

By the Committee on Finance and Tax; and Senator Flores

593-03129-15

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1                   A bill to be entitled  
2       An act relating to aviation; amending s. 206.9825,  
3       F.S.; revising the tax rate of the excise tax on  
4       certain aviation fuels; revising the criteria to  
5       receive an excise tax exemption for certain aviation  
6       fuel delivered by licensed wholesalers or terminal  
7       suppliers; deleting obsolete language; requiring the  
8       Department of Economic Opportunity to conduct a study  
9       on specified issues relating to intrastate commercial  
10      air service and flight training and education;  
11      requiring the department to submit a report on the  
12      study to the Governor and the Legislature by a  
13      specified date; providing effective dates.

14  
15 Be It Enacted by the Legislature of the State of Florida:

16  
17       Section 1. Effective July 1, 2017, subsection (1),  
18      paragraph (a) of subsection (2), and subsections (3), (4), and  
19      (5) of section 206.9825, Florida Statutes, are amended to read:

20       206.9825 Aviation fuel tax.—

21       (1) (a) Except as otherwise provided in this part, an excise  
22      tax of 5.4 ~~6.9~~ cents per gallon of aviation fuel is imposed upon  
23      every gallon of aviation fuel sold in this state, or brought  
24      into this state for use, upon which such tax has not been paid  
25      or the payment thereof has not been lawfully assumed by some  
26      person handling the same in this state. Fuel taxed pursuant to  
27      this part shall not be subject to the taxes imposed by ss.  
28      206.41(1)(d), (e), and (f) and 206.87(1)(b), (c), and (d).

29       (b) A ~~Any~~ licensed wholesaler or terminal supplier may

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30 receive a credit or refund of the 5.4 cents excise tax paid by  
31 the wholesaler or supplier for aviation fuel that is delivered  
32 by the wholesaler or supplier delivers aviation fuel to any of  
33 the three an air carriers carrier offering transeontinental jet  
34 service and that has the greatest growth during a state fiscal  
35 year, beginning July 1, 2015, as determined by the following  
36 factors:

37 1. The number of new jobs created in this state which are  
38 at or above this state's average prevailing wage.

39 2. Total capital investment in this state.

40 3. The number of new routes established to or from this  
41 state.

42 4. The number of ticket sales to or from this state, after  
43 January 1, 1996, increases the air carrier's Florida workforce  
44 by more than 1000 percent and by 250 or more full-time  
45 equivalent employee positions, may receive a credit or refund as  
46 the ultimate vendor of the aviation fuel for the 6.9 cents  
47 excise tax previously paid, provided that the air carrier has no  
48 facility for fueling highway vehicles from the tank in which the  
49 aviation fuel is stored. In calculating the new or additional  
50 Florida full-time equivalent employee positions, any full-time  
51 equivalent employee positions of parent or subsidiary  
52 corporations which existed before January 1, 1996, shall not be  
53 counted toward reaching the Florida employment increase  
54 thresholds.

55  
56 The refund allowed under this paragraph is in furtherance of the  
57 goals and policies of the State Comprehensive Plan set forth in  
58 s. 187.201(16) (a), (b)1., 2., (17) (a), (b)1., 4., (19) (a),

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59 (b)5., (21) (a), (b)1., 2., 4., 7., 9., and 12.

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

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

76 (2) (a) An excise tax of 5.4 ~~6.9~~ cents per gallon is imposed  
77 on each gallon of kerosene in the same manner as prescribed for  
78 diesel fuel under ss. 206.87(2) and 206.872.

79 (3) An excise tax of 5.4 ~~6.9~~ cents per gallon is imposed on  
80 each gallon of aviation gasoline in the manner prescribed by  
81 paragraph (2) (a). However, the exemptions allowed by paragraph  
82 (2) (b) do not apply to aviation gasoline.

83 (4) Any licensed wholesaler or terminal supplier that  
84 delivers undyed kerosene to a residence for home heating or  
85 cooking may receive a credit or refund as the ultimate vendor of  
86 the kerosene for the 5.4 ~~6.9~~ cents excise tax previously paid.

87 (5) Any licensed wholesaler or terminal supplier that

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88 delivers undyed kerosene to a retail dealer not licensed as a  
89 wholesaler or terminal supplier for sale as a home heating or  
90 cooking fuel may receive a credit or refund as the ultimate  
91 vendor of the kerosene for the 5.4 ~~6.9~~ cents excise tax  
92 previously paid, provided the retail dealer has no facility for  
93 fueling highway vehicles from the tank in which the kerosene is  
94 stored.

95       Section 2. The Department of Economic Opportunity shall  
96 conduct a study of intrastate commercial air service and flight  
97 training and education and develop recommendations for policies  
98 that are likely to improve the quality of such service,  
99 training, and education. The study must include an analysis of  
100 historic trends in intrastate commercial air service and must  
101 identify factors that have affected prices and the frequency of  
102 flights between destinations in this state. The study must also  
103 compare the incentives provided by this state to the commercial  
104 airline industry, generally, and to specific air carriers with  
105 similar incentives that have been provided by other states and  
106 must evaluate the effect that these incentives have had on  
107 commercial air service in this state and other states. The  
108 department shall submit a report on the study to the Governor,  
109 the President of the Senate, and the Speaker of the House of  
110 Representatives on or before November 13, 2015.

111       Section 3. Except as otherwise expressly provided in this  
112 act, this act shall take effect July 1, 2015.