A bill to be entitled

An act relating to agriculture; amending s. 193.461, F.S.; authorizing a property appraiser to grant an agricultural classification for land under certain circumstances; providing that participation in certain dispersed water storage programs does not change a land's agricultural classification for assessment purposes unless the land is diverted to a nonagricultural use; amending s. 212.02, F.S.; revising the definition of the term "agricultural production" to include the storage of raw products on a farm; amending s. 212.08, F.S.; expanding the sales and use tax exemption for certain farm equipment; exempting the sale of certain trailers from the sales and use tax; exempting stakes used to support plants during agricultural production from the sales and use tax; amending s. 373.4591, F.S.; authorizing private landowners who have entered into an agreement with the Department of Agriculture and Consumer Services to implement specified best management practices to establish a baseline condition of wetlands and other surface waters before making improvements; providing an effective date.

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

Section 1. Paragraph (a) of subsection (3) and subsection (7) of section 193.461, Florida Statutes, are amended to read:

193.461 Agricultural lands; classification and assessment; mandated eradication or quarantine program.—

(3)(a) ~~No~~ Lands may not ~~shall~~ be classified as agricultural lands unless a return is filed on or before March 1 of each year. ~~The property appraiser,~~ Before ~~so~~ classifying such lands as agricultural lands, the property appraiser may require the taxpayer or the taxpayer's representative to furnish the property appraiser such information as may reasonably be required to establish that such lands were actually used for a bona fide agricultural purpose. Failure to make timely application by March 1 constitutes ~~shall constitute~~ a waiver for 1 year of the privilege ~~herein~~ granted in this section for agricultural assessment. However, an applicant who is qualified to receive an agricultural classification who fails to file an application by March 1 must ~~may~~ file an application for the classification with the property appraiser on or before the 25th day after the mailing by the property appraiser of the notice required under s. 194.011(1). Upon receipt of sufficient evidence, as determined by the property appraiser, that demonstrates that the applicant was unable to apply for the classification in a timely manner or that otherwise demonstrates extenuating circumstances that warrant the granting of the classification, the property appraiser may grant the classification. If the applicant files an application for the classification and fails to provide sufficient evidence to the property appraiser as required, the applicant ~~and~~ may file, pursuant to s. 194.011(3), a petition with the value adjustment board requesting that the classification be granted. The petition may be filed at any time during the taxable year on or before the 25th day following the mailing of the notice by the property appraiser as provided in s. 194.011(1). Notwithstanding ~~the provisions of~~ s. 194.013, the applicant must pay a nonrefundable fee of $15 upon filing the petition. Upon reviewing the petition, if the person is qualified to receive the classification and demonstrates particular extenuating circumstances judged by the ~~property appraiser or the~~ value adjustment board to warrant granting the classification, ~~the property appraiser or~~ the value adjustment board may grant the classification for the current year. The owner of land that was classified agricultural in the previous year and whose ownership or use has not changed may reapply on a short form as provided by the department. The lessee of property may make original application or reapply using the short form if the lease, or an affidavit executed by the owner, provides that the lessee is empowered to make application for the agricultural classification on behalf of the owner and a copy of the lease or affidavit accompanies the application. A county may, at the request of the property appraiser and by a majority vote of its governing body, waive the requirement that an annual application or statement be made for classification of property within the county after an initial application is made and the classification granted by the property appraiser. Such waiver may be revoked by a majority vote of the governing body of the county.

(7)(a) Lands classified for assessment purposes as agricultural lands which are taken out of production by a ~~any~~ state or federal eradication or quarantine program shall continue to be classified as agricultural lands for the duration of such program or successor programs. Lands under these programs which are converted to fallow~~,~~ or otherwise nonincome-producing uses shall continue to be classified as agricultural lands and shall be assessed at a de minimis value of up to ~~no more than~~ $50 per acre~~,~~ on a single year assessment methodology; however, lands converted to other income-producing agricultural uses permissible under such programs shall be assessed pursuant to this section. Land under a mandated eradication or quarantine program which is diverted from an agricultural to a nonagricultural use shall be assessed under s. 193.011.

(b) Lands classified for assessment purposes as agricultural lands that participate in a dispersed water storage program pursuant to a contract with the Department of Environmental Protection or a water management district which requires flooding of land shall continue to be classified as agricultural lands for the duration of the inclusion of the lands in such program or successor programs and shall be assessed as nonproductive agricultural lands. Land that

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

participates in a dispersed water storage program that is diverted from an agricultural to a nonagricultural use shall be assessed under s. 193.011.

Section 2. Subsection (32) of section 212.02, Florida Statutes, is amended to read:

212.02 Definitions.—The following terms and phrases when used in this chapter have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

(32) "Agricultural production" means the production of plants and animals useful to humans, including the preparation, planting, cultivating, or harvesting of these products or any other practices necessary to accomplish production through the harvest phase, including the storage of raw products on a farm. The term ~~and~~ includes aquaculture, horticulture, floriculture, viticulture, forestry, dairy, livestock, poultry, bees, and any and all forms of farm products and farm production.

Section 3. Subsection (3) and paragraph (a) of subsection (5) of section 212.08, Florida Statutes, are amended to read:

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

(3) EXEMPTIONS; CERTAIN FARM EQUIPMENT; CERTAIN TRAILERS.—

(a) There shall be no tax on the sale, rental, lease, use, consumption, repair, or storage for use in this state of power farm equipment and irrigation equipment, including replacement parts and accessories for power farm equipment and irrigation equipment, which are used exclusively on a farm or in a forest in the agricultural production of crops or products ~~as~~ produced by those agricultural industries included in s. 570.02(1), or for fire prevention and suppression work with respect to such crops or products. Harvesting does ~~may~~ not ~~be construed to~~ include processing activities. This exemption is not forfeited by moving farm equipment between farms or forests.

(b) There shall be no tax on the first $20,000 of the sales price of a trailer weighing 12,000 pounds or less that is purchased by a farmer for exclusive use in agricultural production or to transport farm products from a farm to a place where ownership of the farm products is transferred to another. This exemption is not forfeited by using the trailer to transport farm equipment. The exemption provided under this paragraph does not apply to the rental or lease of a trailer.

(c) The exemptions provided in paragraphs (a) and (b) may ~~However, this exemption shall~~ not be allowed unless the purchaser, renter, or lessee signs a certificate stating that the ~~farm~~ equipment or trailer is to be used exclusively ~~on a farm or in a forest for agricultural production or for fire prevention and suppression,~~ as required by this subsection. Possession by a seller, lessor, or other dealer of a written certification by the purchaser, renter, or lessee certifying the purchaser's, renter's, or lessee's entitlement to an exemption permitted by this subsection relieves the seller <u>of</u> ~~from~~ the responsibility of collecting the tax on the nontaxable amounts, and the department shall look solely to the purchaser for recovery of such tax if it determines that the purchaser was not entitled to the exemption.

(5) EXEMPTIONS; ACCOUNT OF USE.—

(a) Items in agricultural use and certain nets.—There are exempt from the tax imposed by this chapter nets designed and used exclusively by commercial fisheries; disinfectants, fertilizers, insecticides, pesticides, herbicides, fungicides, and weed killers used for application on crops or groves, including commercial nurseries and home vegetable gardens, used in dairy barns or on poultry farms for the purpose of protecting poultry or livestock, or used directly on poultry or livestock; portable containers or movable receptacles in which portable containers are placed, used for processing farm products; field and garden seeds, including flower seeds; nursery stock, seedlings, cuttings, or other propagative material purchased for growing stock; seeds, seedlings, cuttings, and plants used to produce food for human consumption; cloth, plastic, and other similar materials used for shade, mulch, or protection from frost or insects on a farm; <u>stakes used by a farmer to support plants during agricultural production;</u> generators used on poultry farms; and liquefied petroleum gas or other fuel used to heat a structure in which started pullets or broilers are raised; however, such exemption shall not be allowed unless the purchaser or lessee signs a certificate stating that the item to be exempted is for the exclusive use designated <u>in this paragraph</u> ~~herein~~. Also exempt are cellophane wrappers, glue for tin and glass (apiarists), mailing cases for honey, shipping cases, window cartons, and baling wire and twine used for baling hay, when used by a farmer to contain, produce, or process an agricultural commodity.

Section 4. Section 373.4591, Florida Statutes, is amended to read:

373.4591 Improvements on private agricultural lands.—The Legislature encourages public-private partnerships to accomplish water storage and water quality improvements on private agricultural lands. When an agreement is entered into between a water management district or the department and a private landowner to establish such a partnership, a baseline condition determining the extent of wetlands and other surface waters on the property shall be established and documented in the agreement before improvements are constructed. <u>When an agreement is entered into between the Department of Agriculture and Consumer Services and a private landowner to implement best management practices pursuant to s. 403.067(7)(c), a baseline condition determining the extent of wetlands and other surface waters on the property may be established at the option and expense of the private landowner and documented in the agreement</u>

before improvements are constructed. The determination of a ~~for the~~ baseline condition shall be conducted using the methods set forth in the rules adopted pursuant to s. 373.421. The baseline condition documented in an ~~the~~ agreement shall be considered the extent of wetlands and other surface waters on the property for the purpose of regulation under this chapter for the duration of the agreement and after its expiration.

Section 5. This act shall take effect July 1, 2014.