

By Senator Perry

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1 A bill to be entitled
2 An act relating to the tax on commercial real
3 property; amending s. 212.031, F.S.; providing an
4 exemption from the tax imposed on rental or license
5 fees charged for the use of commercial real property;
6 increasing the amount of the exemption at specified
7 intervals; authorizing the Department of Revenue to
8 review any lease, license, or other information for
9 certain purposes; authorizing the department, under
10 certain circumstances, to adjust the total rental
11 charge subject to the exemption; providing for the
12 future repeal of s. 212.031, F.S., relating to the
13 imposition of a tax on the rental or license fees
14 charged for the use of commercial real property;
15 amending s. 212.0598, F.S.; conforming a provision to
16 changes made by the act; amending s. 212.0602, F.S.;
17 defining the term "qualified production services";
18 conforming provisions to changes made by the act;
19 amending ss. 212.08, 212.12, 288.1258, 338.234, and
20 341.840, F.S.; conforming provisions to changes made
21 by the act; providing effective dates.

22
23 Be It Enacted by the Legislature of the State of Florida:

24
25 Section 1. Section 212.031, Florida Statutes, is amended to
26 read:

27 212.031 Tax on rental or license fee for use of real
28 property.—

29 (1) (a) It is declared to be the legislative intent that

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30 every person is exercising a taxable privilege who engages in
31 the business of renting, leasing, letting, or granting a license
32 for the use of any real property unless such property is:

33 1. Assessed as agricultural property under s. 193.461.

34 2. Used exclusively as dwelling units.

35 3. Property subject to tax on parking, docking, or storage
36 spaces under s. 212.03(6).

37 4. Recreational property or the common elements of a
38 condominium when subject to a lease between the developer or
39 owner thereof and the condominium association in its own right
40 or as agent for the owners of individual condominium units or
41 the owners of individual condominium units. However, only the
42 lease payments on such property shall be exempt from the tax
43 imposed by this chapter, and any other use made by the owner or
44 the condominium association shall be fully taxable under this
45 chapter.

46 5. A public or private street or right-of-way and poles,
47 conduits, fixtures, and similar improvements located on such
48 streets or rights-of-way, occupied or used by a utility or
49 provider of communications services, as defined by s. 202.11,
50 for utility or communications or television purposes. For
51 purposes of this subparagraph, the term "utility" means any
52 person providing utility services as defined in s. 203.012. This
53 exception also applies to property, wherever located, on which
54 the following are placed: towers, antennas, cables, accessory
55 structures, or equipment, not including switching equipment,
56 used in the provision of mobile communications services as
57 defined in s. 202.11. For purposes of this chapter, towers used
58 in the provision of mobile communications services, as defined

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59 in s. 202.11, are considered to be fixtures.

60 6. A public street or road which is used for transportation
61 purposes.

62 7. Property used at an airport exclusively for the purpose
63 of aircraft landing or aircraft taxiing or property used by an
64 airline for the purpose of loading or unloading passengers or
65 property onto or from aircraft or for fueling aircraft.

66 8.a. Property used at a port authority, as defined in s.
67 315.02(2), exclusively for the purpose of oceangoing vessels or
68 tugs docking, or such vessels mooring on property used by a port
69 authority for the purpose of loading or unloading passengers or
70 cargo onto or from such a vessel, or property used at a port
71 authority for fueling such vessels, or to the extent that the
72 amount paid for the use of any property at the port is based on
73 the charge for the amount of tonnage actually imported or
74 exported through the port by a tenant.

75 b. The amount charged for the use of any property at the
76 port in excess of the amount charged for tonnage actually
77 imported or exported shall remain subject to tax except as
78 provided in sub-subparagraph a.

79 9. Property used as an integral part of the performance of
80 qualified production services. As used in this subparagraph, the
81 term "qualified production services" means any activity or
82 service performed directly in connection with the production of
83 a qualified motion picture, as defined in s. 212.06(1)(b), and
84 includes:

85 a. Photography, sound and recording, casting, location
86 managing and scouting, shooting, creation of special and optical
87 effects, animation, adaptation (language, media, electronic, or

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88 otherwise), technological modifications, computer graphics, set
89 and stage support (such as electricians, lighting designers and
90 operators, greensmen, prop managers and assistants, and grips),
91 wardrobe (design, preparation, and management), hair and makeup
92 (design, production, and application), performing (such as
93 acting, dancing, and playing), designing and executing stunts,
94 coaching, consulting, writing, scoring, composing,
95 choreographing, script supervising, directing, producing,
96 transmitting dailies, dubbing, mixing, editing, cutting,
97 looping, printing, processing, duplicating, storing, and
98 distributing;

99 b. The design, planning, engineering, construction,
100 alteration, repair, and maintenance of real or personal property
101 including stages, sets, props, models, paintings, and facilities
102 principally required for the performance of those services
103 listed in sub-subparagraph a.; and

104 c. Property management services directly related to
105 property used in connection with the services described in sub-
106 subparagraphs a. and b.

107

108 This exemption will inure to the taxpayer upon presentation of
109 the certificate of exemption issued to the taxpayer under the
110 provisions of s. 288.1258.

111 10. Leased, subleased, licensed, or rented to a person
112 providing food and drink concessionaire services within the
113 premises of a convention hall, exhibition hall, auditorium,
114 stadium, theater, arena, civic center, performing arts center,
115 publicly owned recreational facility, or any business operated
116 under a permit issued pursuant to chapter 550. A person

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117 providing retail concessionaire services involving the sale of
118 food and drink or other tangible personal property within the
119 premises of an airport shall be subject to tax on the rental of
120 real property used for that purpose, but shall not be subject to
121 the tax on any license to use the property. For purposes of this
122 subparagraph, the term "sale" shall not include the leasing of
123 tangible personal property.

124 11. Property occupied pursuant to an instrument calling for
125 payments which the department has declared, in a Technical
126 Assistance Advisement issued on or before March 15, 1993, to be
127 nontaxable pursuant to rule 12A-1.070(19)(c), Florida
128 Administrative Code; provided that this subparagraph shall only
129 apply to property occupied by the same person before and after
130 the execution of the subject instrument and only to those
131 payments made pursuant to such instrument, exclusive of renewals
132 and extensions thereof occurring after March 15, 1993.

133 12. Property used or occupied predominantly for space
134 flight business purposes. As used in this subparagraph, "space
135 flight business" means the manufacturing, processing, or
136 assembly of a space facility, space propulsion system, space
137 vehicle, satellite, or station of any kind possessing the
138 capacity for space flight, as defined by s. 212.02(23), or
139 components thereof, and also means the following activities
140 supporting space flight: vehicle launch activities, flight
141 operations, ground control or ground support, and all
142 administrative activities directly related thereto. Property
143 shall be deemed to be used or occupied predominantly for space
144 flight business purposes if more than 50 percent of the
145 property, or improvements thereon, is used for one or more space

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146 flight business purposes. Possession by a landlord, lessor, or
147 licensor of a signed written statement from the tenant, lessee,
148 or licensee claiming the exemption shall relieve the landlord,
149 lessor, or licensor from the responsibility of collecting the
150 tax, and the department shall look solely to the tenant, lessee,
151 or licensee for recovery of such tax if it determines that the
152 exemption was not applicable.

153 13. Rented, leased, subleased, or licensed to a person
154 providing telecommunications, data systems management, or
155 Internet services at a publicly or privately owned convention
156 hall, civic center, or meeting space at a public lodging
157 establishment as defined in s. 509.013. This subparagraph
158 applies only to that portion of the rental, lease, or license
159 payment that is based upon a percentage of sales, revenue
160 sharing, or royalty payments and not based upon a fixed price.
161 This subparagraph is intended to be clarifying and remedial in
162 nature and shall apply retroactively. This subparagraph does not
163 provide a basis for an assessment of any tax not paid, or create
164 a right to a refund of any tax paid, pursuant to this section
165 before July 1, 2010.

166 (b) When a lease involves multiple use of real property
167 wherein a part of the real property is subject to the tax
168 herein, and a part of the property would be excluded from the
169 tax under subparagraph (a)1., subparagraph (a)2., subparagraph
170 (a)3., or subparagraph (a)5., the department shall determine,
171 from the lease or license and such other information as may be
172 available, that portion of the total rental charge which is
173 exempt from the tax imposed by this section. The portion of the
174 premises leased or rented by a for-profit entity providing a

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175 residential facility for the aged will be exempt on the basis of
176 a pro rata portion calculated by combining the square footage of
177 the areas used for residential units by the aged and for the
178 care of such residents and dividing the resultant sum by the
179 total square footage of the rented premises. For purposes of
180 this section, the term "residential facility for the aged" means
181 a facility that is licensed or certified in whole or in part
182 under chapter 400, chapter 429, or chapter 651; or that provides
183 residences to the elderly and is financed by a mortgage or loan
184 made or insured by the United States Department of Housing and
185 Urban Development under s. 202, s. 202 with a s. 8 subsidy, s.
186 221(d)(3) or (4), s. 232, or s. 236 of the National Housing Act;
187 or other such similar facility that provides residences
188 primarily for the elderly.

189 (c) For the exercise of such privilege, a tax is levied at
190 the rate of 5.7 percent of and on the total rent or license fee
191 charged for such real property by the person charging or
192 collecting the rental or license fee. The total rent or license
193 fee charged for such real property shall include payments for
194 the granting of a privilege to use or occupy real property for
195 any purpose and shall include base rent, percentage rents, or
196 similar charges. Such charges shall be included in the total
197 rent or license fee subject to tax under this section whether or
198 not they can be attributed to the ability of the lessor's or
199 licensor's property as used or operated to attract customers.
200 Payments for intrinsically valuable personal property such as
201 franchises, trademarks, service marks, logos, or patents are not
202 subject to tax under this section. In the case of a contractual
203 arrangement that provides for both payments taxable as total

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204 rent or license fee and payments not subject to tax, the tax
205 shall be based on a reasonable allocation of such payments and
206 shall not apply to that portion which is for the nontaxable
207 payments.

208 (d) When the rental or license fee of any such real
209 property is paid by way of property, goods, wares, merchandise,
210 services, or other thing of value, the tax shall be at the rate
211 of 5.7 percent of the value of the property, goods, wares,
212 merchandise, services, or other thing of value.

213 (e) The tax rate in effect at the time that the tenant or
214 person occupies, uses, or is entitled to occupy or use the real
215 property is the tax rate applicable to the transaction taxable
216 under this section, regardless of when a rent or license fee
217 payment is due or paid. The applicable tax rate may not be
218 avoided by delaying or accelerating rent or license fee
219 payments.

220 (f) The following amounts are exempt from the tax imposed
221 under this section on each lease or license of real property:

222 1. Effective January 1, 2020, the first \$10,000 of the
223 total rent or license fee subject to tax under this section
224 which is charged during the calendar year by the person charging
225 or collecting the rental or license fee to the tenant or person
226 actually occupying, using, or entitled to the use of the
227 property.

228 2. Effective January 1, 2021, the first \$20,000 of the
229 total rent or license fee subject to tax under this section
230 which is charged during the calendar year by the person charging
231 or collecting the rental or license fee to the tenant or person
232 actually occupying, using, or entitled to the use of the

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233 property.

234 3. Effective January 1, 2022, the first \$30,000 of the
235 total rent or license fee subject to tax under this section
236 which is charged during the calendar year by the person charging
237 or collecting the rental or license fee to the tenant or person
238 actually occupying, using, or entitled to the use of the
239 property.

240 4. Effective January 1, 2023, the first \$40,000 of the
241 total rent or license fee subject to tax under this section
242 which is charged during the calendar year by the person charging
243 or collecting the rental or license fee to the tenant or person
244 actually occupying, using, or entitled to the use of the
245 property.

246 5. Effective January 1, 2024, the first \$50,000 of the
247 total rent or license fee subject to tax under this section
248 which is charged during the calendar year by the person charging
249 or collecting the rental or license fee to the tenant or person
250 actually occupying, using, or entitled to the use of the
251 property.

252 6. Effective January 1, 2025, the first \$60,000 of the
253 total rent or license fee subject to tax under this section
254 which is charged during the calendar year by the person charging
255 or collecting the rental or license fee to the tenant or person
256 actually occupying, using, or entitled to the use of the
257 property.

258 7. Effective January 1, 2026, the first \$70,000 of the
259 total rent or license fee subject to tax under this section
260 which is charged during the calendar year by the person charging
261 or collecting the rental or license fee to the tenant or person

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262 actually occupying, using, or entitled to the use of the
263 property.

264 8. Effective January 1, 2027, the first \$80,000 of the
265 total rent or license fee subject to tax under this section
266 which is charged during the calendar year by the person charging
267 or collecting the rental or license fee to the tenant or person
268 actually occupying, using, or entitled to the use of the
269 property.

270 9. Effective January 1, 2028, the first \$90,000 of the
271 total rent or license fee subject to tax under this section
272 which is charged during the calendar year by the person charging
273 or collecting the rental or license fee to the tenant or person
274 actually occupying, using, or entitled to the use of the
275 property.

276
277 For purposes of administering and implementing the exemptions
278 provided in this paragraph, the department may review any lease,
279 license, or other such information as may be available to
280 determine the total rental charge that is subject to the
281 applicable exemption. The department may adjust the total rental
282 charge subject to the exemption, as necessary, to accurately
283 reflect the intent, terms, duration, or subject of one or more
284 rental or license agreements.

285 (2) (a) The tenant or person actually occupying, using, or
286 entitled to the use of any property from which the rental or
287 license fee is subject to taxation under this section shall pay
288 the tax to his or her immediate landlord or other person
289 granting the right to such tenant or person to occupy or use
290 such real property.

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291 (b) It is the further intent of this Legislature that only
292 one tax be collected on the rental or license fee payable for
293 the occupancy or use of any such property, that the tax so
294 collected shall not be pyramided by a progression of
295 transactions, and that the amount of the tax due the state shall
296 not be decreased by any such progression of transactions.

297 (3) The tax imposed by this section shall be in addition to
298 the total amount of the rental or license fee, shall be charged
299 by the lessor or person receiving the rent or payment in and by
300 a rental or license fee arrangement with the lessee or person
301 paying the rental or license fee, and shall be due and payable
302 at the time of the receipt of such rental or license fee payment
303 by the lessor or other person who receives the rental or
304 payment. Notwithstanding any other provision of this chapter,
305 the tax imposed by this section on the rental, lease, or license
306 for the use of a convention hall, exhibition hall, auditorium,
307 stadium, theater, arena, civic center, performing arts center,
308 or publicly owned recreational facility to hold an event of not
309 more than 7 consecutive days' duration shall be collected at the
310 time of the payment for that rental, lease, or license but is
311 not due and payable to the department until the first day of the
312 month following the last day that the event for which the
313 payment is made is actually held, and becomes delinquent on the
314 21st day of that month. The owner, lessor, or person receiving
315 the rent or license fee shall remit the tax to the department at
316 the times and in the manner hereinafter provided for dealers to
317 remit taxes under this chapter. The same duties imposed by this
318 chapter upon dealers in tangible personal property respecting
319 the collection and remission of the tax; the making of returns;

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320 the keeping of books, records, and accounts; and the compliance
321 with the rules and regulations of the department in the
322 administration of this chapter shall apply to and be binding
323 upon all persons who manage any leases or operate real property,
324 hotels, apartment houses, roominghouses, or tourist and trailer
325 camps and all persons who collect or receive rents or license
326 fees taxable under this chapter on behalf of owners or lessors.

327 (4) The tax imposed by this section shall constitute a lien
328 on the property of the lessee or licensee of any real estate in
329 the same manner as, and shall be collectible as are, liens
330 authorized and imposed by ss. 713.68 and 713.69.

331 (5) When space is subleased to a convention or industry
332 trade show in a convention hall, exhibition hall, or auditorium,
333 whether publicly or privately owned, the sponsor who holds the
334 prime lease is subject to tax on the prime lease and the
335 sublease is exempt.

336 (6) The lease or rental of land or a hall or other
337 facilities by a fair association subject to the provisions of
338 chapter 616 to a show promoter or prime operator of a carnival
339 or midway attraction is exempt from the tax imposed by this
340 section; however, the sublease of land or a hall or other
341 facilities by the show promoter or prime operator is not exempt
342 from the provisions of this section.

343 (7) Utility charges subject to sales tax which are paid by
344 a tenant to the lessor and which are part of a payment for the
345 privilege or right to use or occupy real property are exempt
346 from tax if the lessor has paid sales tax on the purchase of
347 such utilities and the charges billed by the lessor to the
348 tenant are separately stated and at the same or a lower price

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349 than those paid by the lessor.

350 (8) Charges by lessors to a lessee to cancel or terminate a
351 lease agreement are presumed taxable if the lessor records such
352 charges as rental income in its books and records. This
353 presumption can be overcome by the provision of sufficient
354 documentation by either the lessor or the lessee that such
355 charges were other than for the rental of real property.

356 (9) The rental, lease, sublease, or license for the use of
357 a skybox, luxury box, or other box seats for use during a high
358 school or college football game is exempt from the tax imposed
359 by this section when the charge for such rental, lease,
360 sublease, or license is imposed by a nonprofit sponsoring
361 organization which is qualified as nonprofit pursuant to s.
362 501(c)(3) of the Internal Revenue Code.

363 Section 2. Effective January 1, 2029, section 212.031,
364 Florida Statutes, is repealed.

365 Section 3. Effective January 1, 2029, subsection (2) of
366 section 212.0598, Florida Statutes, is amended to read:

367 212.0598 Special provisions; air carriers.—

368 (2) The basis of the tax shall be the ratio of Florida
369 mileage to total mileage as determined pursuant to chapter 220
370 and this section. The ratio shall be determined at the close of
371 the carrier's preceding fiscal year. However, during the fiscal
372 year in which the air carrier begins initial operations in this
373 state, the carrier may determine its mileage apportionment
374 factor based on an estimated ratio of anticipated revenue miles
375 in this state to anticipated total revenue miles. In such cases,
376 the air carrier shall pay additional tax or apply for a refund
377 based on the actual ratio for that year. The applicable ratio

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378 shall be applied each month to the carrier's total systemwide
379 gross purchases of tangible personal property and services
380 otherwise taxable in Florida. ~~Additionally, the ratio shall be~~
381 ~~applied each month to the carrier's total systemwide payments~~
382 ~~for the lease or rental of, or license in, real property used by~~
383 ~~the carrier substantially for aircraft maintenance if that~~
384 ~~carrier employed, on average, during the previous calendar~~
385 ~~quarter in excess of 3,000 full-time equivalent maintenance or~~
386 ~~repair employees at one maintenance base that it leases, rents,~~
387 ~~or has a license in, in this state. In all other instances, the~~
388 ~~tax on real property leased, rented, or licensed by the carrier~~
389 ~~shall be as provided in s. 212.031.~~

390 Section 4. Effective January 1, 2029, section 212.0602,
391 Florida Statutes, is amended to read:

392 212.0602 Education; limited exemption.-

393 (1) To facilitate investment in education and job training,
394 there is also exempt from the taxes levied under this chapter,
395 subject to ~~the provisions of~~ this section, the purchase or lease
396 of materials, equipment, and other items ~~or the license in or~~
397 ~~lease of real property~~ by any entity, institution, or
398 organization that is primarily engaged in teaching students to
399 perform any qualified production services ~~of the activities or~~
400 ~~services described in s. 212.031(1)(a)9.~~, that conducts classes
401 at a fixed location located in this state, that is licensed
402 under chapter 1005, and that has at least 500 enrolled students.
403 Any entity, institution, or organization meeting the
404 requirements of this section is ~~shall be~~ deemed to qualify for
405 the exemptions in s. 212.08(5)(f) and (12) ~~ss. 212.031(1)(a)9.~~
406 ~~and 212.08(5)(f) and (12),~~ and to qualify for an exemption for

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407 its purchase or lease of materials, equipment, and other items
408 used for education or demonstration of the school's curriculum,
409 including supporting operations. Nothing in this section shall
410 preclude an entity described in this section from qualifying for
411 any other exemption provided for in this chapter.

412 (2) As used in this section, the term "qualified production
413 services" means any activity or service performed directly in
414 connection with the production of a qualified motion picture, as
415 defined in s. 212.06(1)(b), and includes:

416 (a) Photography, sound and recording, casting, location
417 managing and scouting, shooting, creation of special and optical
418 effects, animation, adaptation (language, media, electronic, or
419 otherwise), technological modifications, computer graphics, set
420 and stage support (such as electricians, lighting designers and
421 operators, greensmen, prop managers and assistants, and grips),
422 wardrobe (design, preparation, and management), hair and makeup
423 (design, production, and application), performing (such as
424 acting, dancing, and playing), designing and executing stunts,
425 coaching, consulting, writing, scoring, composing,
426 choreographing, script supervising, directing, producing,
427 transmitting dailies, dubbing, mixing, editing, cutting,
428 looping, printing, processing, duplicating, storing, and
429 distributing.

430 (b) The design, planning, engineering, construction,
431 alteration, repair, and maintenance of real or personal
432 property, including stages, sets, props, models, paintings, and
433 facilities principally required for the performance of the
434 services identified in paragraph (a).

435 (c) Property management services directly related to

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436 property used in connection with the services identified in
437 paragraphs (a) and (b).

438 Section 5. Effective January 1, 2029, paragraph (s) of
439 subsection (5) of section 212.08, Florida Statutes, is amended
440 to read:

441 212.08 Sales, rental, use, consumption, distribution, and
442 storage tax; specified exemptions.—The sale at retail, the
443 rental, the use, the consumption, the distribution, and the
444 storage to be used or consumed in this state of the following
445 are hereby specifically exempt from the tax imposed by this
446 chapter.

447 (5) EXEMPTIONS; ACCOUNT OF USE.—

448 (s) *Data center property.*—

449 1. As used in this paragraph, the term:

450 a. "Critical IT load" means that portion of electric power
451 capacity, expressed in terms of megawatts, which is reserved
452 solely for owners or tenants of a data center to operate their
453 computer server equipment. The term does not include any
454 ancillary load for cooling, lighting, common areas, or other
455 equipment.

456 b. "Cumulative capital investment" means the combined total
457 of all expenses incurred by the owners or tenants of a data
458 center after July 1, 2017, in connection with acquiring,
459 constructing, installing, equipping, or expanding the data
460 center. However, the term does not include any expenses incurred
461 in the acquisition of improved real property operating as a data
462 center at the time of acquisition or within 6 months before the
463 acquisition.

464 c. "Data center" means a facility that:

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465 (I) Consists of one or more contiguous parcels in this
466 state, along with the buildings, substations and other
467 infrastructure, fixtures, and personal property located on the
468 parcels;

469 (II) Is used exclusively to house and operate equipment
470 that receives, stores, aggregates, manages, processes,
471 transforms, retrieves, researches, or transmits data; or that is
472 necessary for the proper operation of equipment that receives,
473 stores, aggregates, manages, processes, transforms, retrieves,
474 researches, or transmits data;

475 (III) Has a critical IT load of 15 megawatts or higher, and
476 a critical IT load of 1 megawatt or higher dedicated to each
477 individual owner or tenant within the data center; and

478 (IV) Is constructed on or after July 1, 2017.

479 d. "Data center property" means property used exclusively
480 at a data center to construct, outfit, operate, support, power,
481 cool, dehumidify, secure, or protect a data center and any
482 contiguous dedicated substations. The term includes, but is not
483 limited to, construction materials, component parts, machinery,
484 equipment, computers, servers, installations, redundancies, and
485 operating or enabling software, including any replacements,
486 updates and new versions, and upgrades to or for such property,
487 regardless of whether the property is a fixture or is otherwise
488 affixed to or incorporated into real property. The term also
489 includes electricity used exclusively at a data center.

490 2. Data center property is exempt from the tax imposed by
491 this chapter, ~~except for the tax imposed by s. 212.031.~~ To be
492 eligible for the exemption provided by this paragraph, the data
493 center's owners and tenants must make a cumulative capital

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494 investment of \$150 million or more for the data center and the
495 data center must have a critical IT load of 15 megawatts or
496 higher and a critical IT load of 1 megawatt or higher dedicated
497 to each individual owner or tenant within the data center. Each
498 of these requirements must be satisfied no later than 5 years
499 after the commencement of construction of the data center.

500 3.a. To receive the exemption provided by this paragraph,
501 the person seeking the exemption must apply to the department
502 for a temporary tax exemption certificate. The application must
503 state that a qualifying data center designation is being sought
504 and provide information that the requirements of subparagraph 2.
505 will be met. Upon a tentative determination by the department
506 that the data center will meet the requirements of subparagraph
507 2., the department must issue the certificate.

508 b.(I) The certificateholder shall maintain all necessary
509 books and records to support the exemption provided by this
510 paragraph. Upon satisfaction of all requirements of subparagraph
511 2., the certificateholder must deliver the temporary tax
512 certificate to the department together with documentation
513 sufficient to show the satisfaction of the requirements. Such
514 documentation must include written declarations, pursuant to s.
515 92.525, from:

516 (A) A professional engineer, licensed pursuant to chapter
517 471, certifying that the critical IT load requirement set forth
518 in subparagraph 2. has been satisfied at the data center; and

519 (B) A Florida certified public accountant, as defined in s.
520 473.302, certifying that the cumulative capital investment
521 requirement set forth in subparagraph 2. has been satisfied for
522 the data center.

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524 The professional engineer and the Florida certified public
525 accountant may not be professionally related with the data
526 center's owners, tenants, or contractors, except that they may
527 be retained by a data center owner to certify that the
528 requirements of subparagraph 2. have been met.

529 (II) If the department determines that the subparagraph 2.
530 requirements have been satisfied, the department must issue a
531 permanent tax exemption certificate.

532 (III) Notwithstanding s. 212.084(4), the permanent tax
533 exemption certificate remains valid and effective for as long as
534 the data center described in the exemption application continues
535 to operate as a data center as defined in subparagraph 1., with
536 review by the department every 5 years to ensure compliance. As
537 part of the review, the certificateholder shall, within 3 months
538 before the end of any 5-year period, submit a written
539 declaration, pursuant to s. 92.525, certifying that the critical
540 IT load of 15 megawatts or higher and the critical IT load of 1
541 megawatt or higher dedicated to each individual owner or tenant
542 within the data center required by subparagraph 2. continues to
543 be met. All owners, tenants, contractors, and others purchasing
544 exempt data center property shall maintain all necessary books
545 and records to support the exemption as to those purchases.

546 (IV) Notwithstanding s. 213.053, the department may share
547 information concerning a temporary or permanent data center
548 exemption certificate among all owners, tenants, contractors,
549 and others purchasing exempt data center property pursuant to
550 such certificate.

551 c. If, in an audit conducted by the department, it is

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552 determined that the certificateholder or any owners, tenants,
553 contractors, or others purchasing, renting, or leasing data
554 center property do not meet the criteria of this paragraph, the
555 amount of taxes exempted at the time of purchase, rental, or
556 lease is immediately due and payable to the department from the
557 purchaser, renter, or lessee of those particular items, together
558 with the appropriate interest and penalty computed from the date
559 of purchase in the manner prescribed by this chapter.

560 Notwithstanding s. 95.091(3)(a), any tax due as provided in this
561 sub-subparagraph may be assessed by the department within 6
562 years after the date the data center property was purchased.

563 d. Purchasers, lessees, and renters of data center property
564 who qualify for the exemption provided by this paragraph shall
565 obtain from the data center a copy of the tax exemption
566 certificate issued pursuant to sub-subparagraph a. or sub-
567 subparagraph b. Before or at the time of purchase of the item or
568 items eligible for exemption, the purchaser, lessee, or renter
569 shall provide to the seller a copy of the tax exemption
570 certificate and a signed certificate of entitlement. Purchasers,
571 lessees, and renters with self-accrual authority shall maintain
572 all documentation necessary to prove the exempt status of
573 purchases.

574 e. For any purchase, lease, or rental of property that is
575 exempt pursuant to this paragraph, the possession of a copy of a
576 tax exemption certificate issued pursuant to sub-subparagraph a.
577 or sub-subparagraph b. and a signed certificate of entitlement
578 relieves the seller of the responsibility of collecting the tax
579 on the sale, lease, or rental of such property, and the
580 department must look solely to the purchaser, renter, or lessee

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581 for recovery of the tax if it determines that the purchase,
582 rental, or lease was not entitled to the exemption.

583 4. After June 30, 2022, the department may not issue a
584 temporary tax exemption certificate pursuant to this paragraph.

585 Section 6. Effective January 1, 2029, subsection (11) of
586 section 212.12, Florida Statutes, is amended to read:

587 212.12 Dealer's credit for collecting tax; penalties for
588 noncompliance; powers of Department of Revenue in dealing with
589 delinquents; brackets applicable to taxable transactions;
590 records required.—

591 (11) The department shall make available in an electronic
592 format or otherwise the tax amounts and brackets applicable to
593 all taxable transactions that occur in counties that have a
594 surtax at a rate other than 1 percent which would otherwise have
595 been transactions taxable at the rate of 6 percent. Likewise,
596 the department shall make available in an electronic format or
597 otherwise the tax amounts and brackets applicable to
598 transactions taxable at 4.35 percent pursuant to s.

599 ~~212.05(1)(e)1.c. or the applicable tax rate pursuant to s.~~
600 ~~212.031(1)~~ and on transactions that ~~which~~ would otherwise have
601 been so taxable in counties that ~~which~~ have adopted a
602 discretionary sales surtax.

603 Section 7. Effective January 1, 2029, paragraphs (b) and
604 (c) of subsection (2) and subsection (3) of section 288.1258,
605 Florida Statutes, are amended to read:

606 288.1258 Entertainment industry qualified production
607 companies; application procedure; categories; duties of the
608 Department of Revenue; records and reports.—

609 (2) APPLICATION PROCEDURE.—

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610 (b)1. The Office of Film and Entertainment shall establish
611 a process by which an entertainment industry production company
612 may be approved by the office as a qualified production company
613 and may receive a certificate of exemption from the Department
614 of Revenue for the sales and use tax exemptions under ss.
615 ~~212.031~~, 212.06~~7~~ and 212.08.

616 2. Upon determination by the Office of Film and
617 Entertainment that a production company meets the established
618 approval criteria and qualifies for exemption, the Office of
619 Film and Entertainment shall return the approved application or
620 application renewal or extension to the Department of Revenue,
621 which shall issue a certificate of exemption.

622 3. The Office of Film and Entertainment shall deny an
623 application or application for renewal or extension from a
624 production company if it determines that the production company
625 does not meet the established approval criteria.

626 (c) The Office of Film and Entertainment shall develop,
627 with the cooperation of the Department of Revenue and local
628 government entertainment industry promotion agencies, a
629 standardized application form for use in approving qualified
630 production companies.

631 1. The application form shall include, but not be limited
632 to, production-related information on employment, proposed
633 budgets, planned purchases of items exempted from sales and use
634 taxes under ss. ~~212.031~~, 212.06~~7~~ and 212.08, a signed
635 affirmation from the applicant that any items purchased for
636 which the applicant is seeking a tax exemption are intended for
637 use exclusively as an integral part of entertainment industry
638 preproduction, production, or postproduction activities engaged

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639 in primarily in this state, and a signed affirmation from the
640 Office of Film and Entertainment that the information on the
641 application form has been verified and is correct. In lieu of
642 information on projected employment, proposed budgets, or
643 planned purchases of exempted items, a production company
644 seeking a 1-year certificate of exemption may submit summary
645 historical data on employment, production budgets, and purchases
646 of exempted items related to production activities in this
647 state. Any information gathered from production companies for
648 the purposes of this section shall be considered confidential
649 taxpayer information and shall be disclosed only as provided in
650 s. 213.053.

651 2. The application form may be distributed to applicants by
652 the Office of Film and Entertainment or local film commissions.

653 (3) CATEGORIES.—

654 (a)1. A production company may be qualified for designation
655 as a qualified production company for a period of 1 year if the
656 company has operated a business in Florida at a permanent
657 address for a period of 12 consecutive months. Such a qualified
658 production company shall receive a single 1-year certificate of
659 exemption from the Department of Revenue for the sales and use
660 tax exemptions under ss. ~~212.031~~, 212.06~~7~~ and 212.08, which
661 certificate shall expire 1 year after issuance or upon the
662 cessation of business operations in the state, at which time the
663 certificate shall be surrendered to the Department of Revenue.

664 2. The Office of Film and Entertainment shall develop a
665 method by which a qualified production company may annually
666 renew a 1-year certificate of exemption for a period of up to 5
667 years without requiring the production company to resubmit a new

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668 application during that 5-year period.

669 3. Any qualified production company may submit a new
670 application for a 1-year certificate of exemption upon the
671 expiration of that company's certificate of exemption.

672 (b)1. A production company may be qualified for designation
673 as a qualified production company for a period of 90 days. Such
674 production company shall receive a single 90-day certificate of
675 exemption from the Department of Revenue for the sales and use
676 tax exemptions under ss. ~~212.031~~, 212.06, and 212.08, which
677 certificate shall expire 90 days after issuance, with extensions
678 contingent upon approval of the Office of Film and
679 Entertainment. The certificate shall be surrendered to the
680 Department of Revenue upon its expiration.

681 2. Any production company may submit a new application for
682 a 90-day certificate of exemption upon the expiration of that
683 company's certificate of exemption.

684 Section 8. Effective January 1, 2029, section 338.234,
685 Florida Statutes, is amended to read:

686 338.234 Granting concessions or selling along the turnpike
687 system; ~~immunity from taxation.~~

688 ~~(1)~~ The department may enter into contracts or licenses
689 with any person for the sale of services or products or business
690 opportunities on the turnpike system, or the turnpike enterprise
691 may sell services, products, or business opportunities on the
692 turnpike system, which benefit the traveling public or provide
693 additional revenue to the turnpike system. Services, business
694 opportunities, and products authorized to be sold include, but
695 are not limited to, motor fuel, vehicle towing, and vehicle
696 maintenance services; food with attendant nonalcoholic

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697 beverages; lodging, meeting rooms, and other business services
698 opportunities; advertising and other promotional opportunities,
699 which advertising and promotions must be consistent with the
700 dignity and integrity of the state; state lottery tickets sold
701 by authorized retailers; games and amusements that operate by
702 the application of skill, not including games of chance as
703 defined in s. 849.16 or other illegal gambling games; Florida
704 citrus, goods promoting the state, or handmade goods produced
705 within the state; and travel information, tickets, reservations,
706 or other related services. However, the department, pursuant to
707 the grants of authority to the turnpike enterprise under this
708 section, shall not exercise the power of eminent domain solely
709 for the purpose of acquiring real property in order to provide
710 business services or opportunities, such as lodging and meeting-
711 room space on the turnpike system.

712 ~~(2) The effectuation of the authorized purposes of the~~
713 ~~Strategic Intermodal System, created under ss. 339.61-339.65,~~
714 ~~and Florida Turnpike Enterprise, created under this chapter, is~~
715 ~~for the benefit of the people of the state, for the increase of~~
716 ~~their commerce and prosperity, and for the improvement of their~~
717 ~~health and living conditions; and, because the system and~~
718 ~~enterprise perform essential government functions in~~
719 ~~effectuating such purposes, neither the turnpike enterprise nor~~
720 ~~any nongovernment lessee or licensee renting, leasing, or~~
721 ~~licensing real property from the turnpike enterprise, pursuant~~
722 ~~to an agreement authorized by this section, are required to pay~~
723 ~~any commercial rental tax imposed under s. 212.031 on any~~
724 ~~capital improvements constructed, improved, acquired, installed,~~
725 ~~or used for such purposes.~~

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726 Section 9. Effective January 1, 2029, paragraph (a) of
727 subsection (3) of section 341.840, Florida Statutes, is amended
728 to read:

729 341.840 Tax exemption.—

730 (3) (a) Purchases or leases of tangible personal property or
731 real property by the enterprise, excluding agents of the
732 enterprise, are exempt from taxes imposed by chapter 212 as
733 provided in s. 212.08(6). Purchases or leases of tangible
734 personal property that is incorporated into the high-speed rail
735 system as a component part thereof, as determined by the
736 enterprise, by agents of the enterprise or the owner of the
737 high-speed rail system are exempt from sales or use taxes
738 imposed by chapter 212. ~~Leases, rentals, or licenses to use real
739 property granted to agents of the enterprise or the owner of the
740 high-speed rail system are exempt from taxes imposed by s.
741 212.031 if the real property becomes part of such system.~~ The
742 exemptions granted in this subsection do not apply to sales,
743 leases, or licenses by the enterprise, agents of the enterprise,
744 or the owner of the high-speed rail system.

745 Section 10. Except as otherwise expressly provided in this
746 act, this act shall take effect July 1, 2019.