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LEGISLATIVE ACTION

Senate . House

. . . . .

The Committee on Appropriations (Hukill) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Effective July 1, 2014, subsection (9) of section 202.11, Florida Statutes, is amended to read:

202.11 Definitions.—As used in this chapter, the term:

(9) "Prepaid calling arrangement" means: ~~the separately stated retail sale by advance payment of~~

(a) A right to use communications services, other than

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mobile communications services, for which a separately stated price must be paid in advance, which is sold at retail in predetermined units that decline in number with use on a predetermined basis, and which ~~that~~ consist exclusively of telephone calls originated by using an access number, authorization code, or other means that may be manually, electronically, or otherwise entered; or ~~and that are sold in predetermined units or dollars of which the number declines with use in a known amount.~~

(b) A right to use mobile communications services that must be paid for in advance and is sold at retail in predetermined units that expire or decline in number on a predetermined basis if:

1. The purchaser's right to use mobile communications services terminates upon all purchased units' expiring or being exhausted unless the purchaser pays for additional units;

2. The purchaser is not required to purchase additional units; and

3. Any right of the purchaser to use units to obtain communications services other than mobile communications services is limited to services that are provided to or through the same handset or other electronic device that is used by the purchaser to access mobile communications services.

Predetermined units described in this subsection may be quantified as amounts of usage, time, money, or a combination of these or other means of measurement.

Section 2. Effective January 1, 2015, paragraphs (a) and (b) of subsection (1) of section 202.12, Florida Statutes, are

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amended to read:

202.12 Sales of communications services.—The Legislature finds that every person who engages in the business of selling communications services at retail in this state is exercising a taxable privilege. It is the intent of the Legislature that the tax imposed by chapter 203 be administered as provided in this chapter.

(1) For the exercise of such privilege, a tax is levied on each taxable transaction, and the tax is due and payable as follows:

(a) Except as otherwise provided in this subsection, at a rate of 6.13 ~~6.65~~ percent applied to the sales price of the communications service that ~~which~~:

1. Originates and terminates in this state;~~,~~ or

2. Originates or terminates in this state and is charged to a service address in this state,

when sold at retail, computed on each taxable sale for the purpose of remitting the tax due. The gross receipts tax imposed by chapter 203 shall be collected on the same taxable transactions and remitted with the tax imposed by this paragraph. If no tax is imposed by this paragraph due to the exemption provided under ~~by reason of~~ s. 202.125(1), the tax imposed by chapter 203 shall nevertheless be collected and remitted in the manner and at the time prescribed for tax collections and remittances under this chapter.

(b) At the rate of 10.28 ~~10.8~~ percent on the retail sales price of any direct-to-home satellite service received in this state. The proceeds of the tax imposed under this paragraph

shall be accounted for and distributed in accordance with s. 202.18(2). The gross receipts tax imposed by chapter 203 shall be collected on the same taxable transactions and remitted with the tax imposed by this paragraph.

Section 3. Effective January 1, 2015, section 202.12001, Florida Statutes, is amended to read:

202.12001 Combined rate for tax collected pursuant to ss. 202.12(1)(a) and 203.01(1)(b).—In complying with ss. 1-3, ch. 2010-149, Laws of Florida, the dealer of communication services may collect a combined rate of 6.28 ~~6.8~~ percent comprised of 6.13 ~~6.65~~ percent and 0.15 percent required by ss. 202.12(1)(a) and 203.01(1)(b)3., respectively, if ~~as long as~~ the provider properly reflects the tax collected with respect to the two provisions as required in the return to the Department of Revenue.

Section 4. Effective January 1, 2015, subsection (2) of section 202.18, Florida Statutes, is amended to read:

202.18 Allocation and disposition of tax proceeds.—The proceeds of the communications services taxes remitted under this chapter shall be treated as follows:

(2) The proceeds of the taxes remitted under s. 202.12(1)(b) shall be allocated ~~divided~~ as follows:

(a) The portion of such proceeds that constitute ~~which constitutes~~ gross receipts taxes, imposed at the rate prescribed in chapter 203, shall be deposited as provided by law and in accordance with s. 9, Art. XII of the State Constitution.

(b) Sixty and nine-tenths ~~Sixty-three~~ percent of the remainder shall be allocated to the state and distributed pursuant to s. 212.20(6), except that the proceeds allocated

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pursuant to s. 212.20(6)(d)2. shall be prorated to the participating counties in the same proportion as that month's collection of the taxes and fees imposed pursuant to chapter 212 and paragraph (1)(b).

(c)1. During each calendar year, the remaining portion of such proceeds shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund. Seventy percent of such proceeds shall be allocated in the same proportion as the allocation of total receipts of the half-cent sales tax under s. 218.61 and the emergency distribution under s. 218.65 in the prior state fiscal year. Thirty percent of such proceeds shall be distributed pursuant to s. 218.67.

2. The proportion of the proceeds allocated based on the emergency distribution under s. 218.65 shall be distributed pursuant to s. 218.65.

3. In each calendar year, the proportion of the proceeds allocated based on the half-cent sales tax under s. 218.61 shall be allocated to each county in the same proportion as the county's percentage of total sales tax allocation for the prior state fiscal year and distributed pursuant to s. 218.62.

4. The department shall distribute the appropriate amount to each municipality and county each month at the same time that local communications services taxes are distributed pursuant to subsection (3).

Section 5. Effective January 1, 2015, section 203.001, Florida Statutes, is amended to read:

203.001 Combined rate for tax collected pursuant to ss. 202.12(1)(a) and 203.01(1)(b).—In complying with ss. 1-3, ch. 2010-149, Laws of Florida, the dealer of communication services

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may collect a combined rate of 6.28 ~~6.8~~ percent comprised of 6.13 ~~6.65~~ percent and 0.15 percent required by ss. 202.12(1)(a) and 203.01(1)(b)3., respectively, if ~~as long as~~ the provider properly reflects the tax collected with respect to the two provisions as required in the return to the Department of Revenue.

Section 6. Effective July 1, 2014, paragraph (e) of subsection (1) of section 212.05, Florida Statutes, is amended to read:

212.05 Sales, storage, use tax.—It is hereby declared to be the legislative intent that every person is exercising a taxable privilege who engages in the business of selling tangible personal property at retail in this state, including the business of making mail order sales, or who rents or furnishes any of the things or services taxable under this chapter, or who stores for use or consumption in this state any item or article of tangible personal property as defined herein and who leases or rents such property within the state.

(1) For the exercise of such privilege, a tax is levied on each taxable transaction or incident, which tax is due and payable as follows:

(e)1. At the rate of 6 percent on charges for:

a. Prepaid calling arrangements. The tax on charges for prepaid calling arrangements shall be collected at the time of sale and remitted by the selling dealer.

(I) "Prepaid calling arrangement" has the same meaning as provided in s. 202.11 ~~means the separately stated retail sale by advance payment of communications services that consist exclusively of telephone calls originated by using an access~~

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~~number, authorization code, or other means that may be manually, electronically, or otherwise entered and that are sold in predetermined units or dollars whose number declines with use in a known amount~~.

(II) If the sale or recharge of the prepaid calling arrangement does not take place at the dealer's place of business, it shall be deemed to have taken ~~take~~ place at the customer's shipping address or, if no item is shipped, at the customer's address or the location associated with the customer's mobile telephone number.

(III) The sale or recharge of a prepaid calling arrangement shall be treated as a sale of tangible personal property for purposes of this chapter, regardless of whether ~~or not~~ a tangible item evidencing such arrangement is furnished to the purchaser, and such sale within this state subjects the selling dealer to the jurisdiction of this state for purposes of this subsection.

(IV) No additional tax under this chapter or chapter 202 is due or payable if a purchaser of a prepaid calling arrangement, who has paid tax under this chapter on the sale or recharge of such arrangement, applies one or more units of the prepaid calling arrangement to obtain communications services as described in s. 202.11(9)(b)3., other services that are not communications services, or products.

b. The installation of telecommunication and telegraphic equipment.

c. Electrical power or energy, except that the tax rate for charges for electrical power or energy is 4.35 ~~7~~ percent. Charges for electrical power and energy do not include taxes

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imposed under ss. 166.231 and 203.01(1)(a)3.

2. Section ~~The provisions of s.~~ 212.17(3), regarding credit for tax paid on charges subsequently found to be worthless, is ~~shall be~~ equally applicable to any tax paid under ~~the provisions of~~ this section on charges for prepaid calling arrangements, telecommunication or telegraph services, or electric power subsequently found to be uncollectible. As used in this paragraph, the term ~~word~~ "charges" ~~in this paragraph~~ does not include any excise or similar tax levied by the Federal Government, a ~~any~~ political subdivision of this ~~the~~ state, or a ~~any~~ municipality upon the purchase, sale, or recharge of prepaid calling arrangements or upon the purchase or sale of telecommunication, television system program, or telegraph service or electric power, which tax is collected by the seller from the purchaser.

Section 7. The amendments made to ss. 202.11 and 212.05(1)(e)1.a., Florida Statutes, by this act are intended to be remedial in nature and apply retroactively, but do not provide a basis for an assessment of any tax not paid or create a right to a refund or credit of any tax paid before the effective date of this act.

Section 8. Sections 2, 3, 4, and 5 of this act apply to taxable transactions included on bills that are for communication services and that are dated on or after January 1, 2015.

Section 9. Subsections (4) and (5) of section 205.0535, Florida Statutes, are amended to read:

205.0535 Reclassification and rate structure revisions.—

(4) After the conditions specified in subsections (2) and


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(3) are met, municipalities and counties may, every other year thereafter, increase or decrease by ordinance the rates of business taxes by up to 5 percent. However, an increase must~~, however, may not~~ be enacted by at least ~~less than~~ a majority plus one vote of the governing body.

(5) ~~Nothing in~~ This chapter does not ~~shall be construed to~~ prohibit a municipality or county from decreasing or repealing any business tax authorized under this chapter. By majority vote, the governing body of a county or municipality may adopt an ordinance repealing a local business tax or establishing new rates that decrease local business taxes and do not result in an increase in local business taxes for a taxpayer. Such ordinances are not subject to subsections (2) and (3).

(6)~~(5)~~ A receipt may not be issued unless the federal employer identification number or social security number is obtained from the person to be taxed.

Section 10. Effective July 1, 2014, subsections (1), (3), (4), and (7) of section 203.01, Florida Statutes, are amended to read:

203.01 Tax on gross receipts for utility and communications services.—

(1)(a)1. A tax is imposed on gross receipts from utility services that are delivered to a retail consumer in this state. The tax shall be levied as provided in paragraphs (b)-(j).

2. A tax is levied on communications services as defined in s. 202.11(1). The tax shall be applied to the same services and transactions as are subject to taxation under chapter 202, and to communications services that are subject to the exemption provided in s. 202.125(1). The tax shall be applied to the sales

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price of communications services when sold at retail, as the terms are defined in s. 202.11, shall be due and payable at the same time as the taxes imposed pursuant to chapter 202, and shall be administered and collected pursuant to ~~the provisions of~~ chapter 202.

3. An additional tax is levied on charges for, or the use of, electrical power or energy that is subject to the tax levied pursuant to s. 212.05(1)(e)1.c. or s. 212.06(1). The tax shall be applied to the same transactions or uses as are subject to taxation under s. 212.05(1)(e)1.c. or s. 212.06(1). If a transaction is exempt from the tax imposed under 212.05(1)(e)1.c. or s. 212.06(1), the transaction is also exempt from the tax imposed under this subparagraph. The tax shall be applied to charges for electrical power or energy and is due and payable at the same time as taxes imposed pursuant to chapter 212. Chapter 212 governs the administration and enforcement of the tax imposed by this subparagraph. The charges upon which the tax imposed by this subparagraph is applied do not include the taxes imposed by subparagraph 1. or s. 166.231. The tax imposed by this subparagraph becomes state funds at the moment of collection and is not considered as revenue of a utility for purposes of a franchise agreement between the utility and a local government.

(b)1. The rate applied to utility services shall be 2.5 percent.

2. The rate applied to communications services shall be 2.37 percent.

3. ~~There shall be~~ An additional rate of 0.15 percent shall be applied to communication services subject to the tax levied

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pursuant to s. 202.12(1)(a), (c), and (d). The exemption provided in s. 202.125(1) applies to the tax levied pursuant to this subparagraph.

4. The rate applied to electrical power or energy taxed under subparagraph (a)3. shall be 2.6 percent.

(c)1. The tax imposed under subparagraph (a)1. shall be levied against the total amount of gross receipts received by a distribution company for its sale of utility services if the utility service is delivered to the retail consumer by a distribution company and the retail consumer pays the distribution company a charge for utility service which includes a charge for both the electricity and the transportation of electricity to the retail consumer. The distribution company shall report and remit to the Department of Revenue by the 20th day of each month the taxes levied pursuant to this paragraph during the preceding month.

2. To the extent practicable, the Department of Revenue must distribute all receipts of taxes remitted under this chapter to the Public Education Capital Outlay and Debt Service Trust Fund in the same month as the department collects such taxes.

(d)1. Each distribution company that receives payment for the delivery of electricity to a retail consumer in this state is subject to tax on the exercise of this privilege as provided by this paragraph unless the payment is subject to tax under paragraph (c). For the exercise of this privilege, the tax levied on the ~~such~~ distribution company's receipts for the delivery of electricity shall be determined by multiplying the number of kilowatt hours delivered by the index price and


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applying the rate in subparagraph (b)1. ~~paragraph (b)~~ to the result.

2. The index price is the Florida price per kilowatt hour for retail consumers in the previous calendar year, as published in the United States Energy Information Administration Electric Power Monthly and announced by the Department of Revenue on June 1 of each year to be effective for the 12-month period beginning July 1 of that year. For each residential, commercial, and industrial customer class, the applicable index posted for residential, commercial, and industrial shall ~~will~~ be applied in calculating the gross receipts to which the tax applies. If publication of the indices is delayed or discontinued, the last posted index shall be used until a current index is posted or the department adopts a comparable index by rule.

3. Tax due under this paragraph shall be administered, paid, and reported in the same manner as the tax due under paragraph (c).

4. The amount of tax due under this paragraph shall be reduced by the amount of any like tax lawfully imposed on and paid by the person from whom the retail consumer purchased the electricity, whether imposed by and paid to this state, another state, a territory of the United States, or the District of Columbia. This reduction in tax shall be available to the retail consumer as a refund made pursuant to s. 215.26 and does not inure to the benefit of the person who receives payment for the delivery of the electricity. The methods of demonstrating proof of payment and the amount of such refund shall be made according to rules of the Department of Revenue.

(e)1. A ~~Every~~ distribution company that receives payment


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for the sale or transportation of natural or manufactured gas to a retail consumer in this state is subject to tax on the exercise of this privilege as provided by this paragraph. For the exercise of this privilege, the tax levied on the ~~such~~ distribution company's receipts for the sale or transportation of natural or manufactured gas shall be determined by dividing the number of cubic feet delivered by 1,000, multiplying the resulting number by the index price, and applying the rate in subparagraph (b)1. ~~paragraph (b)~~ to the result.

2. The index price is the Florida price per 1,000 cubic feet for retail consumers in the previous calendar year as published in the United States Energy Information Administration Natural Gas Monthly and announced by the Department of Revenue on June 1 of each year to be effective for the 12-month period beginning July 1 of that year. For each residential, commercial, and industrial customer class, the applicable index posted for residential, commercial, and industrial shall ~~will~~ be applied in calculating the gross receipts to which the tax applies. If publication of the indices is delayed or discontinued, the last posted index shall be used until a current index is posted or the department adopts a comparable index by rule.

3. Tax due under this paragraph shall be administered, paid, and reported in the same manner as the tax due under paragraph (c).

4. The amount of tax due under this paragraph shall be reduced by the amount of any like tax lawfully imposed on and paid by the person from whom the retail consumer purchased the natural gas or manufactured gas, whether imposed by and paid to this state, another state, a territory of the United States, or

the District of Columbia. This reduction in tax shall be available to the retail consumer as a refund pursuant to s. 215.26 and does not inure to the benefit of the person providing the transportation service. The methods of demonstrating proof of payment and the amount of such refund shall be made according to rules of the Department of Revenue.

(f) Any person who imports into this state electricity, natural gas, or manufactured gas, or severs natural gas, for that person's own use or consumption as a substitute for purchasing utility, transportation, or delivery services taxable under subparagraph (a)1. ~~this chapter~~ and who cannot demonstrate payment of the tax imposed by this chapter must register with the Department of Revenue and pay into the State Treasury each month an amount equal to the cost price, as defined in s. 212.02, of such electricity, natural gas, or manufactured gas times the rate set forth in subparagraph (b)1. ~~paragraph (b)~~, reduced by the amount of any like tax lawfully imposed on and paid by the person from whom the electricity, natural gas, or manufactured gas was purchased or any person who provided delivery service or transportation service in connection with the electricity, natural gas, or manufactured gas. ~~For purposes of this paragraph, the term "cost price" has the meaning ascribed in s. 212.02(4).~~ The methods of demonstrating proof of payment and the amount of such reductions in tax shall be made according to rules of the Department of Revenue.

(g) Electricity produced by cogeneration or by small power producers which is transmitted and distributed by a public utility between two locations of a customer of the utility pursuant to s. 366.051 is subject to the tax imposed by


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subparagraph (a)1 ~~this section~~. The tax shall be applied to the cost price, as defined in s. 212.02, of such electricity ~~as provided in s. 212.02(4)~~ and shall be paid each month by the producer of such electricity.

(h) Electricity produced by cogeneration or by small power producers during the 12-month period ending June 30 of each year which is in excess of nontaxable electricity produced during the 12-month period ending June 30, 1990, is subject to the tax imposed by subparagraph (a)1 ~~this section~~. The tax shall be applied to the cost price, as defined in s. 212.02, of such electricity ~~as provided in s. 212.02(4)~~ and shall be paid each month, beginning with the month in which total production exceeds the production of nontaxable electricity for the 12-month period ending June 30, 1990. As used in ~~For purposes of~~ this paragraph, the term "nontaxable electricity" means electricity produced by cogeneration or by small power producers which is not subject to tax under paragraph (g). Taxes paid pursuant to paragraph (g) may be credited against taxes due under this paragraph. Electricity generated as part of an industrial manufacturing process that ~~which~~ manufactures products from phosphate rock, raw wood fiber, paper, citrus, or any agricultural product is ~~shall~~ not ~~be~~ subject to the tax imposed by this paragraph. The term "industrial manufacturing process" means the entire process conducted at the location where the process takes place.

(i) Any person other than a cogenerator or small power producer described in paragraph (h) who produces for his or her own use electrical energy that ~~which~~ is a substitute for electrical energy produced by an electric utility as defined in


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s. 366.02 is subject to the tax imposed by subparagraph (a)1 ~~this section~~. The tax shall be applied to the cost price, as defined in s. 212.02, of such electrical energy ~~as provided in s. 212.02(4)~~ and shall be paid each month. ~~The provisions of~~ This paragraph does ~~do~~ not apply to ~~any~~ electrical energy produced and used by an electric utility.

(j) Notwithstanding any other provision of this chapter, with the exception of a communications services dealer reporting taxes administered under chapter 202, the department may require:

1. A quarterly return and payment when the tax remitted for the preceding four calendar quarters did not exceed $1,000;

2. A semiannual return and payment when the tax remitted for the preceding four calendar quarters did not exceed $500; or

3. An annual return and payment when the tax remitted for the preceding four calendar quarters did not exceed $100.

(3) The tax imposed by subparagraph (1)(a)1. ~~subsection (1)~~ does not apply to:

(a)1. The sale or transportation of natural gas or manufactured gas to a public or private utility, including a municipal corporation or rural electric cooperative association, ~~either~~ for resale or for use as fuel in the generation of electricity; or

2. The sale or delivery of electricity to a public or private utility, including a municipal corporation or rural electric cooperative association, for resale, or as part of an electrical interchange agreement or contract between such utilities for the purpose of transferring more economically generated power;

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if ~~provided~~ the person deriving gross receipts from such sale demonstrates that a sale, transportation, or delivery for resale in fact occurred and complies with the following requirements: A sale, transportation, or delivery for resale must be in strict compliance with the rules ~~and regulations~~ of the Department of Revenue; and any sale subject to the tax imposed by this section which is not in strict compliance with the rules ~~and regulations~~ of the Department of Revenue shall be subject to the tax at the appropriate rate imposed on utilities under subparagraph (1)(b)1. ~~by paragraph (b)~~ on the person making the sale. Any person making a sale for resale may, through an informal protest provided ~~for~~ in s. 213.21 and the rules of the Department of Revenue, provide the department with evidence of the exempt status of a sale. The department shall adopt rules that provide that valid proof and documentation of the resale by a person making the sale for resale will be accepted by the department when submitted during the protest period but will not be accepted when submitted in any proceeding under chapter 120 or any circuit court action instituted under chapter 72;

(b) Wholesale sales of electric transmission service;

(c) The use of natural gas in the production of oil or gas, or the use of natural or manufactured gas by a person transporting natural or manufactured gas, when used and consumed in providing such services; or

(d) The sale or transportation to, or use of, natural gas or manufactured gas by a person eligible for an exemption under s. 212.08(7)(ff)2. for use as an energy source or a raw material. Possession by a seller of natural or manufactured gas

or by any person providing transportation or delivery of natural or manufactured gas of a written certification by the purchaser, certifying the purchaser's entitlement to the exclusion permitted by this paragraph, relieves the seller or person providing transportation or delivery from the responsibility of remitting tax on the nontaxable amounts, and the department shall look solely to the purchaser for recovery of such tax if the department determines that the purchaser was not entitled to the exclusion. The certification must include an acknowledgment by the purchaser that it will be liable for tax pursuant to paragraph (1)(f) if the requirements for exclusion are not met.

(4) The tax imposed pursuant to subparagraph (1)(a)1. ~~this chapter~~ relating to the provision of ~~any~~ utility services at the option of the person supplying the taxable services may be separately stated as Florida gross receipts tax on the total amount of any bill, invoice, or other tangible evidence of the provision of such taxable services and may be added as a component part of the total charge. If ~~Whenever~~ a provider of taxable services elects to separately state such tax as a component of the charge for the provision of such taxable services, any ~~every~~ person, including all governmental units, shall remit the tax to the person who provides such taxable services as a part of the total bill, and the tax is a component part of the debt of the purchaser to the person who provides such taxable services until paid and, if unpaid, is recoverable at law in the same manner as any other part of the charge for such taxable services. For a utility, the decision to separately state any increase in the rate of tax imposed by this chapter which is effective after December 31, 1989, and the ability to


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recover the increased charge from the customer is ~~shall~~ not ~~be~~ subject to regulatory approval.

(7) Gross receipts subject to the tax imposed under subparagraph (1)(a)1. ~~by this section~~ for the provision of electricity must ~~shall~~ include receipts from monthly customer charges or monthly customer facility charges.

Section 11. Effective July 1, 2014, subsection (11) of section 212.12, Florida Statutes, is amended to read:

212.12 Dealer's credit for collecting tax; penalties for noncompliance; powers of Department of Revenue in dealing with delinquents; brackets applicable to taxable transactions; records required.—

(11) The department shall make available in an electronic format or otherwise the tax amounts and brackets applicable to all taxable transactions that occur in counties that have a surtax at a rate other than 1 percent which ~~transactions~~ would otherwise have been transactions taxable at the rate of 6 percent. Likewise, the department shall make available in an electronic format or otherwise the tax amounts and brackets applicable to transactions taxable at 4.35 ~~7~~ percent pursuant to s. 212.05(1)(e)1.c. ~~s. 212.05(1)(e)~~ and on transactions which would otherwise have been so taxable in counties which have adopted a discretionary sales surtax.

Section 12. In complying with the amendments to ss. 203.01 and 212.05, Florida Statutes, relating to the additional tax on electrical power or energy, made by this act, a seller of electrical power or energy may collect a combined rate of 6.95 percent, which consists of the 4.35 percent and 2.6 percent required under ss. 212.05(1)(e)1.c. and 203.01(1)(b)4., Florida

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Statutes, respectively, if the provider properly reflects the tax collected with respect to the two provisions as required in the return to the Department of Revenue.

Section 13. The Department of Revenue may, and all conditions are deemed met to, adopt emergency rules pursuant to ss. 120.536(1) and 120.54, Florida Statutes, for the purpose of implementing the amendments to ss. 203.01, 212.05, 212.12, and 212.20, Florida Statutes, relating to changes to the taxation of electrical power or energy, made by this act. This section expires July 1, 2017.

Section 14. Effective July 1, 2014, paragraphs (c) and (d) of subsection (6) of section 212.20, Florida Statutes, are amended to read:

212.20 Funds collected, disposition; additional powers of department; operational expense; refund of taxes adjudicated unconstitutionally collected.—

(6) Distribution of all proceeds under this chapter, ~~and~~ s. 202.18(1)(b) and (2)(b), and s. 203.01(1)(a)3. is ~~shall be~~ as follows:

(c)1. Proceeds from the fees imposed under ss. 212.05(1)(h)3. and 212.18(3) shall remain with the General Revenue Fund.

2. The portion of the proceeds which constitutes gross receipts tax imposed pursuant to s. 203.01(1)(a)3. shall be deposited as provided by law and in accordance with s. 9, Art. XII of the State Constitution.

(d) The proceeds of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be distributed as follows:

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1. In any fiscal year, the greater of $500 million, minus an amount equal to 4.6 percent of the proceeds of the taxes collected pursuant to chapter 201, or 5.2 percent of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in monthly installments into the General Revenue Fund.

2. After the distribution under subparagraph 1., 8.8794 ~~8.814~~ percent of the amount remitted by a sales tax dealer located within a participating county pursuant to s. 218.61 shall be transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to be transferred shall be reduced by 0.1 percent, and the department shall distribute this amount to the Public Employees Relations Commission Trust Fund less $5,000 each month, which shall be added to the amount calculated in subparagraph 3. and distributed accordingly.

3. After the distribution under subparagraphs 1. and 2., 0.0956 ~~0.095~~ percent shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and distributed pursuant to s. 218.65.

4. After the distributions under subparagraphs 1., 2., and 3., 2.0602 ~~2.0440~~ percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Counties pursuant to s. 218.215.

5. After the distributions under subparagraphs 1., 2., and 3., 1.3514 ~~1.3409~~ percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Municipalities pursuant to s. 218.215. If the total revenue to be distributed pursuant to this subparagraph is at least as

great as the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, no municipality shall receive less than the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000. If the total proceeds to be distributed are less than the amount received in combination from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, each municipality shall receive an amount proportionate to the amount it was due in state fiscal year 1999-2000.

6. Of the remaining proceeds:

a. In each fiscal year, the sum of $29,915,500 shall be divided into as many equal parts as there are counties in the state, and one part shall be distributed to each county. The distribution among the several counties must begin each fiscal year on or before January 5th and continue monthly for a total of 4 months. If a local or special law required that any moneys accruing to a county in fiscal year 1999-2000 under the then-existing provisions of s. 550.135 be paid directly to the district school board, special district, or a municipal government, such payment must continue until the local or special law is amended or repealed. The state covenants with holders of bonds or other instruments of indebtedness issued by local governments, special districts, or district school boards before July 1, 2000, that it is not the intent of this subparagraph to adversely affect the rights of those holders or relieve local governments, special districts, or district school

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boards of the duty to meet their obligations as a result of previous pledges or assignments or trusts entered into which obligated funds received from the distribution to county governments under then-existing s. 550.135. This distribution specifically is in lieu of funds distributed under s. 550.135 before July 1, 2000.

b. The department shall distribute $166,667 monthly ~~pursuant to s. 288.1162~~ to each applicant certified as a facility for a new or retained professional sports franchise pursuant to s. 288.1162. Up to $41,667 shall be distributed monthly by the department to each certified applicant as defined in s. 288.11621 for a facility for a spring training franchise. However, not more than $416,670 may be distributed monthly in the aggregate to all certified applicants for facilities for spring training franchises. The department shall also distribute $166,667 monthly to an applicant certified as a motorsports entertainment complex under s. 288.1171. Distributions begin 60 days after such certification and continue for not more than 30 years, except as otherwise provided in s. 288.11621. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided under ~~for in~~ s. 288.1162(5), ~~or~~ s. 288.11621(3), or s. 288.1171(6).

c. Beginning 30 days after notice by the Department of Economic Opportunity to the Department of Revenue that an applicant has been certified as the professional golf hall of fame pursuant to s. 288.1168 and is open to the public, $166,667 shall be distributed monthly, for up to 300 months, to the applicant.


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d. Beginning 30 days after notice by the Department of Economic Opportunity to the Department of Revenue that the applicant has been certified as the International Game Fish Association World Center facility pursuant to s. 288.1169, and the facility is open to the public, $83,333 shall be distributed monthly, for up to 168 months, to the applicant. This distribution is subject to reduction pursuant to s. 288.1169. A lump sum payment of $999,996 shall be made~~,~~ after certification and before July 1, 2000.

e. The department shall distribute up to $55,555 monthly to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise, or up to $111,110 monthly to each certified applicant as defined in s. 288.11631 for a facility used by more than one spring training franchise. Monthly distributions begin 60 days after such certification or July 1, 2016, whichever is later, and continue for not more than 30 years, except as otherwise provided in s. 288.11631. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in s. 288.11631(3).

7. All other proceeds must remain in the General Revenue Fund.

Section 15. Effective July 1, 2014, section 212.17, Florida Statutes, is reordered and amended to read:

212.17 Tax credits or refunds ~~for returned goods, rentals, or admissions; goods acquired for dealer's own use and subsequently resold; additional powers of department~~.—

(1)(a) If ~~In the event~~ purchases are returned to a dealer

by the purchaser or consumer after the tax imposed by this chapter has been collected from or charged to the account of the consumer or user, the dealer is ~~shall be~~ entitled to reimbursement of the amount of tax collected or charged by the dealer, in the manner prescribed by the department.

(b) A registered dealer that purchases property for the dealer's own use, pays tax on acquisition, and sells the property subsequent to acquisition without ~~ever~~ having used the property is entitled to reimbursement, in the manner prescribed by the department, of the amount of tax paid on the property's acquisition.

(c) If the tax has not been remitted by a dealer to the department, the dealer may deduct the same in submitting his or her return upon receipt of a signed statement by ~~of~~ the dealer as to the gross amount of such refunds during the period covered by the ~~said~~ signed statement, which may ~~period shall~~ not be longer than 90 days. The department shall issue to the dealer an official credit memorandum equal to the net amount remitted by the dealer for such tax collected or paid. Such memorandum shall be accepted by the department at full face value from the dealer to whom it is issued upon~~, in~~ the remittance of ~~for~~ subsequent taxes accrued under ~~the provisions of~~ this chapter. If a dealer has retired from business and ~~has~~ filed a final return, a refund of tax may be made if it can be established to the satisfaction of the department that the tax was not due.

(2) A dealer who has paid the tax imposed by this chapter on tangible personal property sold under a retained title, conditional sale, or similar contract, or under a contract in which ~~wherein~~ the dealer retains a security interest in the


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property pursuant to chapter 679, may take credit or obtain a refund for the tax paid by the dealer on the unpaid balance due him or her when he or she repossesses the property, ~~(~~with or without judicial process,~~) the property~~ within 12 months after ~~following~~ the month in which the property was repossessed. If ~~When~~ such repossessed property is resold, the sale is subject in all respects to the tax imposed by this chapter.

(3) Except as provided in subsection (4), a dealer who has paid the tax imposed by this chapter on tangible personal property or services may take a credit or obtain a refund for any tax paid by the dealer on the unpaid balance due on worthless accounts within 12 months after ~~following~~ the month in which the bad debt has been charged off for federal income tax purposes. If any accounts so charged off for which a credit or refund has been obtained are subsequently, ~~thereafter~~ in whole or in part, paid to the dealer, the amount so paid shall be included in the first return filed after such collection and the tax paid accordingly.

(4) With respect to the payment of taxes on purchases made through a private-label credit card program:

(a) If consumer accounts or receivables are found to be worthless or uncollectible, the dealer may claim a credit for, or obtain a refund of, the tax remitted by the dealer on the unpaid balance due if:

1. The accounts or receivables have been charged off as bad debt on the lender’s books and records on or after January 1, 2014;

2. A credit was not previously claimed and a refund was not previously allowed on any portion of the accounts or

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receivables; and

3. The credit or refund is claimed within 12 months after the month in which the bad debt has been charged off by the lender for federal income tax purposes.

(b) If the dealer or the lender subsequently collects, in whole or in part, the accounts or receivables for which a credit or refund has been granted under paragraph (a), the dealer must include the taxable percentage of the amount collected in the first return filed after the collection and pay the tax on the portion of that amount for which a credit or refund was granted.

(c) The credit or refund allowed includes all credit sale transaction amounts that are outstanding in the specific private-label credit card account or receivable at the time the account or receivable is charged off, regardless of the date on which the credit sale transaction actually occurred.

(d) A dealer may use one of the following methods to determine the amount of the credit or refund:

1. An apportionment method to substantiate the amount of tax imposed under this chapter which is included in the bad debt to which the credit or refund applies. The method must use the dealer’s Florida and non-Florida sales, the dealer’s taxable and nontaxable sales, and the amount of tax the dealer remitted to this state; or

2. A specified percentage of the accounts or receivables giving rise to the credit or refund, which is derived from a sampling of the dealer’s or lender’s records in accordance with a methodology agreed upon by the department and the dealer.

(e) For purposes of computing the credit or refund, payments on the accounts or receivables shall be allocated based

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on the terms and conditions of the contract between the dealer or lender and the consumer.

(f) The credit or refund for tax on bad debt may be claimed on any return filed by an entity related by a direct or indirect common ownership of 50 percent or more.

(g) The amount of the credit or refund that a dealer is eligible to recover under this subsection is limited to 25 percent of the tax paid to the department which is attributable to bad debt.

(h) As used in this subsection, the term:

1. "Dealer's affiliates" means an entity affiliated with the dealer under 26 U.S.C. s. 1504 or an entity that would be an affiliate under that section if the entity were a corporation.

2. "Lender" means a person who owns or has owned a private-label credit card account or an interest in a private-label credit card receivable that:

a. The person purchased directly from a dealer who remitted the tax imposed under this chapter or from the dealer's affiliates, or that was transferred from a third party;

b. The person originated pursuant to that person's contract with a dealer who remitted the tax imposed under this chapter or with the dealer's affiliates; or

c. Is affiliated in the manner described under 26 U.S.C. s. 1504, regardless of whether the different entities are corporations, with a person described in sub-subparagraph a. or sub-subparagraph b. or with an assignee or other transferee of such person.

3. "Private-label credit card" means a charge card or credit card that carries, refers to, or is branded with the name

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or logo of a dealer and can be used for purchases from the dealer whose name or logo appears on the card or for purchases from the dealer's affiliates or franchises.

(6) ~~(4)(a)~~ The department shall:

(a) Design, prepare, print and furnish to all dealers, except dealers filing through electronic data interchange, or make available or prescribe to the dealers, all necessary forms for filing returns and instructions to ensure a full collection from dealers and an accounting for the taxes due. The~~, but~~ failure of a ~~any~~ dealer to secure such forms does not relieve the dealer from the payment of the tax at the time and in the manner provided.

(b) ~~The department shall~~ Prescribe the format and instructions necessary for filing returns in a manner that is initiated through an electronic data interchange to ensure a full collection from dealers and an accounting for the taxes due. The failure of a ~~any~~ dealer to use such format does not relieve the dealer from the payment of the tax at the time and in the manner provided.

(7) ~~(5)~~ The department and its assistants are ~~hereby~~ authorized and empowered to administer the oath for the purpose of enforcing and administering ~~the provisions of~~ this chapter.

(8) ~~(6)~~ The department may ~~has authority to~~ adopt rules ~~pursuant to ss. 120.536(1) and 120.54~~ to administer and enforce ~~the provisions of~~ this section ~~chapter~~.

(5) ~~(7)~~ If ~~The department, where~~ admissions, license fees, ~~or~~ rental payments, or payments for services are made and ~~thereafter~~ returned to ~~the~~ payors after the taxes ~~thereon~~ have been paid, the department shall return or credit the taxpayer


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for taxes ~~so~~ paid on the moneys returned in the same manner as ~~is~~ provided for returns or credits of taxes if ~~where~~ purchases or tangible personal property are returnable to a dealer.

Section 16. Effective July 1, 2014, subsection (2) of section 288.1171, Florida Statutes, is amended, present subsections (4) through (7) of that section are redesignated as subsections (5) through (8), respectively, and amended, and a new subsection (4) is added to that section, to read:

288.1171 Motorsports entertainment complex; definitions; certification; duties.—

(2) The department shall serve as the state agency for screening applicants for funding under s. 212.20, for local option funding under s. 218.64(3), and for certifying an applicant as a motorsports entertainment complex. The department shall develop and adopt rules for the receipt and processing of applications for funding under ss. 212.20 and ~~s.~~ 218.64(3). The department shall make a determination regarding any application filed by an applicant within ~~not later than~~ 120 days after the application is filed.

(4) The department may certify a single applicant as a motorsports entertainment complex for funding under s. 212.20 if the applicant meets all of the following conditions:

(a) The applicant meets the requirements of subsection (3).

(b) The applicant has a verified copy of the approval of a sanctioning body stating that motorsport events are sanctioned to occur at the applicant’s complex.

(c) The applicant’s facility has at least 50,000 fixed seats.

(d) The applicant has projections, verified by the


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department, which demonstrate that the motorsports entertainment complex will annually attract paid attendance of more than 100,000 persons.

(e) The applicant has an independent analysis or study, verified by the department, which demonstrates that the amount of revenues generated by the taxes imposed under chapter 212 with respect to the use and operation of the motorsports entertainment complex will annually equal or exceed $2 million.

(f) The applicant has demonstrated that it has provided, is capable of providing, or has financial or other commitments to provide more than one-half of the costs incurred or related to the improvement and development of the complex.

(g) The total cost of construction, reconstruction, expansion, or renovation of the complex exceeds $250 million.

The approved applicant may not seek funding under s. 218.64(3) while receiving funding under s. 212.20.

(5)~~(4)~~ Upon determining that an applicant meets the requirements of subsection (3) or subsection (4), the department shall notify the applicant and the executive director of the Department of Revenue of such certification by means of an official letter granting certification. If the applicant fails to meet the certification requirements of subsection (3) or subsection (4), the department shall notify the applicant within ~~not later than~~ 10 days following such determination.

(6)~~(5)~~ A motorsports entertainment complex that has been previously certified under this section and has received funding under such certification is ineligible for ~~any~~ additional certification.

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(7)~~(6)~~ An applicant certified as a motorsports entertainment complex may use funds provided pursuant to s. 212.20 or s. 218.64(3) only for the following public purposes:

(a) Paying for the construction, reconstruction, expansion, or renovation of a motorsports entertainment complex.

(b) Paying debt service reserve funds, arbitrage rebate obligations, or other amounts relating ~~payable with respect~~ to bonds issued for the construction, reconstruction, expansion, or renovation of the motorsports entertainment complex or for the reimbursement of such costs or the refinancing of bonds issued for such purposes.

(c) Paying for construction, reconstruction, expansion, or renovation of transportation or other infrastructure improvements related to, necessary for, or appurtenant to the motorsports entertainment complex, including~~, without limitation,~~ paying debt service reserve funds, arbitrage rebate obligations, or other amounts relating ~~payable with respect~~ to bonds issued for the construction, reconstruction, expansion, or renovation of such transportation or other infrastructure improvements, and for the reimbursement of such costs or the refinancing of bonds issued for such purposes.

(d) Paying for programs of advertising and promotion of or related to the motorsports entertainment complex or the municipality in which the motorsports entertainment complex is located, or the county if the motorsports entertainment complex is located in an unincorporated area, if such programs of advertising and promotion are designed to increase paid attendance at the motorsports entertainment complex or increase tourism in or promote the economic development of the community


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in which the motorsports entertainment complex is located.

(8) ~~(7) The Department of Revenue may audit,~~ As provided in s. 11.45 ~~213.34~~, the Auditor General may conduct an audit to verify that the distributions pursuant to this section have been expended as required in this section. ~~Such information is subject to the confidentiality requirements of chapter 213.~~ If the Auditor General ~~Department of Revenue~~ determines that the distributions pursuant to certification ~~under this section~~ have not been expended as required by this section, the Auditor General shall notify the Department of Revenue, which ~~it~~ may pursue recovery of such funds pursuant to the laws and rules governing the assessment of taxes.

Section 17. Section 288.127, Florida Statutes, is created to read:

288.127 Qualified television loan fund.—

(1) DEFINITIONS.—As used in this section, the term:

(a) "Fund administrator" means a private sector organization under contract with the department to manage and administer the QTV Fund.

(b) "Major broadcaster" means broadcasting organizations that include, but are not limited to, television broadcasting networks, cable television, direct broadcast satellite, telecommunications companies, and internet streaming or other digital media platforms.

(c) "Private investment capital" means capital from private, nongovernmental funding sources that will be coinvested with the QTV Fund in segregated accounts.

(d) "Qualified lending partner" means a financial institution, as defined in s. 655.005, selected by a fund

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administrator that has demonstrated capability in providing financing to television production and specialized expertise in intellectual property, tax credit programs, customary broadcast license agreements, advertising inventories, and ancillary revenue sources, and a combined portfolio in film, television, and entertainment media of at least $500 million.

(e) "Qualified television content" means series, mini-series, or made-for-TV content produced by a qualified production company that has in place a distribution contract with a major broadcaster, under a customary broadcast license agreement. The term does not include a production that contains content that is obscene, as defined in s. 847.001.

(f) "QTV Fund" means the qualified television loan fund.

(2) PURPOSE.—The purpose of the QTV Fund is to create a public-private partnership in the form of a revolving loan fund to administer a loan program for television production. The QTV Fund shall be privately managed under state oversight to incentivize the use of this state as a site for producing qualified television content and to develop and sustain the workforce and infrastructure for television content production.

(3) CREATION.—The qualified television loan fund is created within the department. The QTV Fund shall be a public fund that is privately managed by the fund administrator under contract with the department. The department shall disburse the funds appropriated for this program to the fund administrator to invest in the QTV Fund during the existence of the program pursuant to this section and the contract between the fund administrator and the department. State funds in the QTV Fund may be used only to enter into loan agreements and to pay any

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administrative costs or other authorized fees under this section.

(a) The QTV Fund shall be a revolving loan fund that invests and reinvests the principal and interest of the fund in accordance with s. 617.2104 in a manner so as to not subject the funds to state or federal taxes and to be consistent with the investment policy statement adopted by the fund administrator. As production companies repay the principal and interest to the QTV Fund, state funds, less any QTV Fund expenses, shall be returned to the account to be lent to subsequent borrowers.

(b) Funds from the QTV Fund shall be disbursed by the fund administrator through a lending vehicle to make short-term loans pursuant to this section.

(4) FUND ADMINISTRATOR.—

(a) The department shall contract with a fund administrator by September 1, 2014, and award the contract in accordance with the competitive bidding requirements in s. 287.057.

(b) The department shall select as fund administrator a private sector entity that demonstrates the ability to implement the program under this section and that meets the requirements set forth in this section. Preference shall be given to applicants that are headquartered in this state. Additional consideration may be given to applicants that have experience in the management of economic development or job creation-related funds. The qualifications for the fund administrator must include, but are not limited to:

1. A demonstrated track record of managing private sector equity or debt funds in the entertainment and media industries.

2. The ability to demonstrate through a partnership


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agreement that a qualified lending partner is in place which has the capability of providing leverage of a minimum of 2.5 times the capital amount of the QTV Fund, for financing the production cost of qualified television content in the form of senior debt.

(c) For overseeing and administering the QTV Fund, the fund administrator shall be reimbursed for the costs the fund administrator incurs in establishing and operating the fund related to the state's investment, which shall be paid from state funds in the QTV Fund. Any additional private investment capital in the segregated accounts is responsible for its own management fees. The fund administrator is entitled to a reasonable profit, but such distribution may not be made from the principal funds from the original appropriation.

(d) The fund administrator shall provide services defined under this section for the duration of the QTV Fund term unless removed for cause. Cause shall be further defined under the contract with the fund administrator and must include, but is not limited to, the engagement in fraud or other criminal acts by board members, incapacity, unfitness, neglect of duty, official incompetence and irresponsibility, misfeasance, malfeasance, nonfeasance, or lack of performance.

(5) FUND ADMINISTRATOR POWERS AND DUTIES.—

(a) Authority to contract.—The fund administrator may enter into agreements with qualified lending partners for concurrent lending through the QTV Fund. A loan made by the qualified lending partner must be accounted for separately from the state funds or other private investment capital. Such loan shall be made as senior debt. The fund administrator may raise private investment capital for mezzanine equity and other equity or

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raise junior capital for concurrent lending through the QTV Fund. However, loans from private investment capital may not be made at more favorable terms and conditions than the terms and conditions of the state funds in the QTV Fund. The state appropriation must be maintained in a separate account from private investment capital and administered in a separate legal investment entity or entities. Private investment capital and loans shall be segregated from each other, and funds may not be commingled.

(b) General duties.—The fund administrator:

1. Shall prudently manage the funds in the QTV Fund as a revolving loan fund.

2. Shall contract with one or more qualified lending partners.

3. Shall provide improvement of the credit profile of a structured financial transaction for qualified production companies that produce qualified television content meeting the criteria in subsection (7).

4. May raise additional private investment capital to be held in separate accounts, in addition to the leverage provided by the qualified lending partner.

5. Shall administer the QTV Fund in accordance with this part.

6. Shall agree to maintain the recipient’s books and records relating to funds received from the department according to generally accepted accounting principles and in accordance with s. 215.97(7) and to make those books and records available to the department for inspection upon reasonable notice. The books and records must be maintained with detailed records

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showing the use of proceeds from loans to fund qualified television content.

7. Shall maintain its registered office in this state throughout the duration of the contract.

(c) Financial reporting.—The fund administrator shall annually submit to the department by February 28 audited financial statements for the preceding tax year which— are audited by an independent certified public accountant after the end of each year in which the fund administrator is under contract with the department. In addition to providing an independent opinion on the annual financial statements, such audit provides a basis for verifying the segregation of state funds from those of any private investment capital.

(d) Program reporting.—The fund administrator shall submit a report to the department by February 28 after the end of each year in which the fund administrator is under contract with the department. The report must include information on the loans made in the preceding calendar year, including:

1. The name of the qualified television content.

2. The names of the counties in which the production occurred.

3. The number of jobs created and retained as a result of the production.

4. The loan amounts, including the amount of private investment capital and funds provided by a qualified lending partner.

5. The loan repayment status for each loan.

6. The number and amounts of any loans with payments past due.


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7. The number and amounts of any loans in default.

8. A description of the assets securing the loans.

9. Other information and documentation required by the department.

(e) Plan of accountability.—The fund administrator shall submit an annual plan of accountability of economic development, including a report detailing the job creation resulting from the QTV Fund loans made during the current year and cumulatively since the inception of the program. The fund administrator shall also provide any additional information requested by the department pertaining to economic development and job creation in the state.

(f) Conflict-of-interest statement.—The fund administrator shall provide a conflict-of-interest statement from its governing board certifying that no board member, director, employee, agent, immediate family member thereof, or other person connected to or affiliated with the fund administrator is receiving or will receive any type of compensation or remuneration from a production company that has received or will receive funds from the loan program or from a qualified lending partner. The department may waive this requirement for good cause shown.

(6) LOAN STRUCTURE.—

(a) The QTV Fund may make loans to production companies to fund production costs or provide improvement of the credit profile of a structured financial transaction for qualified television content that meets the criteria requirements of subsection (7). To make a loan, the fund administrator shall consider the types of eligible collateral, the credit worthiness

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of the project, the producer's track record, the possibility that the project will encourage, enhance, or create economic benefits, and the extent to which assistance would foster innovative public-private partnerships and attract private debt or equity investment.

(b) The QTV Fund loan package shall be secured by contractual and predictable sources of repayment such as domestic and international broadcaster license agreements and other ancillary revenues that are derived from media content rights. Unsecured loans may not be made.

(c) The loans shall be made on the basis of a second lien or primary security rights on the media assets listed in paragraph (b).

(d) The QTV Fund shall provide funding only in conjunction with senior loans provided by a qualified lending partner. Loans from the fund may be subordinated to senior debt from the qualified lending partner and may not exceed 30 percent of the total production funding cost of any particular project.

(e) The production company's repayment of a loan shall be in accordance with the broadcast license agreement and the delivery of qualified television content to the major broadcaster and shall be within 60 days after such delivery.

(f) Loans made by the QTV Fund may not exceed 36 months in duration, except for extenuating circumstances for which the fund administrator may grant an extension upon making written findings to the department specifying the conditions requiring the extension.

(g) The fund administrator or a board member, employee, or agent thereof, or an immediate family member of a board member,

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employee, or agent, may not have a financial interest in an entity that is awarded a loan under a loan program and may not benefit directly or indirectly from the making of such loan. A loan may not be made to a person if it violates this paragraph. As used in this section, the term "immediate family" means a parent, child, or spouse, or other relative by blood, marriage, or adoption, of a board member, employee, or agent of the loan administrator.

(h) Except for funds appropriated to the department for the loan program, the credit of the state may not be pledged. The state is not liable or obligated in any way for claims against the QTV Fund or against the fund administrator, the qualified lending partner, or the department.

(7) QUALIFIED TELEVISION CONTENT CRITERIA.—The fund administrator must, at a minimum, consider the following criteria for evaluating the qualifying television content:

(a) The content is intended for broadcast by a major broadcaster on a major network, cable, or streaming channel.

(b) The content is produced in this state, or a minimum of 80 percent of the production budget must be spent in this state. This requirement may be amended by the fund administrator upon notice to the department. Such notice must include a specific justification for the change and must be transmitted to the department in writing. The department has 10 business days to object to the change. If the department does not object within 10 business days, the change is deemed acceptable by the department, and the fund administrator may grant the amendment.

(c) If the content is a series, there is a programming order for at least 13 episodes. This requirement may be amended

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by the fund administrator upon notice to the department. Such notice must include a specific justification for the change and must be transmitted to the department in writing. The department has 10 business days to object to the change. If the department does not object within 10 business days, the change is deemed acceptable by the department, and the fund administrator may grant the amendment.

(d) The producer must have a contract in place with a major broadcaster to acquire content programming under a customary broadcast license agreement and the contract must cover at least 60 percent of the budget.

(e) The producer must retain a foreign sales agent and must be able to provide the fund administrator with the foreign sales agent's official estimates of foreign and ancillary sales.

(f) The project must be bonded and secured by an industry-approved completion guarantor if the production cost per episode exceeds $1 million. This requirement may be waived if the loan applicant provides the fund administrator with evidence of adequate structure to protect the state's funds.

(8) AUDITOR GENERAL AUDIT.—The Auditor General may conduct operational audits, as defined in s. 11.45, of the QTV Fund and fund administrator. The scope of audit must include, but is not limited to, internal controls evaluations, internal audit functions, reporting and performance requirements for the use of the funds, and compliance with state and federal law. The fund administrator shall provide to the Auditor General any detail or supplemental data required.

(9) RULEMAKING AUTHORITY.—The department may adopt rules to administer this section.

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(10) EXPIRATION.—This section expires December 31, 2024, at which point all funds remaining in the QTV Fund revert to the General Revenue Fund.

(11) EMERGENCY RULES.—

(a) The executive director of the department is authorized, and all conditions are deemed met, to adopt emergency rules pursuant to ss. 120.536(1) and 120.54(4) for the purpose of implementing this section.

(b) Notwithstanding any other law, the emergency rules adopted pursuant to paragraph (a) remain in effect for 6 months after adoption and may be renewed during the pendency of procedures to adopt permanent rules addressing the subject of the emergency rules.

(c) This subsection expires October 1, 2015.

Section 18. Paragraph (b) of subsection (2) of section 288.0001, Florida Statutes, is amended to read:

288.0001 Economic Development Programs Evaluation.—The Office of Economic and Demographic Research and the Office of Program Policy Analysis and Government Accountability (OPPAGA) shall develop and present to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the chairs of the legislative appropriations committees the Economic Development Programs Evaluation.

(2) The Office of Economic and Demographic Research and OPPAGA shall provide a detailed analysis of economic development programs as provided in the following schedule:

(b) By January 1, 2015, and every 3 years thereafter, an analysis of the following:

1. The entertainment industry financial incentive program


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established under s. 288.1254.

2. The entertainment industry sales tax exemption program established under s. 288.1258.

3. The ~~VISIT~~ Florida Tourism Industry Marketing Corporation and its programs established or funded under ss. 288.122, 288.1226, 288.12265, and 288.124.

4. The Florida Sports Foundation and related programs established under ss. 288.1162, 288.11621, 288.1166, 288.1167, 288.1168, 288.1169, and 288.1171.

5. The qualified television loan fund established under s. 288.127.

Section 19. Effective January 1, 2015, subsection (5) of section 624.4094, Florida Statutes, is amended to read:

624.4094 Bail bond premiums.—

~~(5) This section does not affect the reporting or payment of insurance premium taxes under ss. 624.509, 624.5091, and 624.5092, and the insurance premium tax and related excise taxes shall continue to be calculated using gross bail bond premiums.~~

Section 20. Effective January 1, 2015, subsection (1) of section 624.509, Florida Statutes, is amended to read:

624.509 Premium tax; rate and computation.—

(1) In addition to the license taxes provided for in this chapter, each insurer shall also annually, and on or before March 1 in each year, except as to wet marine and transportation insurance taxed under s. 624.510, pay to the Department of Revenue a tax on insurance premiums, premiums for title insurance, or assessments, including membership fees and policy fees and gross deposits received from subscribers to reciprocal or interinsurance agreements, and on annuity premiums or


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considerations, received during the preceding calendar year, the amounts thereof to be determined as set forth in this section, to wit:

(a) An amount equal to 1.75 percent of the gross amount of such receipts on account of life and health insurance policies covering persons resident in this state and on account of all other types of policies and contracts, ~~(~~except annuity policies or contracts taxable under paragraph (b) and bail bond policies or contracts taxable under paragraph (c),~~)~~ covering property, subjects, or risks located, resident, or to be performed in this state, omitting premiums on reinsurance accepted, and less return premiums or assessments, but without deductions:

1. For reinsurance ceded to other insurers;

2. For moneys paid upon surrender of policies or certificates for cash surrender value;

3. For discounts or refunds for direct or prompt payment of premiums or assessments; and

4. On account of dividends of any nature or amount paid and credited or allowed to holders of insurance policies; certificates; or surety, indemnity, reciprocal, or interinsurance contracts or agreements; ~~and~~

(b) An amount equal to 1 percent of the gross receipts on annuity policies or contracts paid by holders thereof in this state; and~~.~~

(c) An amount equal to 1.75 percent of the direct written premiums for bail bonds, excluding any amounts retained by licensed bail bond agents or licensed managing general agents.

Section 21. (1) The tax levied under chapter 212, Florida Statutes, may not be collected during the period from 12:01 a.m.

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on August 1, 2014, through 11:59 p.m. on August 3, 2014, on the 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 $75 or less per item. As used in this paragraph, the term "clothing" means:

1. An 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, rollerblades, 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, protractors, compasses, and calculators.

(c) Personal computers and related accessories that have a sales price of $750 or less and are purchased for noncommercial home or personal use. As used in this paragraph, the term:

1. "Personal computer" means an electronic device that accepts information in digital or similar form and manipulates such information for a result based on a sequence of instructions. The term includes an electronic book reader and a laptop, desktop, handheld, tablet, or tower computer but does not include a cellular telephone, video game console, digital media receiver, or device that is not primarily designed to


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process data.

2. "Related accessories" includes keyboards, mice, personal digital assistants, monitors, other peripheral devices, modems, routers, and nonrecreational software regardless of whether the accessories are used in association with a personal computer base unit but does not include furniture or systems, devices, software, monitors with a television tuner, or other peripherals that are designed or intended primarily for recreational use.

(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, Florida Statutes, within a public lodging establishment as defined in s. 509.013, Florida Statutes, or within an airport as defined in s. 330.27, Florida Statutes.

(3) The Department of Revenue may, and all conditions are deemed met to, adopt emergency rules pursuant to ss. 120.536(1) and 120.54, Florida Statutes, to administer this section.

Section 22. For the 2013-2014 fiscal year, the sum of $223,048 in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Revenue for the purpose of administering the provisions of this act relating to the tax exemption for specified school supplies. Funds from the appropriation that remain unexpended or unencumbered as of June 30, 2014, shall revert and be reappropriated for the same purpose in the 2014-2015 fiscal year.

Section 23. (1) Effective June 1, 2014, through June 12, 2014, no tax levied under chapter 212, Florida Statutes, may be collected on the sale of:

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


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(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) A self-contained first-aid kit selling for $30 or less.

(e) A ground anchor system or tie-down kit selling for $50 or less.

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

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

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

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

(2) The Department of Revenue may, and all conditions are deemed met to, adopt emergency rules under ss. 120.536(1) and 120.54, Florida Statutes, to administer this section.

Section 24. For the 2013-2014 fiscal year, the sum of $280,912 in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Revenue for purposes of administering the tax exemptions for the purchase of tangible personal property relating to hurricane preparedness specified under this act.

Section 25. Except as otherwise expressly provided in this act, this act shall take effect upon becoming a law.

================ T I T L E A M E N D M E N T ================

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And the title is amended as follows:

Delete everything before the enacting clause and insert:

A bill to be entitled

An act relating to economic development; amending s. 202.11, F.S.; revising the term "prepaid calling arrangement"; amending s. 202.12, F.S.; reducing the tax rate applied to the sale of communications services; amending s. 202.12001, F.S.; conforming rates to the reduction of the communications services tax; amending s. 202.18, F.S.; revising the distribution of tax revenues received; amending s. 203.001. F.S.; conforming rates to the reduction of the communications services tax; amending s. 212.05, F.S.; clarifying and updating which services are included under the definition "prepaid calling arrangement" and subject to a sales tax; conforming provisions to changes made by the act to taxes on electrical power and energy made; providing retroactive application; providing applicability; amending s. 205.0535, F.S.; providing that a county or municipality may repeal or reduce a local business tax by majority vote; amending s. 203.01, F.S.; providing for an additional tax on charges for, or the use of, certain electrical power or energy and the rate for such tax; providing an exemption; providing for the redistribution of certain taxes on electrical power and energy; amending s. 212.12, F.S.; conforming provisions to changes made by the act; providing that

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a seller of electrical power or energy may combine the collection of certain taxes if properly reflected in its return to the Department of Revenue; providing emergency rules; amending s. 212.20, F.S.; revising the distribution of taxes, including the taxes collected on charges for electrical power and energy; providing for a monthly distribution of a specified amount of sales tax revenue to a complex certified as a motorsports entertainment complex by the Department of Economic Opportunity; amending s. 212.17, F.S.; providing procedures, requirements, and calculation methodologies that allow dealers to obtain tax credits or refunds for taxes paid on worthless or uncollectible private-label credit card accounts or receivables; providing a cap on the amount that may be recovered; providing definitions; amending s. 288.1171, F.S.; authorizing the Department of Economic Opportunity to certify a single applicant as a motorsports entertainment complex if it meets specified criteria; authorizing the Auditor General to verify the expenditure of specified distributions and to notify the Department of Revenue of improperly expended funds so that it may pursue recovery; creating s. 288.127, F.S.; providing definitions; providing a purpose; creating the qualified television loan fund; requiring the Department of Economic Opportunity to contract with a fund administrator; providing fund administrator qualifications; providing for the fund administrator’s compensation and removal;


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specifying the fund administrator powers and duties; providing the structure of the loans; providing qualified television content criteria; permitting the Auditor General to conduct an operational audit of the fund and the fund administrator; authorizing the Department of Economic Opportunity to adopt rules; providing for expiration of the act; providing emergency rulemaking authority; providing for expiration of the emergency rulemaking authority; amending s. 288.0001, F.S.; requiring an analysis of the qualified television loan fund in the Economic Development Programs Evaluation; amending s. 624.4094, F.S.; deleting a provision relating to the reporting or payment of specified insurance premium taxes; amending s. 624.509, F.S.; requiring an insurer to pay to the Department of Revenue a specified amount of the direct written premiums for bail bonds; specifying a period during which the sale of certain clothing, wallets, bags, school supplies, personal computers, and personal computer-related accessories are exempt from the sales tax; providing definitions; providing exceptions; authorizing the Department of Revenue to adopt emergency rules; providing an appropriation; providing an exemption from the sales and use tax for sales during a specified period of certain tangible personal property relating to hurricane preparedness; authorizing the Department of Revenue to adopt emergency rules; providing an appropriation; providing effective dates.