The Committee on Appropriations (Brandes) recommended the following:

Senate Amendment to Amendment (864620) (with title amendment)

Between lines 2162 and 2163 insert:

Section 34. Paragraph (fff) of subsection (7) of section 212.08, Florida Statutes, is amended, and paragraph (u) is added to subsection (5) of that section, to read:

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

(5) EXEMPTIONS; ACCOUNT OF USE.—

(u) Aircraft equipment used in governmental contracts.—
Equipment, including electric and hydraulic ground power units,
jet starter units, oxygen servicing and test equipment, engine
trim boxes, and communications and avionics test sets, which is
used to service, test, operate, upgrade, or configure aircraft
for advanced training purposes as part of any contract with the
United States Department of Defense or with a military branch of
a recognized foreign government is exempt from the tax imposed
by this chapter.

(7) MISCELLANEOUS EXEMPTIONS.—Exemptions provided to any
entity by this chapter do not inure to any transaction that is
otherwise taxable under this chapter when payment is made by a
representative or employee of the entity by any means,
including, but not limited to, cash, check, or credit card, even
when that representative or employee is subsequently reimbursed
by the entity. In addition, exemptions provided to any entity by
this subsection do not inure to any transaction that is
otherwise taxable under this chapter unless the entity has
obtained a sales tax exemption certificate from the department
or the entity obtains or provides other documentation as
required by the department. Eligible purchases or leases made
with such a certificate must be in strict compliance with this
subsection and departmental rules, and any person who makes an
exempt purchase with a certificate that is not in strict
compliance with this subsection and the rules is liable for and shall pay the tax. The department may adopt rules to administer this subsection.

(ff) Aircraft temporarily in the state.—

1. An aircraft owned by a nonresident is exempt from the use tax imposed under this chapter if the aircraft enters and remains in this state for less than a total of 21 days during the 6-month period after the date of purchase. The temporary use of the aircraft and subsequent removal from this state may be proven by invoices for fuel, tie-down, or hangar charges issued by out-of-state vendors or suppliers or similar documentation that clearly and specifically identifies the aircraft. The exemption provided in this subparagraph is in addition to the exemptions provided in subparagraphs 2. and 3. subparagraph 2. and s. 212.05(1)(a).

2. An aircraft owned by a nonresident is exempt from the use tax imposed under this chapter if the aircraft enters or remains in this state exclusively for purposes of flight training, repairs, alterations, refitting, or modification. Such purposes shall be supported by written documentation issued by in-state vendors or suppliers which clearly and specifically identifies the aircraft. The exemption provided in this subparagraph is in addition to the exemptions provided in subparagraph 1. and s. 212.05(1)(a).

3. An aircraft owned by a nonresident is exempt from the use tax imposed under this chapter if the aircraft enters or remains in this state exclusively to be used in service of a contract with the United States Department of Defense or with a military branch of a recognized foreign government. The
exemption provided in this subparagraph is in addition to the
exemptions provided in subparagraph 1. and s. 212.05(1)(a).

Section 35. Effective October 1, 2020, paragraph (jjj) of
subsection (7) of section 212.08, Florida Statutes, is amended
to read:

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

(7) MISCELLANEOUS EXEMPTIONS.—Exemptions provided to any
entity by this chapter do not inure to any transaction that is
otherwise taxable under this chapter when payment is made by a
representative or employee of the entity by any means,
including, but not limited to, cash, check, or credit card, even
when that representative or employee is subsequently reimbursed
by the entity. In addition, exemptions provided to any entity by
this subsection do not inure to any transaction that is
otherwise taxable under this chapter unless the entity has
obtained a sales tax exemption certificate from the department
or the entity obtains or provides other documentation as
required by the department. Eligible purchases or leases made
with such a certificate must be in strict compliance with this
subsection and departmental rules, and any person who makes an
exempt purchase with a certificate that is not in strict
compliance with this subsection and the rules is liable for and
shall pay the tax. The department may adopt rules to administer
this subsection.
(jjj) Certain machinery and equipment.—

1. Industrial machinery and equipment purchased by eligible manufacturing businesses which is used at a fixed location in this state for the manufacture, processing, compounding, or production of items of tangible personal property for sale is exempt from the tax imposed by this chapter. If, at the time of purchase, the purchaser furnishes the seller with a signed certificate certifying the purchaser’s entitlement to exemption pursuant to this paragraph, the seller is not required to collect the tax on the sale of such items, and the department shall look solely to the purchaser for recovery of the tax if it determines that the purchaser was not entitled to the exemption.

2. For purposes of this paragraph, the term:

a. “Eligible manufacturing business” means any business whose primary business activity at the location where the industrial machinery and equipment is located is within the industries classified under NAICS codes 31, 32, 33, 112511, and 423930.

b. “Eligible postharvest activity business” means a business whose primary business activity, at the location where the postharvest machinery and equipment is located, is within the industries classified under NAICS code 115114.


d. “Primary business activity” means an activity representing more than 50 percent of the activities conducted at the location where the industrial machinery and equipment or
postharvest machinery and equipment is located.

e. “Industrial machinery and equipment” means tangible personal property or other property that has a depreciable life of 3 years or more and that is used as an integral part in the manufacturing, processing, compounding, or production of tangible personal property for sale. The term includes tangible personal property or other property that has a depreciable life of 3 years or more which is used as an integral part in the recycling of metals for sale. A building and its structural components are not industrial machinery and equipment unless the building or structural component is so closely related to the industrial machinery and equipment that it houses or supports that the building or structural component can be expected to be replaced when the machinery and equipment are replaced. Heating and air conditioning systems are not industrial machinery and equipment unless the sole justification for their installation is to meet the requirements of the production process, even though the system may provide incidental comfort to employees or serve, to an insubstantial degree, nonproduction activities. The term includes parts and accessories for industrial machinery and equipment only to the extent that the parts and accessories are necessary for the continued operation of the industrial machinery or equipment or were purchased before the date the machinery and equipment were placed in service.

f. “Postharvest activities” means services performed on crops, after their harvest, with the intent of preparing them for market or further processing. Postharvest activities include, but are not limited to, crop cleaning, sun drying, shelling, fumigating, curing, sorting, grading, packing, and
cooling.

g. “Postharvest machinery and equipment” means tangible personal property or other property with a depreciable life of 3 years or more which is used primarily for postharvest activities. A building and its structural components are not postharvest industrial machinery and equipment unless the building or structural component is so closely related to the postharvest machinery and equipment that it houses or supports that the building or structural component can be expected to be replaced when the postharvest machinery and equipment is replaced. Heating and air conditioning systems are not postharvest machinery and equipment unless the sole justification for their installation is to meet the requirements of the postharvest activities process, even though the system may provide incidental comfort to employees or serve, to an insubstantial degree, nonpostharvest activities.

3. Postharvest machinery and equipment purchased by an eligible postharvest activity business which is used at a fixed location in this state is exempt from the tax imposed by this chapter. All labor charges for the repair of, and parts and materials used in the repair of and incorporated into, such postharvest machinery and equipment are also exempt. If, at the time of purchase, the purchaser furnishes the seller with a signed certificate certifying the purchaser’s entitlement to exemption pursuant to this subparagraph, the seller is not required to collect the tax on the sale of such items, and the department shall look solely to the purchaser for recovery of the tax if it determines that the purchaser was not entitled to the exemption.
And the title is amended as follows:

Delete line 3832 and insert:

circumstances; providing applicability; amending s. 212.08, F.S.; providing a sales tax exemption for certain aircraft equipment used as part of certain governmental contracts; providing a use tax exemption for certain aircraft owned by nonresidents and used in service of certain governmental contracts; providing construction; providing a sales tax exemption for parts and accessories necessary for the continued operation of certain industrial machinery or equipment; creating s.