

By the Committee on Tourism and Representative Bronson

1 A bill to be entitled
2 An act relating to local option taxes; amending
3 s. 125.0104, F.S.; revising provisions which
4 authorize the levy of an additional local
5 option tourist development tax to pay debt
6 service on bonds for a professional sports
7 franchise facility or convention center;
8 revising the uses, and the conditions for use,
9 of the revenues of said tax by certain high
10 tourism impact counties; amending s. 212.054,
11 F.S.; exempting from newly enacted
12 discretionary sales surtaxes levied by a high
13 tourism impact county transactions that are
14 subject to specified tourist development taxes
15 in an aggregate rate that exceeds a specified
16 maximum; amending s. 212.055, F.S.; authorizing
17 charter counties and counties as defined in s.
18 125.011, F.S., to use the proceeds of local
19 government infrastructure surtax revenues and
20 interest thereon to retire or service
21 indebtedness incurred for certain bonds and to
22 refund bonds issued after a specified date;
23 ratifying any use of such proceeds or interest
24 for purposes of retiring or servicing
25 indebtedness incurred before July 1, 1997, for
26 refunding certain bonds; providing effective
27 dates.

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29 Be It Enacted by the Legislature of the State of Florida:
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1 Section 1. Paragraph (1) of subsection (3) of section
2 125.0104, Florida Statutes, 1996 Supplement, is amended to
3 read:

4 125.0104 Tourist development tax; procedure for
5 levying; authorized uses; referendum; enforcement.--

6 (3) TAXABLE PRIVILEGES; EXEMPTIONS; LEVY; RATE.--

7 (1) In addition to any other tax which is imposed
8 pursuant to this section, a county may impose up to an
9 additional 1-percent tax on the exercise of the privilege
10 described in paragraph (a) by majority vote of the governing
11 board of the county in order to:

12 1. Pay the debt service on bonds issued to finance the
13 construction, reconstruction, or renovation of a professional
14 sports franchise facility, either publicly owned and operated,
15 or publicly owned and operated by the owner of a professional
16 sports franchise or other lessee with sufficient expertise or
17 financial capability to operate such facility, and to pay the
18 planning and design costs incurred prior to the issuance of
19 such bonds.

20 2. Pay the debt service on bonds issued to finance the
21 construction, reconstruction, or renovation of a convention
22 center, and to pay the planning and design costs incurred
23 prior to the issuance of such bonds.

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25 ~~3.~~ Only counties that have elected to levy the tax initially
26 for the purposes authorized in subparagraph 1. may use the tax
27 for the purposes enumerated in subparagraph 2. A high tourism
28 impact county that imposes the tax authorized by paragraph (m)
29 and qualifies as a high tourism impact county under paragraph
30 (m) because it had sales subject to the tax levied pursuant to
31 this section which were at least 18 percent of the county's

1 total taxable sales under chapter 212, and the sales subject
2 to the tax levied pursuant to this section were a minimum of
3 \$200 million, but that is not authorized to levy the tax under
4 s. 125.0108, may use the tax revenues received pursuant to
5 this paragraph to acquire a convention center, or to pay the
6 cost of planning, designing, constructing, reconstructing, or
7 renovating a convention center, and to pay the debt service on
8 bonds issued for such purposes, whether or not the tax is
9 levied initially to finance the construction, reconstruction,
10 or renovation of a professional sports franchise facility. In
11 such event, any remaining tax revenue shall be used to promote
12 and advertise the convention center or tourism in general. The
13 provision of paragraph (b) which prohibits any county
14 authorized to levy a convention development tax pursuant to s.
15 212.0305 from levying more than the 2-percent tax authorized
16 by this section, and the provisions of paragraphs (4)(a)
17 through (d), shall not apply to the additional tax authorized
18 in this paragraph. The effective date of the levy and
19 imposition of the tax authorized under this paragraph shall be
20 the first day of the second month following approval of the
21 ordinance by the governing board or the first day of any
22 subsequent month as may be specified in the ordinance. A
23 certified copy of such ordinance shall be furnished by the
24 county to the Department of Revenue within 10 days after
25 approval of such ordinance.

26 Section 2. Paragraph (b) of subsection (2) of section
27 212.054, Florida Statutes, 1996 Supplement, is amended to
28 read:

29 212.054 Discretionary sales surtax; limitations,
30 administration, and collection.--

31 (2)

1 (b) However:

2 1. The tax on any sales amount above \$5,000 on any
3 item of tangible personal property and on long-distance
4 telephone service shall not be subject to the surtax. For
5 purposes of administering the \$5,000 limitation on an item of
6 tangible personal property, if two or more taxable items of
7 tangible personal property are sold to the same purchaser at
8 the same time and, under generally accepted business practice
9 or industry standards or usage, are normally sold in bulk or
10 are items that, when assembled, comprise a working unit or
11 part of a working unit, such items must be considered a single
12 item for purposes of the \$5,000 limitation when supported by a
13 charge ticket, sales slip, invoice, or other tangible evidence
14 of a single sale or rental. The limitation provided in this
15 subparagraph does not apply to the sale of any other service.

16 2. In the case of utility, telecommunication, or
17 television system program services billed on or after the
18 effective date of any such surtax, the entire amount of the
19 tax for utility, telecommunication, or television system
20 program services shall be subject to the surtax. In the case
21 of utility, telecommunication, or television system program
22 services billed after the last day the surtax is in effect,
23 the entire amount of the tax on said items shall not be
24 subject to the surtax.

25 3. In the case of written contracts which are signed
26 prior to the effective date of any such surtax for the
27 construction of improvements to real property or for
28 remodeling of existing structures, the surtax shall be paid by
29 the contractor responsible for the performance of the
30 contract. However, the contractor may apply for one refund of
31 any such surtax paid on materials necessary for the completion

1 of the contract. Any application for refund shall be made no
2 later than 15 months following initial imposition of the
3 surtax in that county. The application for refund shall be in
4 the manner prescribed by the department by rule. A complete
5 application shall include proof of the written contract and of
6 payment of the surtax. The application shall contain a sworn
7 statement, signed by the applicant or its representative,
8 attesting to the validity of the application. The department
9 shall, within 30 days after approval of a complete
10 application, certify to the county information necessary for
11 issuance of a refund to the applicant. Counties are hereby
12 authorized to issue refunds for this purpose and shall set
13 aside from the proceeds of the surtax a sum sufficient to pay
14 any refund lawfully due. Any person who fraudulently obtains
15 or attempts to obtain a refund pursuant to this subparagraph,
16 in addition to being liable for repayment of any refund
17 fraudulently obtained plus a mandatory penalty of 100 percent
18 of the refund, is guilty of a felony of the third degree,
19 punishable as provided in s. 775.082, s. 775.083, or s.
20 775.084.

21 4. Transactions that are subject to the tourist
22 development tax levied and imposed under s. 125.0104(3) are
23 not subject to the discretionary surtax levied under s.
24 212.055 by the governing body of a high tourism impact county
25 if:

26 a. The aggregate rate of the tourist development tax
27 levied and imposed on such transactions within the county
28 equals or exceeds 5 percent; and

29 b. The discretionary surtax that is initially levied
30 by the governing body of the county has an effective date of
31 January 1, 1998, or later.

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2 If the tourist development tax is levied and imposed only in a
3 subcounty special district and not in the entire county, the
4 exemption provided under this subparagraph applies only in the
5 subcounty special district. If the aggregate rate of the
6 tourist development tax levied and imposed within the county
7 or subcounty special district is reduced to less than 5
8 percent, the exemption provided under this subparagraph no
9 longer applies within the county or subcounty special
10 district.

11 Section 3. Effective July 1, 1997, paragraph (d) of
12 subsection (2) of section 212.055, Florida Statutes, 1996
13 Supplement, is amended to read:

14 212.055 Discretionary sales surtaxes; legislative
15 intent; authorization and use of proceeds.--It is the
16 legislative intent that any authorization for imposition of a
17 discretionary sales surtax shall be published in the Florida
18 Statutes as a subsection of this section, irrespective of the
19 duration of the levy. Each enactment shall specify the types
20 of counties authorized to levy; the rate or rates which may be
21 imposed; the maximum length of time the surtax may be imposed,
22 if any; the procedure which must be followed to secure voter
23 approval, if required; the purpose for which the proceeds may
24 be expended; and such other requirements as the Legislature
25 may provide. Taxable transactions and administrative
26 procedures shall be as provided in s. 212.054.

27 (2) LOCAL GOVERNMENT INFRASTRUCTURE SURTAX.--

28 (d)1. The proceeds of the surtax authorized by this
29 subsection and any interest accrued thereto shall be expended
30 by the school district or within the county and municipalities
31 within the county, or, in the case of a negotiated joint

1 county agreement, within another county, to finance, plan, and
2 construct infrastructure and to acquire land for public
3 recreation or conservation or protection of natural resources
4 and to finance the closure of county-owned or municipally
5 owned solid waste landfills that are already closed or are
6 required to close by order of the Department of Environmental
7 Protection. Any use of such proceeds or interest for purposes
8 of landfill closure prior to July 1, 1993, is ratified.
9 Neither the proceeds nor any interest accrued thereto shall be
10 used for operational expenses of any infrastructure, except
11 that any county with a population of less than 50,000 that is
12 required to close a landfill by order of the Department of
13 Environmental Protection may use the proceeds or any interest
14 accrued thereto for long-term maintenance costs associated
15 with landfill closure. Charter counties and counties as
16 defined in s. 125.011(1) ~~may~~, in addition, use the proceeds
17 and any interest accrued thereon to retire or service
18 indebtedness incurred for bonds issued prior to July 1, 1987,
19 for infrastructure purposes and, for bonds subsequently
20 issued, to refund such bonds.

21 2. For the purposes of this paragraph,
22 "infrastructure" means:

23 a. Any fixed capital expenditure or fixed capital
24 outlay associated with the construction, reconstruction, or
25 improvement of public facilities which have a life expectancy
26 of 5 or more years and any land acquisition, land improvement,
27 design, and engineering costs related thereto.

28 b. A fire department vehicle, an emergency medical
29 service vehicle, a sheriff's office vehicle, a police
30 department vehicle, or any other vehicle, and such equipment

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1 necessary to outfit the vehicle for its official use or
2 equipment that has a life expectancy of at least 5 years.

3 Section 4. Any use of the proceeds of the surtax
4 authorized by subsection (2) of section 212.055, Florida
5 Statutes, or of any interest accrued on such proceeds, for
6 purposes of retiring or servicing indebtedness incurred before
7 July 1, 1997, for refunding bonds issued after July 1, 1987,
8 is ratified.

9 Section 5. Except as otherwise provided herein, this
10 act shall take effect upon becoming a law.

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