A bill to be entitled

An act relating to taxation; amending s. 195.096, F.S.; authorizing the Department of Revenue to change the methodology for statistical and analytical reviews for certain assessment purposes if it first makes specific determinations concerning natural disasters in counties; amending s. 196.197, F.S.; providing criteria to be used in determining the value of tax exemptions for charitable use of certain hospitals; defining the term "unadjusted exempt value"; providing application requirements for tax exemptions on certain properties; amending s. 212.031, F.S.; reducing the tax levied on rental or license fees charged for the use of real property; making technical changes; amending s. 218.131, F.S.; revising the timing of distribution of moneys to certain counties impacted by a reduction in ad valorem tax revenue resulting from certain tax abatements related to specified hurricanes; amending s. 624.51055, F.S.; specifying contribution deadlines for an insurance premium tax credit; amending s. 1002.33, F.S.; conforming provisions to changes made by the act; amending s. 1002.395, F.S.; specifying dates by which certain taxpayers may apply for insurance premium tax credit; allowing insurance premium tax credit amounts to be
applied retroactively to installment payments for purposes of determining penalty amounts; amending s. 1011.71, F.S.; providing that certain school district voted operating millage levies be shared with charter schools in the school district; providing a sales and use tax exemption for certain tangible personal property related to disaster preparedness during a specified period; providing exceptions to the exemption; providing an exemption from the sales and use tax for the retail sale of certain clothing, school supplies, and personal computers and personal computer-related accessories during a specified period; providing exceptions to the exemption; providing appropriations to the Department of Revenue for implementation purposes; providing applicability; authorizing the department to adopt emergency rules; providing effective dates.

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

Section 1. Paragraph (g) is added to subsection (2) of section 195.096, Florida Statutes, to read:

195.096 Review of assessment rolls.—

(2) The department shall conduct, no less frequently than once every 2 years, an in-depth review of the assessment rolls...
of each county. The department need not individually study every use-class of property set forth in s. 195.073, but shall at a minimum study the level of assessment in relation to just value of each classification specified in subsection (3). Such in-depth review may include proceedings of the value adjustment board and the audit or review of procedures used by the counties to appraise property.

(g) Notwithstanding any other provision of this chapter, in one or more assessment years following a natural disaster in counties for which a state of emergency was declared by executive order or proclamation of the Governor pursuant to chapter 252, if the department determines that the natural disaster creates difficulties in its statistical and analytical reviews of the assessment rolls in affected counties, the department shall take all practicable steps to maximize the representativeness and reliability of its statistical and analytical reviews and may use the best information available to estimate the levels of assessment. This paragraph first applies to the 2019 assessment rolls and is retroactive to January 1, 2019.

Section 2. Subsection (3) is added to Section 196.197, Florida Statutes, to read:

196.197 Additional provisions for exempting property used by hospitals, nursing homes, and homes for special services.—In addition to criteria for granting exemptions for charitable use
of property set forth in other sections of this chapter, hospitals, nursing homes, and homes for special services shall be exempt if to the extent that they meet the following criteria:

    (3)(a) In determining the extent of the exemption to be granted to institutions licensed as hospitals, the unadjusted exempt value shall be multiplied by a fraction, not to exceed 1, the numerator of which is the value of the net community benefit expense attributable to the hospital property as determined under paragraph (b), and the denominator of which is the product of the unadjusted exempt value for the immediately prior year and the most recent final adopted millage rates applicable to the property. For purposes of this section the term "unadjusted exempt value" means the value exempted in a tax year for the charitable use of property as provided in other sections of this chapter and as limited by subsections (1) and (2).

    (b) The net community benefit expense attributable to a hospital property is that portion of the net community benefit expense reported by the applicant on its most recently filed Internal Revenue Service Form 990, schedule H, attributable only to those services and activities provided or performed by the hospital using the property for which an exemption is being sought. If the owner of the hospital property owns more than one hospital, the exemption for property used by a hospital shall be calculated using only the community benefit expense attributable
to that hospital.

(c) The application for an exemption under this section must include, but is not limited to:

1. A copy of the hospital owner's most recently filed Internal Revenue Service Form 990, schedule H.

2. A statement of the net community benefit expense attributable to the hospital property for which the exemption is being sought.

3. A statement signed by the hospital's chief executive officer that, upon his or her reasonable knowledge and belief, the statement of the net community benefit expense attributable to the hospital property is true and correct and that the hospital's policies for calculating the net community benefit expense are consistent with the guidelines set by the Internal Revenue Service Form 990.

4. A statement signed by a certified public accountant that, upon his or her reasonable knowledge and belief, the statement of the hospital's net community benefit expense attributable to the hospital property is mathematically accurate and consistent with the hospital's policies for calculating the net community benefit expense.

Section 3. Effective January 1, 2020, paragraphs (c) and (d) of subsection (1) of section 212.031, Florida Statutes, are amended to read:

212.031 Tax on rental or license fee for use of real
(1) For the exercise of such privilege, a tax is levied at the rate of 5.35% percent of and on the total rent or license fee charged for such real property by the person charging or collecting the rental or license fee. The total rent or license fee charged for such real property must include payments for the granting of a privilege to use or occupy real property for any purpose and must include base rent, percentage rents, or similar charges. Such charges must be included in the total rent or license fee subject to tax under this section whether or not they can be attributed to the ability of the lessor's or licensor's property as used or operated to attract customers. Payments for intrinsically valuable personal property such as franchises, trademarks, service marks, logos, or patents are not subject to tax under this section. If in the case of a contractual arrangement that provides for both payments that are taxable as total rent or license fee and payments that are not subject to tax, the tax shall be based on a reasonable allocation of such payments and does not apply to the portion which is for the nontaxable payments.

(d) If when the rental or license fee of any such real property is paid by way of property, goods, wares, merchandise, services, or other thing of value, the tax shall be at the rate of 5.35% percent of the value of the property, goods, wares,
merchandise, services, or other thing of value.

Section 4. Subsection (1) of section 218.131, Florida Statutes, is amended to read:

218.131 Offset for tax loss associated with reductions in value of certain residences due to specified hurricanes.—

(1) In the 2019-2020 fiscal year, the Legislature shall appropriate moneys to offset the reductions in ad valorem tax revenue experienced by Monroe County and by fiscally constrained counties, as defined in s. 218.67(1), and all taxing jurisdictions within such counties, which occur as a direct result of the implementation of s. 197.318. The moneys appropriated for this purpose shall be distributed in June 2020 among the affected taxing jurisdictions based on each jurisdiction's reduction in ad valorem tax revenue resulting from the implementation of s. 197.318.

Section 5. Subsection (1) of section 624.51055, Florida Statutes, is amended to read:

624.51055 Credit for contributions to eligible nonprofit scholarship-funding organizations.—

(1) There is allowed a credit of 100 percent of an eligible contribution made to an eligible nonprofit scholarship-funding organization under s. 1002.395 against any tax due for a taxable year under s. 624.509(1) after deducting from such tax deductions for assessments made pursuant to s. 440.51; credits for taxes paid under ss. 175.101 and 185.08; credits for income
taxes paid under chapter 220; and the credit allowed under s. 624.509(5), as such credit is limited by s. 624.509(6). An eligible contribution must be made to an eligible nonprofit scholarship-funding organization on or before the date the taxpayer is required to file a return pursuant to ss. 624.509 and 624.5092. An insurer claiming a credit against premium tax liability under this section shall not be required to pay any additional retaliatory tax levied pursuant to s. 624.5091 as a result of claiming such credit. Section 624.5091 does not limit such credit in any manner.

Section 6. Paragraph (b) of subsection (17) of section 1002.33, Florida Statutes, is amended to read:

1002.33 Charter schools.—

(17) FUNDING.—Students enrolled in a charter school, regardless of the sponsorship, shall be funded as if they are in a basic program or a special program, the same as students enrolled in other public schools in the school district. Funding for a charter lab school shall be as provided in s. 1002.32.

(b) The basis for the agreement for funding students enrolled in a charter school shall be the sum of the school district's operating funds from the Florida Education Finance Program as provided in s. 1011.62 and the General Appropriations Act, including gross state and local funds, discretionary lottery funds, and funds from the school district's current operating discretionary millage levies authorized pursuant to s.
1011.71 levy; divided by total funded weighted full-time
equivalent students in the school district; multiplied by the
weighted full-time equivalent students for the charter school.
Charter schools whose students or programs meet the eligibility
criteria in law are entitled to their proportionate share of
categorical program funds included in the total funds available
in the Florida Education Finance Program by the Legislature,
including transportation, the research-based reading allocation,
and the Florida digital classrooms allocation. Total funding for
each charter school shall be recalculated during the year to
reflect the revised calculations under the Florida Education
Finance Program by the state and the actual weighted full-time
equivalent students reported by the charter school during the
full-time equivalent student survey periods designated by the
Commissioner of Education. For charter schools operated by a
not-for-profit or municipal entity, any unrestricted current and
capital assets identified in the charter school's annual
financial audit may be used for other charter schools operated
by the not-for-profit or municipal entity within the school
district. Unrestricted current assets shall be used in
accordance with s. 1011.62, and any unrestricted capital assets
shall be used in accordance with s. 1013.62(2).

Section 7. Paragraphs (b) and (g) of subsection (5) of
section 1002.395, Florida Statutes, are amended to read:
1002.395 Florida Tax Credit Scholarship Program.—
(5) SCHOLARSHIP FUNDING TAX CREDITS; LIMITATIONS.—

(b) A taxpayer may submit an application to the department for a tax credit or credits under one or more of s. 211.0251, s. 212.1831, s. 220.1875, s. 561.1211, or s. 624.51055.

1. The taxpayer shall specify in the application each tax for which the taxpayer requests a credit and the applicable taxable year for a credit under s. 220.1875 or s. 624.51055 or the applicable state fiscal year for a credit under s. 211.0251, s. 212.1831, or s. 561.1211. For purposes of s. 220.1875, a taxpayer may apply for a credit to be used for a prior taxable year before the date the taxpayer is required to file a return for that year pursuant to s. 220.222. For purposes of s. 624.51055, a taxpayer may apply for a credit to be used for a prior taxable year before the date the taxpayer is required to file a return for that prior taxable year pursuant to ss. 624.509 and 624.5092. The department shall approve tax credits on a first-come, first-served basis and must obtain the division's approval before approving a tax credit under s. 561.1211.

2. Within 10 days after approving or denying an application, the department shall provide a copy of its approval or denial letter to the eligible nonprofit scholarship-funding organization specified by the taxpayer in the application.

(g) For purposes of calculating the underpayment of estimated corporate income taxes pursuant to s. 220.34 and tax
installment payments for taxes on insurance premiums or assessments under s. 624.5092, the final amount due is the amount after credits earned under s. 220.1875 or s. 624.51055 for contributions to eligible nonprofit scholarship-funding organizations are deducted.

1. For purposes of determining if a penalty or interest shall be imposed for underpayment of estimated corporate income tax pursuant to s. 220.34(2)(d)1., a taxpayer may, after earning a credit under s. 220.1875, reduce any estimated payment in that taxable year by the amount of the credit. This subparagraph applies to contributions made on or after July 1, 2014.

2. For purposes of determining if a penalty under s. 624.5092 shall be imposed, an insurer may, after earning a credit under s. 624.51055, for a taxable year, may reduce any the following installment payment for such taxable year of 27 percent of the amount of the net tax due as reported on the return for the preceding year under s. 624.5092(2)(b) by the amount of the credit. This subparagraph applies to contributions made on or after July 1, 2014.

Section 8. Subsection (9) of section 1011.71, Florida Statutes, is amended to read:

1011.71 District school tax.—

(9) In addition to the maximum millage levied under this section and the General Appropriations Act, a school district may levy, by local referendum or in a general election,
additional millage for school operational purposes up to an amount that, when combined with nonvoted millage levied under this section, does not exceed the 10-mill limit established in s. 9(b), Art. VII of the State Constitution. Any such levy shall be for a maximum of 4 years and shall be counted as part of the 10-mill limit established in s. 9(b), Art. VII of the State Constitution. For the purpose of distributing taxes collected pursuant to this subsection, the term "school operational purposes" includes charter schools sponsored by a school district. Millage elections conducted under the authority granted pursuant to this section are subject to s. 1011.73. Funds generated by such additional millage do not become a part of the calculation of the Florida Education Finance Program total potential funds in 2001-2002 or any subsequent year and must not be incorporated in the calculation of any hold-harmless or other component of the Florida Education Finance Program formula in any year. If an increase in required local effort, when added to existing millage levied under the 10-mill limit, would result in a combined millage in excess of the 10-mill limit, any millage levied pursuant to this subsection shall be considered to be required local effort to the extent that the district millage would otherwise exceed the 10-mill limit. Funds levied under this subsection shall be shared with charter schools as provided in s. 1002.33(17), and used in a manner consistent with the purposes of the levy.
Section 9. Disaster preparedness 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 May 31, 2019, through 11:59 p.m. on June 6, 2019, on the sale of:

(a) A portable self-powered light source selling for $20 or less.

(b) A portable self-powered radio, two-way radio, or weather-band radio selling for $50 or less.

(c) A tarpaulin or other flexible waterproof sheeting selling for $50 or less.

(d) An item normally sold as, or generally advertised as, a ground anchor system or tie-down kit selling for $50 or less.

(e) A gas or diesel fuel tank selling for $25 or less.

(f) A package of AA-cell, AAA-cell, C-cell, D-cell, 6-volt, or 9-volt batteries, excluding automobile and boat batteries, selling for $30 or less.

(g) A nonelectric food storage cooler selling for $30 or less.

(h) A portable generator used to provide light or communications or preserve food in the event of a power outage selling for $750 or less.

(i) Reusable ice selling for $10 or less.

(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) This section shall take effect upon becoming law.

Section 10. Clothing, school supplies, and personal computers and personal computer-related accessories 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 2, 2019, through 11:59 p.m. on August 4, 2019, 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, flash drives, staplers and staples used to secure paper products, protractors, compasses, and calculators.

(2) The tax levied under chapter 212, Florida Statutes, may not be collected during the period from 12:01 a.m. on August 2, 2019, through 11:59 p.m. on August 4, 2019, on the first $1000 of the sales price of personal computers or personal computer-related accessories purchased for noncommercial home or personal use. For purposes of this subsection, the term:

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

(b) "Personal computer-related accessories" includes keyboards, mice, personal digital assistants, monitors, other peripheral devices, modems, routers, and non-recreational software, regardless of whether the accessories are used in association with a personal computer base unit. The term does not include furniture or systems, devices, software, or peripherals that are designed or intended primarily for recreational use. The term "monitor" does not include any device that includes a television tuner.
(3) The tax exemptions provided in this section do not apply to sales within a theme park or entertainment complex as defined in s. 509.013(9), Florida Statutes, within a public lodging establishment as defined in s. 509.013(4), Florida Statutes, or within an airport as defined in s. 330.27(2), Florida Statutes.

(4) The tax exemptions provided in this section may 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, 2019, 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.

(5) Effective upon this act becoming a law, for the 2018-2019 fiscal year, the sum of $237,000 in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Revenue for the purpose of implementing this section. Funds remaining unexpended or unencumbered from this appropriation as of June 30, 2019, shall revert and be reappropriated for the same purpose in the 2019-2020 fiscal year.

Section 11. For the 2019-2020 fiscal year, the sum of $91,319 in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Revenue to implement the
provisions of this act.

Section 12. The amendments made by this act to ss. 624.51055 and 1002.395, Florida Statutes, first apply to insurance premium taxable years beginning on or after January 1, 2019.

Section 13. The provisions of this act relating to ss. 1011.71 and 1002.33, Florida Statutes, amending and clarifying the use of certain voted discretionary operating millages levied by school districts, apply to revenues collected on or after July 1, 2019.

Section 14. 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 sections 9 and 10 of this act. This section shall take effect upon becoming law.

Section 15. Except as otherwise expressly provided in this act and except for this section, which shall take effect upon this act becoming law, this act shall take effect July 1, 2019.