

Amendment No. 13

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u>      </u>	(Y/N)
ADOPTED AS AMENDED	<u>      </u>	(Y/N)
ADOPTED W/O OBJECTION	<u>      </u>	(Y/N)
FAILED TO ADOPT	<u>      </u>	(Y/N)
WITHDRAWN	<u>      </u>	(Y/N)
OTHER	<u>      </u>	

1 Committee/Subcommittee hearing bill: Finance & Tax Committee  
 2 Representative Rodríguez, J. offered the following:

4 **Amendment (with title amendment)**

5 Between lines 2266 and 2267, insert:

6 Section 48. Section 11.95, Florida Statutes, is created to  
 7 read:

8 11.95 Joint Legislative Sales and Use Tax Review

9 Committee.—

10 (1) SHORT TITLE.—This section may be cited as the "Florida  
 11 Sales Tax Fairness Restoration Act."

12 (2) The Legislature finds that a tax exemption or  
 13 exclusion that does not apply uniformly and that benefits only  
 14 one group effectively increases the tax burden on taxpayers who  
 15 do not enjoy the exemption. Therefore, the Legislature intends  
 16 that each sales and use tax exemption and exclusion be evaluated

Amendment No. 13

17 with the goal of phasing out exemptions or exclusions that do  
18 not sufficiently serve the public interest.

19 (3) JOINT LEGISLATIVE SALES AND USE TAX REVIEW COMMITTEE.—

20 (a) There is created a joint standing committee of the  
21 Legislature designated the Joint Legislative Sales and Use Tax  
22 Review Committee, composed of 10 members as follows: 5 members  
23 of the Senate, to be appointed by the President of the Senate,  
24 and 5 members of the House of Representatives, to be appointed  
25 by the Speaker of the House of Representatives. The terms of  
26 members shall be for 2 years and shall run from the organization  
27 of one Legislature to the organization of the next Legislature.  
28 Vacancies occurring during the interim period shall be filled in  
29 the same manner as the original appointments. The members of the  
30 committee shall elect a chair and vice chair. During the 2-year  
31 term, a member of each house shall serve as chair for 1 year.

32 (b) The Senate and the House of Representatives may each  
33 employ staff to work for the committee on matters related to  
34 committee activities.

35 (4) MEETINGS.—The committee for each review cycle shall  
36 have its initial meeting no later than September 1, 2015, and  
37 thereafter as necessary, at the call of the chair at the time  
38 and place designated by the chair. A quorum shall consist of a  
39 majority of the committee members from each house. During the  
40 interim period, the committee may conduct its meetings through  
41 teleconferences or other similar means.

Amendment No. 13

42 (5) RULES.—The committee shall be governed by joint rules  
43 of the Senate and House of Representatives, which shall remain  
44 in effect until repealed or amended by concurrent resolution.

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

46 (a) "General state sales and use tax" means the sales and  
47 use tax imposed under chapter 212.

48 (b) "Service" means a service within any of the following  
49 service categories under the North American Industry  
50 Classification System (NAICS):

51 1. Personal services.

52 2. Professional services.

53 3. Business services.

54 4. Financial services.

55 5. Media services.

56 6. Entertainment and sports services.

57 7. Construction services.

58 8. Institutional services.

59 9. Transportation services.

60 10. Health services.

61 (7) POWERS AND DUTIES.—The committee shall conduct a  
62 comprehensive review of all current and future exemptions from  
63 the general state sales and use tax and the exclusion of sales  
64 of services from such taxation. The committee shall establish  
65 criteria by which each exemption or exclusion shall be  
66 evaluated. In developing the evaluation criteria, the committee  
67 shall consider the following principles of taxation:

PCB FTC 15-05 a12

Published On: 3/30/2015 8:38:35 PM

## Amendment No. 13

68        (a) Equity.—The tax system should treat individuals  
69 equitably. It should impose similar tax burdens on people in  
70 similar circumstances and should minimize regressivity.

71        (b) Simplicity, transparency, and compliance.—The tax  
72 system should facilitate taxpayer compliance. It should be  
73 simple and easy to understand and should provide visibility and  
74 awareness of the taxes being paid.

75        (c) Neutrality.—The tax system should affect taxpayers  
76 uniformly and consistently. The primary purpose of any tax  
77 should be to raise revenue for appropriate governmental  
78 functions rather than to influence business and personal  
79 decisions.

80        (d) Stability.—The tax system should produce revenues in a  
81 stable and reliable manner that is sufficient to fund  
82 appropriate governmental functions and expenditures.

83        (e) Integration.—The tax system should balance the need  
84 for integration of federal, state, and local taxation.

85        (f) Public purpose.—Any sales and use tax exemption or  
86 exclusion under the tax system should be based on a  
87 determination that the exemption or exclusion promotes an  
88 important state interest and should benefit citizens as equally  
89 as possible.

90        (8) FINDINGS AND RECOMMENDATIONS.—In conducting its review  
91 of each exemption from the general state sales and use tax or  
92 the exclusion of the sale of a service from such taxation, the  
93 committee shall make findings of fact and recommend whether the

Amendment No. 13

94 exemption should be retained, modified, or repealed or whether  
95 the exclusion should be retained or eliminated. Each  
96 recommendation must be made by majority vote of the committee  
97 members from each house. If a majority vote of the committee  
98 members from each house cannot be achieved, the committee must  
99 recommend that the exemption or exclusion be repealed. The  
100 findings of fact and recommendations of the committee shall be  
101 made by reports to the President of the Senate and the Speaker  
102 of the House of Representatives.

103 (9) EXEMPTIONS AND EXCLUSIONS REVIEW.—

104 (a) The committee may use its discretion in determining  
105 the order in which it reviews the exemptions and exclusions. For  
106 the initial review, the committee shall submit to the President  
107 of the Senate and the Speaker of the House of Representatives  
108 its initial report on one-third of the exemptions and exclusions  
109 by November 1, 2015, its report on the second one-third of the  
110 exemptions and exclusions by March 1, 2016, and its report on  
111 the final one-third of the exemptions and exclusions by July 1,  
112 2016, with no duplication of exemptions or exclusions from one  
113 report to the next. Thereafter, the committee shall review every  
114 3 years approximately one-third of the exemptions and  
115 exclusions, with no duplication of exemptions or exclusions  
116 reviewed from one 3-year period to the next 3-year period. The  
117 committee shall submit its 3-year period review reports no later  
118 than December 1 of the year before the next regular session  
119 after the expiration of the third year of each 3-year review

PCB FTC 15-05 a12

Published On: 3/30/2015 8:38:35 PM

Amendment No. 13

120 cycle. The committee shall begin a new 9-year review cycle of  
121 all exemptions from the general state sales and use tax and all  
122 exclusions of sales of services from such taxation every 9 years  
123 after the termination of the previous review cycle.

124 (b) Notwithstanding this section, exemptions and  
125 exclusions for necessities, including, but not limited to,  
126 exemptions for general groceries as described in s. 212.08(1),  
127 medical products or supplies as described in s. 212.08(2),  
128 health services, residential housing, residential electricity,  
129 and home heating fuel, and sales of property or services that  
130 the state is prohibited from taxing under the State Constitution  
131 or laws of the United States, are not subject to review by the  
132 committee or repeal in legislation proposed by the committee.

133 (10) LEGISLATION.—At the regular session after submission  
134 of each annual report to the President of the Senate and the  
135 Speaker of the House of Representatives, the committee shall  
136 introduce in both houses of the Legislature bills presenting for  
137 reenactment, modification, or repeal those exemptions from the  
138 general state sales and use tax or any imposition of such  
139 taxation on sales of services which were recommended by the  
140 committee in the report submitted immediately before the session  
141 in which introduced. Each bill introduced must be restricted to  
142 a single exemption or the imposition of the tax on a single  
143 service and must be submitted to a vote of the members of each  
144 house of the Legislature no later than the 8th week of the  
145 session in which it is introduced, unless the substance of the

PCB FTC 15-05 a12

Published On: 3/30/2015 8:38:35 PM

Amendment No. 13

146 bill has already been voted on by the members of that house of  
147 the Legislature in another bill during that session, regardless  
148 of the outcome of that vote, or the bill has already been  
149 submitted to the members of the other house and has been  
150 defeated.

151 (11) REPEAL.—Any exemption from the state general sales  
152 and use tax or exclusion from imposition of such tax on sales of  
153 services which is not prohibited from review by the committee  
154 under paragraph (8)(b) and is not modified or reenacted by the  
155 end of the regular session after any 9-year review period is  
156 repealed on July 1 after the end of the regular session  
157 immediately after the 9-year review period.

158 (12) CONSTRUCTION.—This section does not preclude a  
159 legislator from filing for consideration during any legislative  
160 session a bill proposing to modify, repeal, or enact any  
161 exemption from the general state sales and use tax or the  
162 exclusion from imposition of such taxation on the sale of any  
163 service.

164  
165  
166 -----  
167 **T I T L E   A M E N D M E N T**

168 Remove line 161 and insert:  
169 application fee; creating s. 11.95, F.S.; providing a short  
170 title; providing legislative findings and intent; creating the  
171 Joint Legislative Sales and Use Tax Review Committee; providing

PCB FTC 15-05 a12

Published On: 3/30/2015 8:38:35 PM

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. PCB FTC 15-05 (2015)

Amendment No. 13

172 for membership and staff; providing meeting procedures;  
173 providing for rulemaking; providing definitions; providing  
174 powers and duties of the committee; requiring the committee to  
175 report certain findings and recommendations within specified  
176 timeframes; providing exemptions from certain reviews by the  
177 committee; requiring the committee to submit certain legislation  
178 within a specified timeframe; providing for automatic repeal of  
179 certain tax exemptions under certain circumstances; providing  
180 for construction; providing effective dates.

PCB FTC 15-05 a12

Published On: 3/30/2015 8:38:35 PM