

1 A bill to be entitled

2 An act relating to enterprise zone incentives to serve the  
3 uninsured; amending s. 212.08, F.S.; providing for an  
4 exemption by refund from the tax on sales, use, and other  
5 transactions of certain medical equipment or supplies  
6 purchased and used by certain health care facilities  
7 located in enterprise zones; providing a limitation;  
8 providing application requirements; providing procedures  
9 and limitations for the refund; providing duties of a  
10 local governing body or enterprise zone development  
11 agency; providing duties of the Department of Revenue;  
12 requiring the department to adopt rules; providing for  
13 return of the refund under certain circumstances;  
14 requiring the department to deduct a portion of refunds  
15 from amounts to be transferred into a certain trust fund  
16 and deposit such amount into the General Revenue Fund;  
17 providing definitions; providing for expiration under  
18 certain circumstances; amending s. 290.0056, F.S.;  
19 expanding the list of entities from which appointments may  
20 be made to an enterprise zone development agency's board  
21 of commissioners; providing an additional requirement for  
22 the membership of an enterprise zone development agency  
23 board of commissioners under certain circumstances;  
24 providing a limitation; providing an effective date.

25  
26 Be It Enacted by the Legislature of the State of Florida:  
27

28 Section 1. Paragraph (q) is added to subsection (5) of  
 29 section 212.08, Florida Statutes, to read:

30 212.08 Sales, rental, use, consumption, distribution, and  
 31 storage tax; specified exemptions.--The sale at retail, the  
 32 rental, the use, the consumption, the distribution, and the  
 33 storage to be used or consumed in this state of the following  
 34 are hereby specifically exempt from the tax imposed by this  
 35 chapter.

36 (5) EXEMPTIONS; ACCOUNT OF USE.--

37 (q) Medical equipment and supplies used in an enterprise  
 38 zone.--

39 1. Medical equipment and supplies purchased for use by  
 40 health care facilities that serve uninsured patients located in  
 41 an enterprise zone which are subsequently used in an enterprise  
 42 zone are exempt. This exemption inures to the health care  
 43 facility only through a refund of previously paid taxes. A  
 44 refund shall be authorized upon an affirmative showing by the  
 45 taxpayer to the satisfaction of the department that the  
 46 requirements of this paragraph have been met.

47 2. To receive a refund, the health care facility must file  
 48 under oath with the governing body or enterprise zone  
 49 development agency having jurisdiction over the enterprise zone  
 50 in which the health care facility is located, as applicable, an  
 51 application which includes:

52 a. The name and address of the health care facility  
 53 claiming the refund.

54 b. The identifying number assigned pursuant to s. 290.0065  
 55 to the enterprise zone in which the health care facility is

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56 located.

57 c. A specific description of the medical equipment for  
58 which a refund is sought, including the serial numbers or other  
59 permanent identification numbers of the equipment.

60 d. A specific description of the medical supplies for  
61 which a refund is sought, including the serial or lot numbers or  
62 other numbers identifying the purchased supplies.

63 e. The sales invoice or other proof of purchase of the  
64 medical equipment or supplies, showing the amount of sales tax  
65 paid, the date of purchase, and the name and address of the  
66 sales tax dealer from whom the medical equipment or supplies  
67 were purchased.

68 f. An affidavit declaring that at least 10 percent of the  
69 cost incurred for care by the health care facility in the  
70 previous taxable year was for uncompensated care and that the  
71 health care facility did not receive supplemental Medicaid,  
72 disproportionate share hospital, or low-income pool funding  
73 pursuant to chapter 409.

74 g. A statement defining the taxpayer's taxable year.

75 3. Within 10 working days after receipt of an application,  
76 the governing body or enterprise zone development agency shall  
77 review the application to determine if the application contains  
78 all the information required pursuant to subparagraph 2. and  
79 meets the criteria set out in this paragraph. The governing body  
80 or agency shall certify all applications that contain the  
81 information required pursuant to subparagraph 2. and that meet  
82 the criteria set out in this paragraph as eligible to receive a  
83 refund. The certification shall be in writing and a copy of the

84 certification shall be transmitted to the executive director of  
85 the Department of Revenue. The health care facility shall be  
86 responsible for forwarding a certified application to the  
87 department within the time specified in subparagraph 4.

88 4. An application for a refund pursuant to this paragraph  
89 must be submitted to the department within 6 months after the  
90 close of the taxable year during which the eligible medical  
91 equipment or supplies were purchased.

92 5. The provisions of s. 212.095 do not apply to any refund  
93 application made pursuant to this paragraph. This exemption  
94 shall apply to the first \$500,000 of taxable medical equipment  
95 or supplies purchased by a health care facility and used in the  
96 facility in any taxable year. A refund may not be granted under  
97 this paragraph unless the amount to be refunded exceeds \$100 in  
98 sales tax paid on purchases made within a 60-day time period. A  
99 refund may not be granted under this paragraph for medical  
100 equipment or supplies eligible for exemption pursuant to  
101 subsection (2) or eligible for a refund pursuant to paragraph  
102 (h).

103 6. The department shall adopt rules governing the manner  
104 and form of refund applications and may establish guidelines as  
105 to the requisites for an affirmative showing of qualification  
106 for exemption under this paragraph.

107 7. If the department determines that the medical equipment  
108 or supplies are used outside an enterprise zone within 3 years  
109 from the date of purchase, the amount of taxes refunded to the  
110 health care facility purchasing such medical equipment or  
111 supplies shall immediately be due and payable to the department

112 by the health care facility, together with the appropriate  
 113 interest and penalty, computed from the date of purchase, in the  
 114 manner provided by this chapter. Notwithstanding this  
 115 subparagraph, a health care facility may dispose of disposable  
 116 supplies according to law.

117 8. The department shall deduct an amount equal to 10  
 118 percent of each refund granted under this paragraph from the  
 119 amount to be transferred into the Local Government Half-cent  
 120 Sales Tax Clearing Trust Fund pursuant to s. 212.20 for the  
 121 county area in which the medical equipment or supplies are  
 122 located and shall deposit that amount into the General Revenue  
 123 Fund.

124 9. For purposes of this exemption, the term:

125 a. "Medical equipment" means durable medical equipment  
 126 that can be used repeatedly and that serves a medical purpose in  
 127 the diagnosis, treatment, or care of an individual.

128 b. "Medical supplies" means items that are consumable,  
 129 expendable, disposable or nondurable, and that serve a medical  
 130 purpose in the diagnosis, treatment, or care of an individual.

131 c. "Health care facility" means a facility licensed  
 132 pursuant to chapter 395 or a county health department, a  
 133 children's medical services program, a federally qualified  
 134 health center, a federally funded migrant health center, a rural  
 135 clinic, or any other publicly funded community health program  
 136 and any other programs designated by the Department of Health as  
 137 a community health center that provide primary care services to  
 138 the uninsured.

139 10. This paragraph expires on the date specified in s.

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140 290.016 for the expiration of the Florida Enterprise Zone Act.

141 Section 2. Subsection (2) and paragraph (a) of subsection  
142 (9) of section 290.0056, Florida Statutes, are amended to read:

143 290.0056 Enterprise zone development agency.--

144 (2) When the governing body creates an enterprise zone  
145 development agency, that body shall appoint a board of  
146 commissioners of the agency, which shall consist of not fewer  
147 than 8 or more than 13 commissioners. The governing body may  
148 appoint at least one representative from each of the following:  
149 the local chamber of commerce; local financial or insurance  
150 entities; local businesses and, where possible, businesses  
151 operating within the nominated area; health care facilities  
152 operating within the nominated area; the residents residing  
153 within the nominated area; nonprofit community-based  
154 organizations operating within the nominated area; the regional  
155 workforce board; the local code enforcement agency; and the  
156 local law enforcement agency. One of the commissioners on the  
157 board may be employed in the health care field, provided such  
158 requirement applies only when a position on the board becomes  
159 vacant after July 1, 2008, and appointment of a new commissioner  
160 is required to fill the vacancy or an additional member is to be  
161 appointed after July 1, 2008. The terms of office of the  
162 commissioners shall be for 4 years, except that, in making the  
163 initial appointments, the governing body shall appoint two  
164 members for terms of 3 years, two members for terms of 2 years,  
165 and one member for a term of 1 year; the remaining initial  
166 members shall serve for terms of 4 years. A vacancy occurring  
167 during a term shall be filled for the unexpired term. The

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168 importance of including individuals from the nominated area  
169 shall be considered in making appointments. Further, the  
170 importance of minority representation on the agency shall be  
171 considered in making appointments so that the agency generally  
172 reflects the gender and ethnic composition of the community as a  
173 whole.

174 (9) The following powers and responsibilities shall be  
175 performed by the governing body creating the enterprise zone  
176 development agency acting as the managing agent of the  
177 enterprise zone development agency, or, contingent upon approval  
178 by such governing body, such powers and responsibilities shall  
179 be performed by the enterprise zone development agency:

180 (a) To review, process, and certify applications for state  
181 enterprise zone tax incentives pursuant to ss. 212.08(5)(g),  
182 (h), (q), and (15); 212.096; 220.181; and 220.182.

183 Section 3. This act shall take effect January 1, 2008.