

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<u> </u>	(Y/N)
OTHER	<u> </u>	

1 Committee/Subcommittee hearing bill: Appropriations Committee
 2 Representative Horner offered the following:

Amendment (with title amendment)

Between lines 54 and 55, insert:

6 Section 1. Section 211.3103, Florida Statutes, is amended
7 to read:

8 211.3103 Levy of tax on severance of phosphate rock; rate,
9 basis, and distribution of tax.-

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

14 (2) The tax rate shall be \$1.61 per ton severed.

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

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

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

24 ~~1. To the credit of the General Revenue Fund of the state,~~
25 ~~40.1 percent.~~

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

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

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

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

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50 ~~6. To the credit of the Nonmandatory Land Reclamation Trust~~
51 ~~Fund, 10.4 percent.~~

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

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

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

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79 ~~development activities.~~

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

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

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

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

93 ~~(3)(7)~~ The excise tax levied by this section shall apply to
94 the total production of the producer during the taxable year,
95 measured on the basis of bone-dry tons produced at the point of
96 severance.

97 ~~(8)(a) On or before March 30, 2004, and annually~~
98 ~~thereafter, the department shall calculate the base rate~~
99 ~~adjustment, if any, for phosphate rock based on the change in~~
100 ~~the unadjusted annual producer price index for the prior~~
101 ~~calendar year in relation to the unadjusted annual producer~~
102 ~~price index for calendar year 1999.~~

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

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108 ~~index for calendar year 1999.~~

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

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

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

124 ~~(4)-(9)~~ The excise tax levied on the severance of phosphate
125 rock shall be in addition to any ad valorem taxes levied upon
126 the separately assessed mineral interest in the real property
127 upon which the site of severance is located, or any other tax,
128 permit, or license fee imposed by the state or its political
129 subdivisions.

130 ~~(5)-(10)~~ The tax levied by this section shall be collected
131 in the manner prescribed in s. 211.33.

132 ~~(11)(a) Beginning July 1, 2008, there is hereby levied a~~
133 ~~surcharge of \$1.38 per ton severed in addition to the excise tax~~
134 ~~levied by this section. The surcharge shall be levied until the~~
135 ~~last day of the calendar quarter in which the total revenue~~
136 ~~generated by the surcharge equals \$60 million. Revenues derived~~

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137 ~~from the surcharge shall be deposited into the Nonmandatory Land~~
138 ~~Reclamation Trust Fund and shall be exempt from the general~~
139 ~~revenue service charge provided in s. 215.20. Revenues derived~~
140 ~~from the surcharge shall be used to augment funds appropriated~~
141 ~~for the rehabilitation, management, and closure of the Piney~~
142 ~~Point and Mulberry sites and for approved reclamation of~~
143 ~~nonmandatory lands in accordance with chapter 378. A minimum of~~
144 ~~75 percent of the revenues from the surcharge shall be dedicated~~
145 ~~to the Piney Point and Mulberry sites.~~

146 ~~(b) Beginning July 1, 2008, the excise tax rate shall be~~
147 ~~\$1.945 per ton severed and the base rate adjustment provided in~~
148 ~~subsection (6) shall not apply.~~

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

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

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

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

165 ~~(e) Beginning July 1 of the 2010-2011 fiscal year, the~~

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166 ~~proceeds of all taxes, interest, and penalties imposed under~~
167 ~~this section shall be exempt from the general revenue service~~
168 ~~charge provided in s. 215.20, and shall be paid into the State~~
169 ~~Treasury as follows:~~

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

172 ~~2. To the credit of the General Revenue Fund of the state,~~
173 ~~37.1 percent.~~

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

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

194 ~~5. To the credit of the Nonmandatory Land Reclamation Trust~~

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195 ~~Fund, 5.8 percent.~~

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

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

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

205 1. To the credit of the Conservation and Recreation Lands
206 Trust Fund, 25.5 percent.

207 2. To the credit of the General Revenue Fund of the state,
208 35.7 percent.

209 3. For payment to counties in proportion to the number of
210 tons of phosphate rock produced from a phosphate rock matrix
211 located within such political boundary, 12.8 percent. The
212 department shall distribute this portion of the proceeds
213 annually based on production information reported by the
214 producers on the annual returns for the taxable year. Any such
215 proceeds received by a county shall be used only for phosphate-
216 related expenses.

217 4. For payment to counties that have been designated as a
218 rural area of critical economic concern pursuant to s. 288.0656
219 in proportion to the number of tons of phosphate rock produced
220 from a phosphate rock matrix located within such political
221 boundary, 10.0 percent. The department shall distribute this
222 portion of the proceeds annually based on production information
223 reported by the producers on the annual returns for the taxable

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224 year. Payments under this subparagraph shall be made to the
 225 counties unless the Legislature by special act creates a local
 226 authority to promote and direct the economic development of the
 227 county. If such authority exists, payments shall be made to that
 228 authority.

229 5. To the credit of the Nonmandatory Land Reclamation Trust
 230 Fund, 6.2 percent.

231 6. To the credit of the Phosphate Research Trust Fund in
 232 the Division of Universities of the Department of Education, 6.2
 233 percent.

234 7. To the credit of the Minerals Trust Fund, 3.6 percent.

235 (b) ~~(g)~~ For purposes of this section, "phosphate-related
 236 expenses" means those expenses that provide for infrastructure
 237 or services in support of the phosphate industry, reclamation or
 238 restoration of phosphate lands, community infrastructure on such
 239 reclaimed lands, and similar expenses directly related to
 240 support of the industry.

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T I T L E A M E N D M E N T

Remove line 3 and insert:

211.3103, F.S.; revising the rate for the tax on severance of
 phosphate rock; amending s. 212.07, F.S.; conforming a cross-
 reference to changes