by more than the greater of \$2,000 or 30 percent of the tax shown on the return when filed.

(d) For taxable years beginning before January 1, 2026, the 6-month time period in paragraphs (a) and (b) shall be 7 months for taxpayers with a taxable year ending June 30 and shall be 5 months for taxpayers with a taxable year ending December 31.

Section 17. Effective upon this act becoming a law and applicable to taxable years beginning on or after January 1, 2017, section 220.241, Florida Statutes, is amended to read:

220.241 Declaration; time for filing.—

(1) A declaration of estimated tax under this code shall be filed before the 1st day of the 6th 5th month of each taxable year, except that if the minimum tax requirement of s. 220.24(1) is first met:

(a)(1) After the 3rd month and before the 6th month of the taxable year, the declaration shall be filed before the 1st day of the 7th month;

(b)(2) After the 5th month and before the 9th month of the taxable year, the declaration shall be filed before the 1st day of the 10th month; or

(c)(3) After the 8th month and before the 12th month of the taxable year, the declaration shall be filed for the taxable year before the 1st day of the succeeding taxable year.

(2) Notwithstanding subsection (1), for taxable years beginning before January 1, 2026, taxpayers with a taxable year ending on June 30 shall file declarations before the 1st day of the 5th month of each taxable year, unless paragraph (1)(a), paragraph (1)(b), or paragraph (1)(c) applies.

Section 18. Effective upon this act becoming a law and applicable to taxable years beginning on or after January 1, 2017, subsection (1) of section 220.33, Florida Statutes, is amended to read:

220.33 Payments of estimated tax.—A taxpayer required to file a declaration of estimated tax pursuant to s. 220.24 shall pay such estimated tax as follows:

(1) If the declaration is required to be filed before the 1st day of the 6th 5th month of the taxable year, the estimated tax shall be paid in four equal installments. The first installment shall be paid at the time of the required filing of the declaration; the second and third installments shall be paid before the 1st day of the 7th month and before the 1st day of the 10th month of the taxable year, respectively; and the fourth installment shall be paid before the 1st day of the next taxable year.

Section 19. Effective upon this act becoming a law and applicable to taxable years beginning on or after January 1, 2017, paragraph (c) of subsection (2) of section 220.34, Florida Statutes, is amended to read:

220.34 Special rules relating to estimated tax.—

(2) No interest or penalty shall be due or paid with respect to a failure to pay estimated taxes except the following:

(c) The period of the underpayment for which interest and penalties apply shall commence on the date the installment was required to be paid, determined without regard to any extensions of time, and shall terminate on the earlier of the following dates:

1. The 1st ~~first~~ day of the 5th ~~fourth~~ month after ~~following~~ the close of the taxable year;

2. For taxable years beginning before January 1, 2026, for taxpayers with a taxable year ending June 30, the 1st day of the 4th month after the close of the taxable year; or

3.2. ~~3.~~ With respect to any portion of the underpayment, the date on which such portion is paid.

For purposes of this paragraph, a payment of estimated tax on any installment date shall be considered a payment of any previous underpayment only to the extent such payment exceeds the amount of the installment determined under subparagraph (b)1. for such installment date.

Section 20. Subsections (1) and (2) of section 561.121, Florida Statutes, are amended to read:

561.121 Deposit of revenue.—

(1) All state funds collected pursuant to ss. 563.05, 564.06, 565.02(9), and 565.12 shall be paid into the State Treasury and disbursed in the following manner:

(a) Two percent of monthly collections of the excise taxes on alcoholic beverages established in ss. 563.05, 564.06, and 565.12 and the tax on alcoholic beverages, cigarettes, and other tobacco products established in s. 565.02(9) shall be deposited into the Alcoholic Beverage and Tobacco Trust Fund to meet the division's appropriation for the state fiscal year.

(b) The remainder of the funds collected pursuant to ss. 563.05, 564.06, and 565.12 and the tax on alcoholic beverages, cigarettes, and other tobacco products established in s. 565.02(9) shall be credited to the General Revenue Fund.

(2) The unencumbered balance in the Alcoholic Beverage and Tobacco Trust Fund at the close of each fiscal year may not exceed \$2 million. These

funds shall be held in reserve for use in the event that trust fund revenues are unable to meet the division's appropriation for the next fiscal year. In the event of a revenue shortfall, these funds shall be spent pursuant to subsection (3). Notwithstanding subsection (1), if the unencumbered balance on June 30 in any fiscal year is less than \$2 million, the department is authorized to retain the difference between the June 30 unencumbered balance in the trust fund and \$2 million from the July collections of state funds collected pursuant to ss. 563.05, 564.06, and 565.12 and the tax on alcoholic beverages, cigarettes, and other tobacco products established in s. 565.02(9). Any unencumbered funds in excess of reserve funds shall be transferred unallocated to the General Revenue Fund by August 31 of the next fiscal year.

Section 21. Subsection (4) of section 564.06, Florida Statutes, is amended to read:

564.06 Excise taxes on wines and beverages.—

(4) As to cider, which is made from the normal alcoholic fermentation of the juice of sound, ripe apples or pears, including but not limited to flavored, sparkling, or carbonated cider and cider made from condensed apple or pear must, that contain not less than one-half of 1 percent of alcohol by volume and not more than 7 percent of alcohol by volume, there shall be paid by all manufacturers and distributors a tax at the rate of \$.89 per gallon. With the sole exception of the excise tax rate, cider shall be considered wine and shall be subject to the provisions of this chapter.

Section 22. Subsection (9) of section 565.02, Florida Statutes, is amended to read:

565.02 License fees; vendors; clubs; caterers; and others.—

(9)(a) As used in this subsection, the term:

1. “Annual capacity” means an amount equal to the number of lower berths on a vessel multiplied by the number of embarkations of that vessel during a calendar year.

2. “Base rate” means an amount equal to the total taxes and surcharges paid by all permittees pursuant to the Beverage Law and chapter 210 for sales of alcoholic beverages, cigarettes, and other tobacco products taking place between January 1, 2015, and December 31, 2015, inclusive, divided by the sum of the annual capacities of all vessels permitted pursuant to former s. 565.02(9), Florida Statutes 2015, for calendar year 2015.

3. “Embarkation” means an instance in which a vessel departs from a port in this state.

4. “Lower berth” means a bed that is:

a. Affixed to a vessel;

b. Not located above another bed in the same cabin; and

c. Located in a cabin not in use by employees of the operator of the vessel or its contractors.

5. “Quarterly capacity” means an amount equal to the number of lower berths on a vessel multiplied by the number of embarkations of that vessel during a calendar quarter.

(b) It is the finding of the Legislature that passenger vessels engaged exclusively in foreign commerce are susceptible to a distinct and separate classification for purposes of the sale of alcoholic beverages, cigarettes, and other tobacco products under the Beverage Law and chapter 210.

(c) Upon the filing of an application and payment of an annual fee of \$1,100, the director is authorized to issue a permit authorizing the operator, or, if applicable, his or her concessionaire, of a passenger vessel which has cabin-berth capacity for at least 75 passengers, and which is engaged exclusively in foreign commerce, to sell alcoholic beverages, cigarettes, and other tobacco products on the vessel for consumption on board only:

1.(a) For no more than ~~During a period not in excess of 24 hours before~~ prior to departure while the vessel is moored at a dock or wharf in a port of this state; or

2.(b) At any time while the vessel is located in Florida territorial waters and is in transit to or from international waters.

One such permit shall be required for each such vessel and shall name the vessel for which it is issued. No license shall be required or tax levied by any municipality or county for the privilege of selling beverages, cigarettes, or other tobacco products for consumption on board such vessels. The beverages, cigarettes, or other tobacco products so sold may be purchased outside the state by the permittee, and the same shall not be considered as imported for the purposes of s. 561.14(3) solely because of such sale. The permittee is not required to obtain its beverages, cigarettes, or other tobacco products from licensees under the Beverage Law or chapter 210. ~~Each permittee, but it shall keep a strict account of the quarterly capacity of each of its vessels all such beverages sold within this state and shall make quarterly monthly reports to the division on forms prepared and furnished by the division. A permittee who sells on board the vessel beverages withdrawn from United States Bureau of Customs and Border Protection bonded storage on board the vessel may satisfy such accounting requirement by supplying the division with copies of the appropriate United States Bureau of Customs and Border Protection forms evidencing such withdrawals as importations under United States customs laws.~~

(d) Each ~~Such~~ permittee shall pay to the state a ~~an~~ excise tax for beverages, cigarettes, and other tobacco products sold pursuant to this subsection in an amount equal to the base rate multiplied by the permittee’s

~~quarterly capacity during the calendar quarter, less any tax or surcharge already paid by a licensed manufacturer or distributor pursuant to the Beverage Law or chapter 210 on beverages, cigarettes, and other tobacco products sold by the permittee pursuant to this subsection during the quarter for which tax is due section, if such excise tax has not previously been paid, in an amount equal to the tax which would be required to be paid on such sales by a licensed manufacturer or distributor.~~

(e) A vendor holding such permit shall pay the tax ~~quarterly~~ monthly to the division at the same time he or she furnishes the required report. Such report shall be filed on or before the 15th day of each ~~calendar quarter~~ month for the ~~quarterly capacity sales occurring~~ during the previous ~~calendar quarter~~ month.

(f) No later than August 1, 2016, each permittee shall report the annual capacity for each of its vessels for calendar year 2015 to the division on forms prepared and furnished by the division. No later than September 1, 2016, the division shall calculate the base rate and report it to each permittee. The base rate shall also be published in the Florida Administrative Register and on the department's website. The division may verify independently the information provided under this paragraph.

(g) Revenues collected pursuant to this subsection shall be distributed pursuant to s. 561.121(1).

Section 23. Subsection (1) of section 951.22, Florida Statutes, is amended to read:

951.22 County detention facilities; contraband articles.—

(1) It is unlawful, except through regular channels as duly authorized by the sheriff or officer in charge, to introduce into or possess upon the grounds of any county detention facility as defined in s. 951.23 or to give to or receive from any inmate of any such facility wherever said inmate is located at the time or to take or to attempt to take or send therefrom any of the following articles which are hereby declared to be contraband for the purposes of this act, to wit: Any written or recorded communication; any currency or coin; any article of food or clothing; any tobacco products as defined in s. ~~210.25(12)~~ 210.25(11); any cigarette as defined in s. 210.01(1); any cigar; any intoxicating beverage or beverage which causes or may cause an intoxicating effect; any narcotic, hypnotic, or excitative drug or drug of any kind or nature, including nasal inhalators, sleeping pills, barbiturates, and controlled substances as defined in s. 893.02(4); any firearm or any instrumentality customarily used or which is intended to be used as a dangerous weapon; and any instrumentality of any nature that may be or is intended to be used as an aid in effecting or attempting to effect an escape from a county facility.

Section 24. Clothing and school supplies; sales tax holiday.—

(1) The tax levied under chapter 212, Florida Statutes, may not be collected during the period from 12:01 a.m. on August 5, 2016, through 11:59 p.m. on August 7, 2016, on the retail 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 \$60 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 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.

(3) The tax exemptions provided in this section apply at the option of a dealer if less than 5 percent of the dealer’s gross sales of tangible personal property in the prior calendar year are comprised of items that would be exempt under this section. If a qualifying dealer chooses not to participate in the tax holiday, by August 1, 2016, the dealer must notify the Department of Revenue in writing of its election to collect sales tax during the holiday and must post a copy of that notice in a conspicuous location at its place of business.

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

(5) For the 2016-2017 fiscal year, the sum of \$229,982 in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Revenue for the purpose of implementing this section.

Section 25. For the 2016-2017 fiscal year, the sum of \$100,374 in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Revenue for the purpose of implementing ss. 220.03, 220.13, 220.222, 220.241, 220.33, and 220.34, as amended by this act.

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, 2016.

Approved by the Governor April 13, 2016.

Filed in Office Secretary of State April 13, 2016.