

By Senator Steube

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1                   A bill to be entitled  
2           An act relating to local business taxes; amending ss.  
3           205.032 and 205.042, F.S.; prohibiting the governing  
4           bodies of counties and municipalities, respectively,  
5           from levying a local business tax that was not adopted  
6           before a specified date; limiting the amount of the  
7           tax; making conforming changes; amending s. 205.033,  
8           F.S.; deleting certain provisions that, for counties,  
9           limit the rate of the tax and authorize increases of  
10          the tax; revising the maximum limits of certain  
11          transfer fees; revising applicability of provisions  
12          apportioning revenues from the tax; deleting certain  
13          provisions authorizing the levying of an additional  
14          business tax; amending s. 205.043, F.S.; deleting  
15          certain provisions that, for municipalities, limit the  
16          rate of the tax and authorize increases of the tax;  
17          revising the maximum limits of certain transfer fees;  
18          amending ss. 205.0535 and 205.054, F.S.; conforming  
19          provisions to changes made by the act; creating s.  
20          205.055, F.S.; providing an exemption from the  
21          business tax, subject to certain conditions, to  
22          specified veterans, spouses of veterans and active  
23          servicemembers, and low-income individuals; repealing  
24          s. 205.171, F.S., relating to exemptions allowed  
25          disabled veterans of any war or their unremarried  
26          spouses; providing an effective date.

27  
28 Be It Enacted by the Legislature of the State of Florida:

29  
30           Section 1. Section 205.032, Florida Statutes, is amended to  
31 read:

32           205.032 Levy; counties.—The governing body of a county may

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33 not levy a business tax for the privilege of engaging in or  
34 managing any business, profession, or occupation within its  
35 jurisdiction if the county did not adopt such tax before January  
36 1, 2017. The governing body of a county may continue to levy,~~by~~  
37 ~~appropriate resolution or ordinance,~~ a business tax for the  
38 privilege of engaging in or managing any business, profession,  
39 or occupation within its jurisdiction if the county adopted the  
40 business tax before January 1, 2017, but in no case may such  
41 business tax exceed \$25 for any single taxpayer. ~~However, the~~  
42 ~~governing body must first give at least 14 days' public notice~~  
43 ~~between the first and last reading of the resolution or~~  
44 ~~ordinance by publishing a notice in a newspaper of general~~  
45 ~~circulation within its jurisdiction as defined by law. The~~  
46 ~~public notice must contain the proposed classifications and~~  
47 ~~rates applicable to the business tax.~~

48 Section 2. Section 205.042, Florida Statutes, is amended to  
49 read:

50 205.042 Levy; municipalities.—The governing body of an  
51 incorporated municipality may not levy a business tax for the  
52 privilege of engaging in or managing any business, profession,  
53 or occupation within its jurisdiction if the municipality did  
54 not adopt such tax before January 1, 2017. The governing body of  
55 an incorporated municipality may continue to levy,~~by~~  
56 ~~appropriate resolution or ordinance,~~ a business tax for the  
57 privilege of engaging in or managing any business, profession,  
58 or occupation within its jurisdiction if the municipality  
59 adopted the business tax before January 1, 2017, but in no case  
60 may such business tax exceed \$25 for any taxpayer. ~~However, the~~  
61 ~~governing body must first give at least 14 days' public notice~~

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62 ~~between the first and last reading of the resolution or~~  
63 ~~ordinance by publishing the notice in a newspaper of general~~  
64 ~~circulation within its jurisdiction as defined by law. The~~  
65 ~~notice must contain the proposed classifications and rates~~  
66 ~~applicable to the business tax.~~ The business tax may be levied  
67 on:

68 (1) Any person who maintains a permanent business location  
69 or branch office within the municipality, for the privilege of  
70 engaging in or managing any business within its jurisdiction.

71 (2) Any person who maintains a permanent business location  
72 or branch office within the municipality, for the privilege of  
73 engaging in or managing any profession or occupation within its  
74 jurisdiction.

75 (3) Any person who does not qualify under subsection (1) or  
76 subsection (2) and who transacts any business or engages in any  
77 occupation or profession in interstate commerce, if the business  
78 tax is not prohibited by s. 8, Art. I of the United States  
79 Constitution.

80 Section 3. Section 205.033, Florida Statutes, is amended to  
81 read:

82 205.033 Conditions for levy; counties.-

83 (1) The following conditions are imposed on the authority  
84 of a county governing body to levy a business tax:

85 (a) The tax must be based upon reasonable classifications  
86 and must be uniform throughout any class.

87 (b) ~~Unless the county implements s. 205.0535 or adopts a~~  
88 ~~new business tax ordinance under s. 205.0315, a business tax~~  
89 ~~levied under this subsection may not exceed the rate provided by~~  
90 ~~this chapter in effect for the year beginning October 1, 1971;~~

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91 ~~however, beginning October 1, 1980, the county governing body~~  
92 ~~may increase business taxes authorized by this chapter. The~~  
93 ~~amount of the increase above the tax rate levied on October 1,~~  
94 ~~1971, for taxes levied at a flat rate may be up to 100 percent~~  
95 ~~for business taxes that are \$100 or less; 50 percent for~~  
96 ~~business taxes that are between \$101 and \$300; and 25 percent~~  
97 ~~for business taxes that are more than \$300. Beginning October 1,~~  
98 ~~1982, the increase may not exceed 25 percent for taxes levied at~~  
99 ~~graduated or per unit rates. Authority to increase business~~  
100 ~~taxes does not apply to licenses or receipts granted to any~~  
101 ~~utility franchised by the county for which a franchise fee is~~  
102 ~~paid.~~

103 ~~(c)~~ A receipt is not valid for more than 1 year, and all  
104 receipts expire on September 30 of each year, except as  
105 otherwise provided by law.

106 (2) Any receipt may be transferred to a new owner, when  
107 there is a bona fide sale of the business, upon payment of a  
108 transfer fee of up to 10 percent of the annual business tax, but  
109 not less than \$3 nor more than \$10 ~~\$25~~, and presentation of the  
110 original receipt and evidence of the sale.

111 (3) Upon written request and presentation of the original  
112 receipt, any receipt may be transferred from one location to  
113 another location in the same county upon payment of a transfer  
114 fee of up to 10 percent of the annual business tax, but not less  
115 than \$3 nor more than \$10 ~~\$25~~.

116 (4) The revenues derived from the business tax, exclusive  
117 of the costs of collection and any credit given for municipal  
118 business taxes, shall be apportioned between the unincorporated  
119 area of the county and the incorporated municipalities located

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120 therein by a ratio derived by dividing their respective  
121 populations by the population of the county. ~~This subsection~~  
122 ~~does not apply to counties that have established a new rate~~  
123 ~~structure under s. 205.0535.~~

124 (5) The revenues so apportioned shall be sent to the  
125 governing authority of each municipality, according to its  
126 ratio, and to the governing authority of the county, according  
127 to the ratio of the unincorporated area, within 15 days  
128 following the month of receipt. ~~This subsection does not apply~~  
129 ~~to counties that have established a new rate structure under s.~~  
130 ~~205.0535.~~

131 ~~(6) (a) Each county, as defined in s. 125.011(1), or any~~  
132 ~~county adjacent thereto may levy and collect, by an ordinance~~  
133 ~~enacted by the governing body of the county, an additional~~  
134 ~~business tax up to 50 percent of the appropriate business tax~~  
135 ~~imposed under subsection (1).~~

136 ~~(b) Subsections (4) and (5) do not apply to any revenues~~  
137 ~~derived from the additional tax imposed under this subsection.~~  
138 ~~Proceeds from the additional business tax must be placed in a~~  
139 ~~separate interest-earning account, and the governing body of the~~  
140 ~~county shall distribute this revenue, plus accrued interest,~~  
141 ~~each fiscal year to an organization or agency designated by the~~  
142 ~~governing body of the county to oversee and implement a~~  
143 ~~comprehensive economic development strategy through advertising,~~  
144 ~~promotional activities, and other sales and marketing~~  
145 ~~techniques.~~

146 ~~(c) An ordinance that levies an additional business tax~~  
147 ~~under this subsection may not be adopted after January 1, 1995.~~

148 (6) (7) Notwithstanding any other provisions of this

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149 chapter, the revenue received from a county business tax may be  
150 used for overseeing and implementing a comprehensive economic  
151 development strategy through advertising, promotional  
152 activities, and other sales and marketing techniques.

153 Section 4. Section 205.043, Florida Statutes, is amended to  
154 read:

155 205.043 Conditions for levy; municipalities.—

156 (1) The following conditions are imposed on the authority  
157 of a municipal governing body to levy a business tax:

158 (a) The tax must be based upon reasonable classifications  
159 and must be uniform throughout any class.

160 (b) ~~Unless the municipality implements s. 205.0535 or~~  
161 ~~adopts a new business tax ordinance under s. 205.0315, a~~  
162 ~~business tax levied under this subsection may not exceed the~~  
163 ~~rate in effect in the municipality for the year beginning~~  
164 ~~October 1, 1971; however, beginning October 1, 1980, the~~  
165 ~~municipal governing body may increase business taxes authorized~~  
166 ~~by this chapter. The amount of the increase above the tax rate~~  
167 ~~levied on October 1, 1971, for taxes levied at a flat rate may~~  
168 ~~be up to 100 percent for business taxes that are \$100 or less;~~  
169 ~~50 percent for business taxes that are between \$101 and \$300;~~  
170 ~~and 25 percent for business taxes that are more than \$300.~~  
171 ~~Beginning October 1, 1982, an increase may not exceed 25 percent~~  
172 ~~for taxes levied at graduated or per unit rates. Authority to~~  
173 ~~increase business taxes does not apply to receipts or licenses~~  
174 ~~granted to any utility franchised by the municipality for which~~  
175 ~~a franchise fee is paid.~~

176 (c) A receipt is not valid for more than 1 year and all  
177 receipts expire on September 30 of each year, except as

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178 otherwise provided by law.

179 (2) Any business receipt may be transferred to a new owner,  
180 when there is a bona fide sale of the business, upon payment of  
181 a transfer fee of up to 10 percent of the annual tax, but not  
182 less than \$3 nor more than \$10 ~~\$25~~, and presentation of the  
183 original receipt and evidence of the sale.

184 (3) Upon written request and presentation of the original  
185 receipt, any receipt may be transferred from one location to  
186 another location in the same municipality upon payment of a  
187 transfer fee of up to 10 percent of the annual tax, but not less  
188 than \$3 nor more than \$10 ~~\$25~~.

189 (4) If the governing body of the county in which the  
190 municipality is located has levied a business tax or  
191 subsequently levies such a tax, the collector of the county tax  
192 may issue the receipt and collect the tax thereon.

193 Section 5. Paragraph (b) of subsection (3) of section  
194 205.0535, Florida Statutes, is amended to read:

195 205.0535 Reclassification and rate structure revisions.—

196 (3)

197 (b) The total annual revenue generated by the new rate  
198 structure for the fiscal year following the fiscal year during  
199 which the rate structure is adopted may not exceed:

200 1. For municipalities, the sum of the revenue base and 10  
201 percent of that revenue base. The revenue base is the sum of the  
202 business tax revenue generated by receipts issued for the most  
203 recently completed local fiscal year ~~or the amount of revenue~~  
204 ~~that would have been generated from the authorized increases~~  
205 ~~under s. 205.043(1)(b), whichever is greater,~~ plus any revenue  
206 received from the county under s. 205.033(4).

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207           2. For counties, the sum of the revenue base, 10 percent of  
 208 that revenue base, and the amount of revenue distributed by the  
 209 county to the municipalities under s. 205.033(4) during the most  
 210 recently completed local fiscal year. The revenue base is the  
 211 business tax revenue generated by receipts issued for the most  
 212 recently completed local fiscal year ~~or the amount of revenue~~  
 213 ~~that would have been generated from the authorized increases~~  
 214 ~~under s. 205.033(1)(b), whichever is greater, but may not~~  
 215 include any revenues distributed to municipalities under s.  
 216 205.033(4).

217           Section 6. Subsection (1) of section 205.054, Florida  
 218 Statutes, is amended to read:

219           205.054 Business tax; partial exemption for engaging in  
 220 business or occupation in enterprise zone.—

221           (1) Notwithstanding ~~the provisions of~~ s. 205.033(1)(a) or  
 222 s. 205.043(1)(a), the governing body of a county or municipality  
 223 may authorize by appropriate resolution or ordinance, adopted  
 224 pursuant to the procedure established in ~~s. 205.032 or~~ s.  
 225 205.042, the exemption of 50 percent of the business tax levied  
 226 for the privilege of engaging in or managing any business,  
 227 profession, or occupation in the respective jurisdiction of the  
 228 county or municipality when such privilege is exercised at a  
 229 permanent business location or branch office located in an  
 230 enterprise zone.

231           Section 7. Section 205.055, Florida Statutes, is created to  
 232 read:

233           205.055 Exemptions; veterans, certain spouses, and low-  
 234 income individuals.—On or after July 1, 2016, a veteran or the  
 235 surviving spouse of a veteran of the United States Armed Forces;

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236 the spouse of an active military servicemember who has relocated  
237 to the county or municipality pursuant to a permanent change of  
238 station order; an individual who is receiving public assistance,  
239 as that term is defined in s. 409.2554; or an individual whose  
240 household income is less than 130 percent of the federal poverty  
241 level based on the current year's federal poverty guidelines is  
242 entitled to an exemption from the business tax and any fees  
243 imposed under this chapter, if such individual completes and  
244 signs, under penalty of perjury, a Request for Fee Exemption to  
245 be furnished by the local governing authority and provides  
246 written documentation in support of his or her request.

247 Section 8. Section 205.171, Florida Statutes, is repealed.

248 Section 9. This act shall take effect upon becoming a law.