

1 A bill to be entitled
 2 An act relating to natural gas motor fuel; amending s.
 3 206.86, F.S.; deleting definitions for the terms
 4 "alternative fuel" and "natural gasoline"; amending s.
 5 206.87, F.S.; conforming a cross-reference; repealing
 6 s. 206.877, F.S., relating to the annual decal fee
 7 program for motor vehicles powered by alternative
 8 fuels; repealing s. 206.89, F.S., relating to the
 9 requirements for alternative fuel retailer licenses;
 10 amending s. 206.91, F.S.; making grammatical and
 11 technical changes; providing a directive to the
 12 Division of Law Revision and Information; creating s.
 13 206.9951, F.S.; providing definitions; creating s.
 14 206.9952, F.S.; establishing requirements for natural
 15 gas fuel retailer licenses; providing penalties for
 16 certain licensure violations; creating s. 206.9955,
 17 F.S.; providing calculations for a motor fuel
 18 equivalent gallon; providing for the levy of the
 19 natural gas fuel tax; authorizing the Department of
 20 Revenue to adopt rules; creating s. 206.996, F.S.;
 21 establishing requirements for monthly reports of
 22 natural gas fuel retailers; providing that reports are
 23 made under the penalties of perjury; allowing natural
 24 gas fuel retailers to seek a deduction of the tax
 25 levied under specified conditions; creating s.
 26 206.9965, F.S.; providing exemptions and refunds from
 27 the natural gas fuel tax; transferring, renumbering,
 28 and amending s. 206.879, F.S.; revising provisions

29 relating to the State Alternative Fuel User Fee
 30 Clearing Trust Fund; terminating the Local Alternative
 31 Fuel User Fee Clearing Trust Fund within the
 32 Department of Revenue; prescribing procedures for the
 33 termination of the trust fund; creating s. 206.998,
 34 F.S.; providing for the applicability of specified
 35 sections of parts I and II of ch. 206, F.S.; amending
 36 s. 212.055, F.S.; expanding the use of the local
 37 government infrastructure surtax to include the
 38 installation of systems for natural gas fuel;
 39 amending s. 212.08, F.S.; providing an exemption from
 40 taxes for natural gas fuel under certain
 41 circumstances; providing an effective date;

42

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

44

45 Section 1. Section 206.86, Florida Statutes, is amended to
 46 read:

47 206.86 Definitions.—As used in this part:

48 (1) "Diesel fuel" means all petroleum distillates commonly
 49 known as diesel #2, biodiesel, or any other product blended with
 50 diesel or any product placed into the storage supply tank of a
 51 diesel-powered motor vehicle.

52 (2) "Taxable diesel fuel" or "fuel" means any diesel fuel
 53 not held in bulk storage at a terminal ~~and~~ which has not been
 54 dyed for exempt use in accordance with Internal Revenue Code
 55 requirements.

56 (3) "User" includes any person who uses diesel fuels

57 | within this state for the propulsion of a motor vehicle on the
 58 | public highways of this state, even though the motor is also
 59 | used for a purpose other than the propulsion of the vehicle.

60 | ~~(4) "Alternative fuel" means any liquefied petroleum gas~~
 61 | ~~product or compressed natural gas product or combination thereof~~
 62 | ~~used in an internal combustion engine or motor to propel any~~
 63 | ~~form of vehicle, machine, or mechanical contrivance. This term~~
 64 | ~~includes, but is not limited to, all forms of fuel commonly or~~
 65 | ~~commercially known or sold as natural gasoline, butane gas,~~
 66 | ~~propane gas, or any other form of liquefied petroleum gas or~~
 67 | ~~compressed natural gas.~~

68 | ~~(5) "Natural gasoline" is a liquid hydrocarbon that is~~
 69 | ~~produced by natural gas and must be blended with other liquid~~
 70 | ~~petroleum products to produce motor fuel.~~

71 | (4)~~(6)~~ "Removal" means any physical transfer of diesel
 72 | fuel and any use of diesel fuel other than as a material in the
 73 | production of diesel fuel.

74 | (5)~~(7)~~ "Blender" means any person who ~~that~~ produces
 75 | blended diesel fuel outside the bulk transfer/terminal system.

76 | (6)~~(8)~~ "Colorless marker" means material that is not
 77 | perceptible to the senses until the diesel fuel into which it is
 78 | introduced is subjected to a scientific test.

79 | (7)~~(9)~~ "Dyed diesel fuel" means diesel fuel that is dyed
 80 | in accordance with United States Environmental Protection Agency
 81 | or Internal Revenue Service requirements for high sulfur diesel
 82 | fuel or low sulfur diesel fuel.

83 | (8)~~(10)~~ "Ultimate vendor" means a licensee that sells
 84 | undyed diesel fuel to the United States or its departments or

85 agencies in bulk lots of not less than 500 gallons in each
 86 delivery or to the user of the diesel fuel for use on a farm for
 87 farming purposes.

88 (9)~~(11)~~ "Local government user of diesel fuel" means any
 89 county, municipality, or school district licensed by the
 90 department to use untaxed diesel fuel in motor vehicles.

91 (10)~~(12)~~ "Mass transit system" means any licensed local
 92 transportation company providing local bus service that is open
 93 to the public and that travels regular routes.

94 (11)~~(13)~~ "Diesel fuel registrant" means anyone required by
 95 this chapter to be licensed to remit diesel fuel taxes,
 96 including, but not limited to, terminal suppliers, importers,
 97 local government users of diesel fuel, and mass transit systems.

98 (12)~~(14)~~ "Biodiesel" means any product made from
 99 nonpetroleum-based oils or fats which is suitable for use in
 100 diesel-powered engines. Biodiesel is also referred to as alkyl
 101 esters.

102 (13)~~(15)~~ "Biodiesel manufacturer" means those industrial
 103 plants, regardless of capacity, where organic products are used
 104 in the production of biodiesel. This includes businesses that
 105 process or blend organic products that are marketed as
 106 biodiesel.

107 Section 2. Paragraph (a) of subsection (1) of section
 108 206.87, Florida Statutes, is amended to read:

109 206.87 Levy of tax.—

110 (1) (a) An excise tax of 4 cents per gallon is hereby
 111 imposed upon each net gallon of diesel fuel subject to the tax
 112 under subsection (2), ~~except alternative fuels which are subject~~

113 | ~~to the fee imposed by s. 206.877.~~

114 | Section 3. Section 206.877, Florida Statutes, is repealed.

115 | Section 4. Section 206.89, Florida Statutes, is repealed.

116 | Section 5. Subsection (1) of section 206.91, Florida
117 | Statutes, is amended to read:

118 | 206.91 Tax reports; computation and payment of tax.—

119 | (1) For the purpose of determining the amount of taxes
120 | imposed by s. 206.87, each diesel fuel registrant shall, not
121 | later than the 20th day of each calendar month, mail to the
122 | department, on forms prescribed by the department, monthly
123 | reports that provide ~~which shall show such~~ information on
124 | inventories, purchases, nontaxable disposals, and taxable sales
125 | in gallons of diesel fuel ~~and alternative fuel,~~ for the
126 | preceding calendar month ~~as may be~~ required by the department.
127 | However, if the 20th day falls on a Saturday, a Sunday, or a
128 | federal or state legal holiday, returns shall be accepted if
129 | postmarked on the next succeeding workday. The reports must
130 | include, ~~shall contain~~ or be verified by, a written declaration
131 | stating that they are ~~such report is~~ made under the penalties of
132 | perjury. The diesel fuel registrant shall deduct from the amount
133 | of taxes shown by the report to be payable an amount equivalent
134 | to .67 percent of the taxes on diesel fuel imposed by s.
135 | 206.87(1) (a) and (e), which deduction is ~~hereby~~ allowed to the
136 | diesel fuel registrant on account of services and expenses in
137 | complying with the provisions of this part. The allowance on
138 | taxable gallons of diesel fuel sold to persons licensed under
139 | this chapter is not ~~shall not be~~ deductible unless the diesel
140 | fuel registrant has allowed 50 percent of the allowance provided

141 | by this section to a purchaser with a valid wholesaler or
 142 | terminal supplier license. This allowance is not ~~shall not be~~
 143 | deductible unless payment of the taxes is made on or before the
 144 | 20th day of the month as ~~herein~~ required in this subsection.
 145 | ~~Nothing in~~ This subsection does not ~~shall be construed to~~
 146 | authorize a deduction from the constitutional fuel tax or fuel
 147 | sales tax.

148 | Section 6. The Division of Law Revision and Information is
 149 | requested to create part V of chapter 206, Florida Statutes,
 150 | consisting of ss. 206.9951-206.998, entitled "NATURAL GAS FUEL."

151 | Section 7. Section 206.9951, Florida Statutes, is created
 152 | to read:

153 | 206.9951 Definitions.—As used in this part, the term:

154 | (1) "Motor fuel equivalent gallon" means the volume of
 155 | natural gas fuel it takes to equal the energy content of 1
 156 | gallon of motor fuel.

157 | (2) "Natural gas fuel" means any liquefied petroleum gas
 158 | product, compressed natural gas product, or combination thereof
 159 | used in a motor vehicle as defined in s. 206.01(23). This term
 160 | includes, but is not limited to, all forms of fuel commonly or
 161 | commercially known or sold as natural gasoline, butane gas,
 162 | propane gas, or any other form of liquefied petroleum gas,
 163 | compressed natural gas, or liquefied natural gas.

164 | (3) "Natural gas fuel retailer" means any person who sells
 165 | natural gas fuel for use in a motor vehicle as defined in s.
 166 | 206.01(23).

167 | (4) "Natural gasoline" is a liquid hydrocarbon that is
 168 | produced by natural gas and must be blended with other liquid

169 petroleum products to produce motor fuel.

170 (5) "Person" means a natural person, corporation,
 171 copartnership, firm, company, agency, or association; a state
 172 agency; a federal agency; or a political subdivision of the
 173 state.

174 Section 8. Section 206.9952, Florida Statutes, is created
 175 to read:

176 206.9952 Application for license as a natural gas fuel
 177 retailer.—

178 (1) It is unlawful for any person to engage in business as
 179 a natural gas fuel retailer within this state unless he or she
 180 is the holder of a valid license issued by the department to
 181 engage in such business.

182 (2) A person who has facilities for placing natural gas
 183 fuel into the supply system of an internal combustion engine
 184 fueled by individual portable containers of 10 gallons or less
 185 is not required to be licensed as a natural gas fuel retailer,
 186 provided that the fuel is only used for exempt purposes.

187 (3) (a) Any person who acts as a natural gas retailer and
 188 does not hold a valid natural gas fuel retailer license shall
 189 pay a penalty of \$200 for each month of operation without a
 190 license. This paragraph expires December 31, 2018.

191 (b) Effective January 1, 2019, any person who acts as a
 192 natural gas fuel retailer and does not hold a valid natural gas
 193 fuel retailer license shall pay a penalty of 25 percent of the
 194 tax assessed on the total purchases made during the unlicensed
 195 period.

196 (4) To procure a natural gas fuel retailer license, a

197 person shall file an application and a bond with the department
 198 on a form prescribed by the department. The department may not
 199 issue a license upon the receipt of any application unless it is
 200 accompanied by a bond.

201 (5) When a natural gas fuel retailer license application
 202 is filed by a person whose previous license was canceled for
 203 cause by the department or the department believes that such
 204 application was not filed in good faith or is filed by another
 205 person as a subterfuge for the actual person in interest whose
 206 previous license has been canceled, the department may, if
 207 evidence warrants, refuse to issue a license for such an
 208 application.

209 (6) Upon the department's issuance of a natural gas fuel
 210 retailer license, such license remains in effect so long as the
 211 natural gas fuel retailer is in compliance with the requirements
 212 of this part.

213 (7) Such license may not be assigned and is valid only for
 214 the natural gas fuel retailer in whose name the license is
 215 issued. The license shall be displayed conspicuously by the
 216 natural gas fuel retailer in the principal place of business for
 217 which the license was issued.

218 (8) With the exception of a state or federal agency or a
 219 political subdivision licensed under this chapter, each person,
 220 as defined in this part, who operates as a natural gas fuel
 221 retailer shall report monthly to the department and pay a tax on
 222 all natural gas fuel purchases beginning January 1, 2019.

223 (9) The license application requires a license fee of \$5.
 224 Each license shall be renewed annually by submitting a

225 reapplication and the license fee to the department. The license
 226 fee shall be paid to the department for deposit into the General
 227 Revenue Fund.

228 Section 9. Section 206.9955, Florida Statutes, is created
 229 to read:

230 206.9955 Levy of natural gas fuel tax.—

231 (1) The motor fuel equivalent gallon means the following
 232 for:

233 (a) Compressed natural gas gallon: 5.66 pounds, or per
 234 each 126.67 cubic feet.

235 (b) Liquefied natural gas gallon: 6.22 pounds.

236 (c) Liquefied petroleum gas gallon: 1.35 gallons.

237 (2) Effective January 1, 2019, the following taxes shall
 238 be imposed:

239 (a) An excise tax of 4 cents upon each motor fuel
 240 equivalent gallon of natural gas fuel.

241 (b) An additional tax of 1 cent upon each motor fuel
 242 equivalent gallon of natural gas fuel, which is designated as
 243 the "ninth-cent fuel tax."

244 (c) An additional tax of 6 cents on each motor fuel
 245 equivalent gallon of natural gas fuel by each county, which is
 246 designated as the "local option fuel tax."

247 (d) An additional tax on each motor fuel equivalent gallon
 248 of natural gas fuel, which is designated as the "State
 249 Comprehensive Enhanced Transportation System Tax," at a rate
 250 determined pursuant to this paragraph. Each calendar year, the
 251 department shall determine the tax rate applicable to the sale
 252 of natural gas fuel for the following 12-month period beginning

253 January 1, rounded to the nearest tenth of a cent, by adjusting
 254 the initially established tax rate of 7.1 cents per gallon by
 255 the percentage change in the average of the Consumer Price Index
 256 issued by the United States Department of Labor for the most
 257 recent 12-month period ending September 30.

258 (e)1. An additional tax is imposed on each motor fuel
 259 equivalent gallon of natural gas fuel for the privilege of
 260 selling natural gas fuel and is designated as the "fuel sales
 261 tax." Each calendar year, the department shall determine the tax
 262 rate applicable to the sale of natural gas fuel, rounded to the
 263 nearest tenth of a cent, for the following 12-month period
 264 beginning January 1. The tax rate is calculated by adjusting the
 265 initially established tax rate of 12.9 cents per gallon by the
 266 percentage change in the average of the Consumer Price Index
 267 issued by the United States Department of Labor for the most
 268 recent 12-month period ending September 30.

269 2. The department is authorized to adopt rules and publish
 270 forms to administer this paragraph.

271 (3) Unless otherwise provided by this chapter, the taxes
 272 specified in subsection (2) are imposed on natural gas fuel when
 273 it is placed into the fuel supply tank of a motor vehicle as
 274 defined in s. 206.01(23). The person liable for payment of the
 275 taxes imposed by this section is the person selling the fuel to
 276 the end user, for use in the fuel supply tank of a motor vehicle
 277 as defined in s. 206.01(23).

278 Section 10. Section 206.996, Florida Statutes, is created
 279 to read:

280 206.996 Monthly reports by natural gas fuel retailers;

281 deductions.-

282 (1) For the purpose of determining the amount of taxes
283 imposed by s. 206.9955, each natural gas fuel retailer shall
284 file beginning with February 2019 and each month thereafter, no
285 later than the 20th day of each month, monthly reports
286 electronically with the department showing information on
287 inventory, purchases, nontaxable disposals, and taxable sales in
288 gallons of natural gas fuel for the preceding month. However, if
289 the 20th day of the month falls on a Saturday, Sunday, or
290 federal or state legal holiday, a return must be accepted if it
291 is electronically filed on the next succeeding business day. The
292 reports must include, or be verified by, a written declaration
293 stating that such report is made under the penalties of perjury.
294 The natural gas fuel retailer shall deduct from the amount of
295 taxes shown by the report to be payable an amount equivalent to
296 0.67 percent of the taxes on natural gas fuel imposed by s.
297 206.9955(2)(a) and (e), which deduction is allowed to the
298 natural gas fuel retailer to compensate it for services rendered
299 and expenses incurred in complying with the requirements of this
300 part. The allowance on taxable gallons of natural gas fuel sold
301 to persons licensed under this part is not deductible unless the
302 natural gas fuel retailer has allowed 50 percent of the
303 allowance provided by this section to a purchaser that has a
304 valid wholesaler or terminal supplier license. This allowance is
305 not deductible unless payment of applicable taxes is made on or
306 before the 20th day of the month. This subsection may not be
307 construed as authorizing a deduction from the constitutional
308 fuel tax or the fuel sales tax.

309 (2) Upon the electronic filing of the monthly report, each
 310 natural gas fuel retailer shall pay the department the full
 311 amount of natural gas fuel taxes for the preceding month at the
 312 rate provided in s. 206.9955, less the amount allowed the
 313 natural gas fuel retailer for services and expenses as provided
 314 in subsection (1).

315 (3) The department may authorize a quarterly return and
 316 payment of taxes when the taxes remitted by the natural gas fuel
 317 retailer for the preceding quarter did not exceed \$100, and the
 318 department may authorize a semiannual return and payment of
 319 taxes when the taxes remitted by the natural gas fuel retailer
 320 for the preceding 6 months did not exceed \$200.

321 (4) In addition to the allowance authorized by subsection
 322 (1), every natural gas fuel retailer is entitled to a deduction
 323 of 1.1 percent of the taxes imposed under s. 206.9955(2)(b) and
 324 (c), on account of services and expenses incurred due to
 325 compliance with the requirements of this part. This allowance
 326 may not be deductible unless payment of the tax is made on or
 327 before the 20th day of the month.

328 Section 11. Section 206.9965, Florida Statutes, is created
 329 to read:

330 206.9965 Exemptions and refunds; natural gas fuel
 331 retailers.— Natural gas fuel may be purchased from natural gas
 332 fuel retailers exempt from the tax imposed by this part when
 333 used or purchased for the following:

334 (1) Exclusive use by the United States or its departments
 335 or agencies. Exclusive use by the United States or its
 336 departments and agencies means the consumption by the United

337 States or its departments or agencies of the natural gas fuel in
 338 a motor vehicle as defined in s. 206.01(23).

339 (2) Use for agricultural purposes as defined in s.
 340 206.41(4)(c).

341 (3) Uses as provided in s. 206.874(3).

342 (4) Used to propel motor vehicles operated by state and
 343 local government agencies.

344 (5) Individual use resulting from residential refueling
 345 devices located at a person's primary residence.

346 (6) Purchases of natural gas fuel between licensed natural
 347 gas fuel retailers. A natural gas fuel retailer that sells tax-
 348 paid natural gas fuel to another natural gas fuel retailer may
 349 take a credit on its monthly return or may file a claim for
 350 refund with the Chief Financial Officer pursuant to s. 215.26.
 351 All sales of natural gas fuel between natural gas fuel retailers
 352 must be documented on invoices or other evidence of the sale of
 353 such fuel and the seller shall retain a copy of the purchaser's
 354 natural gas fuel retailer license.

355 Section 12. Section 206.879, Florida Statutes, is
 356 transferred and renumbered as section 206.997, Florida Statutes,
 357 and amended to read:

358 206.997 ~~206.879~~ ~~State and local~~ alternative fuel user fee
 359 clearing trust funds; distribution.—

360 ~~(1)~~ Notwithstanding ~~the provisions of~~ s. 206.875, the
 361 revenues from the natural gas fuel tax imposed by s. 206.9955
 362 ~~state alternative fuel fees imposed by s. 206.877~~ shall be
 363 deposited into the State Alternative Fuel User Fee Clearing
 364 Trust Fund, which is hereby created. After deducting the service

365 charges provided in s. 215.20, the proceeds in this trust fund
 366 shall be distributed as follows: one-half of the proceeds in
 367 calendar year 2019 and ~~one-fifth of the proceeds in calendar~~
 368 ~~year 1991, one-third of the proceeds in calendar year 1992,~~
 369 ~~three-sevenths of the proceeds in calendar year 1993, and one-~~
 370 ~~half of the proceeds in each calendar year thereafter shall be~~
 371 transferred to the State Transportation Trust Fund; the
 372 remainder shall be distributed as follows: 50 percent shall be
 373 transferred to the State Board of Administration for
 374 distribution according to the provisions of s. 16, Art. IX of
 375 the State Constitution of 1885, as amended; 25 percent shall be
 376 transferred to the Revenue Sharing Trust Fund for
 377 Municipalities; and the remaining 25 percent shall be
 378 distributed using the formula contained in s. 206.60(1).

379 ~~(2) Notwithstanding the provisions of s. 206.875, the~~
 380 ~~revenues from the local alternative fuel fees imposed in lieu of~~
 381 ~~s. 206.87(1)(b) or (c) shall be deposited into The Local~~
 382 ~~Alternative Fuel User Fee Clearing Trust Fund, which is hereby~~
 383 ~~created. After deducting the service charges provided in s.~~
 384 ~~215.20, the proceeds in this trust fund shall be returned~~
 385 ~~monthly to the appropriate county.~~

386 Section 13. (1) The Local Alternative Fuel User Fee
 387 Clearing Trust Fund within the Department of Revenue is
 388 terminated.

389 (2) The Department of Revenue shall pay any outstanding
 390 debts or obligations of the terminated fund as soon as
 391 practicable, and the Chief Financial Officer shall close out and
 392 remove the terminated fund from various state accounting systems

393 | using generally accepted accounting principles concerning
 394 | warrants outstanding, assets, and liabilities.

395 | Section 14. Section 206.998, Florida Statutes, is created
 396 | to read:

397 | 206.998 Applicability of specified sections of parts I and
 398 | II.—The provisions of ss. 206.01, 206.02, 206.025, 206.026,
 399 | 206.027, 206.028, 206.03, 206.05, 206.055, 206.06, 206.07,
 400 | 206.075, 206.09, 206.10, 206.11, 206.12, 206.13, 206.14, 206.15,
 401 | 206.16, 206.17, 206.175, 206.18, 206.199, 206.20, 206.204,
 402 | 206.205, 206.21, 206.215, 206.22, 206.23, 206.24, 206.25,
 403 | 206.27, 206.28, 206.405, 206.406, 206.41, 206.413, 206.43,
 404 | 206.44, 206.48, 206.485, 206.49, 206.56, 206.59, 206.606,
 405 | 206.608, and 206.61, Florida Statutes, of part I of this chapter
 406 | and ss. 206.86, 206.872, 206.874, 206.8745, 206.88, 206.90, and
 407 | 206.93, Florida Statutes, of part II of this chapter shall, as
 408 | far as lawful or practicable, be applicable to the tax levied
 409 | and imposed and to the collection thereof as if fully set out in
 410 | this part. However, any provision of any such section does not
 411 | apply if it conflicts with any provision of this part.

412 | Section 15. Paragraph (d) of subsection (2) of section
 413 | 212.055, Florida Statutes, is amended to read:

414 | 212.055 Discretionary sales surtaxes; legislative intent;
 415 | authorization and use of proceeds.—It is the legislative intent
 416 | that any authorization for imposition of a discretionary sales
 417 | surtax shall be published in the Florida Statutes as a
 418 | subsection of this section, irrespective of the duration of the
 419 | levy. Each enactment shall specify the types of counties
 420 | authorized to levy; the rate or rates which may be imposed; the

421 maximum length of time the surtax may be imposed, if any; the
 422 procedure which must be followed to secure voter approval, if
 423 required; the purpose for which the proceeds may be expended;
 424 and such other requirements as the Legislature may provide.
 425 Taxable transactions and administrative procedures shall be as
 426 provided in s. 212.054.

427 (2) LOCAL GOVERNMENT INFRASTRUCTURE SURTAX.—

428 (d) The proceeds of the surtax authorized by this
 429 subsection and any accrued interest shall be expended by the
 430 school district, within the county and municipalities within the
 431 county, or, in the case of a negotiated joint county agreement,
 432 within another county, to finance, plan, and construct
 433 infrastructure; to acquire land for public recreation,
 434 conservation, or protection of natural resources; to provide
 435 loans, grants, or rebates to residential or commercial property
 436 owners who make energy efficiency improvements to their
 437 residential or commercial property, if a local government
 438 ordinance authorizing such use is approved by referendum; or to
 439 finance the closure of county-owned or municipally owned solid
 440 waste landfills that have been closed or are required to be
 441 closed by order of the Department of Environmental Protection.
 442 Any use of the proceeds or interest for purposes of landfill
 443 closure before July 1, 1993, is ratified. The proceeds and any
 444 interest may not be used for the operational expenses of
 445 infrastructure, except that a county that has a population of
 446 fewer than 75,000 and that is required to close a landfill may
 447 use the proceeds or interest for long-term maintenance costs
 448 associated with landfill closure. Counties, as defined in s.

449 125.011, and charter counties may, in addition, use the proceeds
 450 or interest to retire or service indebtedness incurred for bonds
 451 issued before July 1, 1987, for infrastructure purposes, and for
 452 bonds subsequently issued to refund such bonds. Any use of the
 453 proceeds or interest for purposes of retiring or servicing
 454 indebtedness incurred for refunding bonds before July 1, 1999,
 455 is ratified.

456 1. For the purposes of this paragraph, the term
 457 "infrastructure" means:

458 a. Any fixed capital expenditure or fixed capital outlay
 459 associated with the construction, reconstruction, or improvement
 460 of public facilities that have a life expectancy of 5 or more
 461 years and any related land acquisition, land improvement,
 462 design, and engineering costs.

463 b. A fire department vehicle, an emergency medical service
 464 vehicle, a sheriff's office vehicle, a police department
 465 vehicle, or any other vehicle, and the equipment necessary to
 466 outfit the vehicle for its official use or equipment that has a
 467 life expectancy of at least 5 years.

468 c. Any expenditure for the construction, lease, or
 469 maintenance of, or provision of utilities or security for,
 470 facilities, as defined in s. 29.008.

471 d. Any fixed capital expenditure or fixed capital outlay
 472 associated with the improvement of private facilities that have
 473 a life expectancy of 5 or more years and that the owner agrees
 474 to make available for use on a temporary basis as needed by a
 475 local government as a public emergency shelter or a staging area
 476 for emergency response equipment during an emergency officially

477 declared by the state or by the local government under s.
 478 252.38. Such improvements are limited to those necessary to
 479 comply with current standards for public emergency evacuation
 480 shelters. The owner must enter into a written contract with the
 481 local government providing the improvement funding to make the
 482 private facility available to the public for purposes of
 483 emergency shelter at no cost to the local government for a
 484 minimum of 10 years after completion of the improvement, with
 485 the provision that the obligation will transfer to any
 486 subsequent owner until the end of the minimum period.

487 e. Any land acquisition expenditure for a residential
 488 housing project in which at least 30 percent of the units are
 489 affordable to individuals or families whose total annual
 490 household income does not exceed 120 percent of the area median
 491 income adjusted for household size, if the land is owned by a
 492 local government or by a special district that enters into a
 493 written agreement with the local government to provide such
 494 housing. The local government or special district may enter into
 495 a ground lease with a public or private person or entity for
 496 nominal or other consideration for the construction of the
 497 residential housing project on land acquired pursuant to this
 498 sub-subparagraph.

499 2. For the purposes of this paragraph, the term "energy
 500 efficiency improvement" means any energy conservation and
 501 efficiency improvement that reduces consumption through
 502 conservation or a more efficient use of electricity, natural
 503 gas, propane, or other forms of energy on the property,
 504 including, but not limited to, air sealing; installation of

505 insulation; installation of energy-efficient heating, cooling,
 506 or ventilation systems; installation of solar panels; building
 507 modifications to increase the use of daylight or shade;
 508 replacement of windows; installation of energy controls or
 509 energy recovery systems; installation of electric vehicle
 510 charging equipment; installation of systems for natural gas fuel
 511 as defined in s. 206.9951; and installation of efficient
 512 lighting equipment.

513 3. Notwithstanding any other provision of this subsection,
 514 a local government infrastructure surtax imposed or extended
 515 after July 1, 1998, may allocate up to 15 percent of the surtax
 516 proceeds for deposit into ~~in~~ a trust fund within the county's
 517 accounts created for the purpose of funding economic development
 518 projects having a general public purpose of improving local
 519 economies, including the funding of operational costs and
 520 incentives related to economic development. The ballot statement
 521 must indicate the intention to make an allocation under the
 522 authority of this subparagraph.

523 Section 16. Subsection (4) of section 212.08, Florida
 524 Statutes, is amended to read:

525 212.08 Sales, rental, use, consumption, distribution, and
 526 storage tax; specified exemptions.—The sale at retail, the
 527 rental, the use, the consumption, the distribution, and the
 528 storage to be used or consumed in this state of the following
 529 are hereby specifically exempt from the tax imposed by this
 530 chapter.

531 (4) EXEMPTIONS; ITEMS BEARING OTHER EXCISE TAXES, ETC.—

532 (a) Also exempt are:

533 1. Water delivered to the purchaser through pipes or
 534 conduits or delivered for irrigation purposes. The sale of
 535 drinking water in bottles, cans, or other containers, including
 536 water that contains minerals or carbonation in its natural state
 537 or water to which minerals have been added at a water treatment
 538 facility regulated by the Department of Environmental Protection
 539 or the Department of Health, is exempt. This exemption does not
 540 apply to the sale of drinking water in bottles, cans, or other
 541 containers if carbonation or flavorings, except those added at a
 542 water treatment facility, have been added. Water that has been
 543 enhanced by the addition of minerals and that does not contain
 544 any added carbonation or flavorings is also exempt.

545 2. All fuels used by a public or private utility,
 546 including any municipal corporation or rural electric
 547 cooperative association, in the generation of electric power or
 548 energy for sale. Fuel other than motor fuel and diesel fuel is
 549 taxable as provided in this chapter with the exception of fuel
 550 expressly exempt herein. Natural gas fuel as defined in s.
 551 206.9951(2) is exempt from the tax imposed by this chapter when
 552 placed into the fuel supply system of a motor vehicle. Motor
 553 fuels and diesel fuels are taxable as provided in chapter 206,
 554 with the exception of those motor fuels and diesel fuels used by
 555 railroad locomotives or vessels to transport persons or property
 556 in interstate or foreign commerce, which are taxable under this
 557 chapter only to the extent provided herein. The basis of the tax
 558 shall be the ratio of intrastate mileage to interstate or
 559 foreign mileage traveled by the carrier's railroad locomotives
 560 or vessels that were used in interstate or foreign commerce and

561 that had at least some Florida mileage during the previous
 562 fiscal year of the carrier, such ratio to be determined at the
 563 close of the fiscal year of the carrier. However, during the
 564 fiscal year in which the carrier begins its initial operations
 565 in this state, the carrier's mileage apportionment factor may be
 566 determined on the basis of an estimated ratio of anticipated
 567 miles in this state to anticipated total miles for that year,
 568 and subsequently, additional tax shall be paid on the motor fuel
 569 and diesel fuels, or a refund may be applied for, on the basis
 570 of the actual ratio of the carrier's railroad locomotives' or
 571 vessels' miles in this state to its total miles for that year.
 572 This ratio shall be applied each month to the total Florida
 573 purchases made in this state of motor and diesel fuels to
 574 establish that portion of the total used and consumed in
 575 intrastate movement and subject to tax under this chapter. The
 576 basis for imposition of any discretionary surtax shall be set
 577 forth in s. 212.054. Fuels used exclusively in intrastate
 578 commerce do not qualify for the proration of tax.

579 3. The transmission or wheeling of electricity.

580 (b) Alcoholic beverages and malt beverages are not exempt.
 581 The terms "alcoholic beverages" and "malt beverages" as used in
 582 this paragraph have the same meanings ascribed to them in ss.
 583 561.01(4) and 563.01, respectively. It is determined by the
 584 Legislature that the classification of alcoholic beverages made
 585 in this paragraph for the purpose of extending the tax imposed
 586 by this chapter is reasonable and just, and it is intended that
 587 such tax be separate from, and in addition to, any other tax
 588 imposed on alcoholic beverages.

PCS for HB 579

ORIGINAL

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589 | Section 17. This act shall take effect January 1, 2014. |