

POST-LEGISLATIVE

REVIEW



2023

Changes to Florida Tax Laws

EX-000014

R. 10/23

The Florida Department of Revenue (Department) compiled this Post-Legislative Review to provide information about general laws enacted by the Florida Legislature during the 2023 legislative session.

Use this booklet for reference only. The discussion of each item is brief and may not include every detail of the law that could affect a taxpayer. Before applying changes to a specific decision on taxes, please review the applicable statute or Department rule. For current statutes, visit the Florida Legislature's website at www.leg.state.fl.us.

If you have questions about general tax issues, you may call Taxpayer Services at (850) 488-6800, request a written response to a tax question by writing to Taxpayer Services, Florida Department of Revenue, 5050 West Tennessee Street, Tallahassee, Florida 32399-0112, or email your request to DORGTA@floridarevenue.com.

If you have specific questions about property tax issues you may contact the respective county official's office. For general questions regarding Property Tax Oversight, you may mail your inquiry to Property Tax Oversight, Florida Department of Revenue, P.O. Box 3000, Tallahassee, Florida 32315-3000 or email your request to DORPTO@floridarevenue.com.

If you have questions about child support issues, you may call the Child Support Program at (850) 488-5437, chat with an agent on the [Child Support contact page](#), or email the Child Support Program through the program [website](#).

For additional information about the Department, please visit www.floridarevenue.com.

We hope you find this information useful. Please write to our Office of Legislative and Cabinet Services at P.O. Box 5906, Tallahassee, Florida 32314-5906 or email jamie.peate@floridarevenue.com to share your comments or suggestions.

Table of Contents

Electronic version offers active content links

CHILD SUPPORT PROGRAM	1
➤ Clerk of Court Depository Services	1
➤ Payment Agreement for Delinquent Child Support.....	1
➤ Child Support Guidelines	1
➤ Administrative Establishment of Paternity.....	1
➤ Administrative Support Orders	2
COMMUNICATIONS SERVICES TAX	2
➤ Local Communications Services Tax.....	2
CORPORATE INCOME TAX	2
➤ “Adjusted federal income” Defined	2
➤ Adoption of the 2023 U.S. Internal Revenue Code.....	2
➤ Contaminated Site Rehabilitation Tax Credit.....	3
➤ Credit for Manufacturing of Human Breast Milk Derived Human Milk Fortifiers	3
➤ Experiential Learning Tax Credit Program.....	3
➤ Residential Graywater System Tax Credit	3
DOCUMENTARY STAMP TAX	4
➤ Partial Exemption for Small Business Association Loans.....	4
ESTATE TAX	4
➤ Exceptions From Estate Tax	4
FUEL TAX	4
➤ Levy of Natural Gas Fuel Tax, Registration, Reporting	4
INTANGIBLE PERSONAL PROPERTY TAXES	5
➤ Partial Exemption for Small Business Association Loans.....	5
MULTI-TAX CREDITS	5
➤ Community Contribution Tax Credit for Donations	5
➤ Live Local Tax Credit Program.....	5
➤ Strong Families Tax Credit.....	6
PROPERTY TAX OVERSIGHT	6
➤ Powers and Duties	6
➤ Appeals	6
➤ Exemption for Certain Permanently and Totally Disabled Veterans and for Surviving Spouses of Veterans; Exemption for Surviving Spouses of First Responders Who Die in the Line of Duty ...	7

- Exemption for Certain Permanently and Totally Disabled Veterans and for Surviving Spouses of Veterans; Exemption for Surviving Spouses of First Responders Who Die in the Line of Duty ... 7
- Determining Whether Property is Entitled to Charitable, Religious, Scientific, or Literary Exemption7
- Educational Property Exemption..... 8
- Refund of Taxes for Residential Improvements Rendered Uninhabitable by a Catastrophic Event 8
- Appropriation..... 8
- Housing 8
- Housing 9
- Economic Programs..... 9

SALES TAX..... 9

- Building Materials Used to Construct Affordable Housing 9
- Florida Tax Exempt Agricultural Materials (TEAM) Card 10
- Reduction of the Tax Rate for the Lease, Rental, or License to Use Real Property 10
- Sales Tax Exemptions – Baby and Toddler Products 10
- Sales Tax Exemptions – Diapers and Incontinence Products for Human Use..... 11
- Sales Tax Exemptions – Firearm Safety Devices..... 11
- Sales Tax Exemptions – Investigation Services 11
- Sales Tax Exemptions – Items in Agricultural Use 12
- Sales Tax Exemptions – Certain Machinery and Equipment Used in Production of Renewable Natural Gas 12
- Sales Tax Exemptions – Oral Hygiene Products 12
- Sales Tax Holiday – Clothing, School Supplies, Learning Aids and Jigsaw Puzzles, Personal Computers and Personal Computer-Related Accessories 12
- Sales Tax Holiday – Disaster Preparedness Supplies 13
- Sales Tax Holiday – Freedom Summer 14
- Sales Tax Holiday – Tool Time; Tools Commonly Used by Skilled Trade Workers 16
- Temporary Sales Tax Exemption for ENERGY STAR Appliances..... 16
- Temporary Sales Tax Exemption for Gas Ranges and Cooktops 17

SECONDHAND DEALERS AND SECONDARY METALS RECYCLERS 17

- Secondhand Goods 17

TAX ADMINISTRATION..... 17

- Documentary Stamp Tax Distributions 17
- Economic Programs..... 18
- Emergency Communications 18
- Florida Agricultural Promotional Campaign Trust Fund..... 19
- Enforcement of School Zone Speed Limits..... 19

Abbreviations used in this publication

ch. – Chapter

chs. – Chapters

Clerk – Clerk of the Court

CS – Committee Substitute

Eng. – Engrossed

Enr. – Enrolled

F.S. – Florida Statutes

HB – House Bill

HJR – House Joint Resolution

s. - section

SB - Senate Bill

ss. – sections

CHILD SUPPORT PROGRAM

➤ Clerk of Court Depository Services

Effective Date: July 1, 2023

Statute Reference: Sections 61.046(4) and 61.181, F.S.

Chapter Law: Sections 1 and 3, 2023-152 (HB 1087)

Specifies the share of the depository payment fee allocated to the Clerk of the Court Child Support Enforcement Collection System Trust Fund for operation and maintenance of the Clerk of Court Child Support Collection System (CLERC) system and deletes obsolete material

➤ Payment Agreement for Delinquent Child Support

Effective Date: July 1, 2023

Statute Reference: Section 61.13016(1)(c)1.b., F.S.

Chapter Law: Section 2, 2023-152 (HB 1087)

Provides that a payment agreement to resolve delinquent child support may include a deferred start date when the parent who owes support is participating in job training

➤ Child Support Guidelines

Effective Date: May 25, 2023

Statute Reference: Section 61.30(2)(c), F.S.

Chapter Law: Section 4, 2023-152 (HB 1087)

Deletes exceptions to the state's child support guidelines which prohibit treating incarceration as voluntary unemployment in establishing or modifying a support order

➤ Administrative Establishment of Paternity

Effective Date: July 1, 2023

Statute Reference: Section 409.256(2)(a)5., F.S.

Chapter Law: Section 5, 2023-152 (HB 1087)

Allows the Department of Revenue to start an administrative proceeding to determine paternity or paternity and child support based on an affidavit or written declaration completed by a nonparent caregiver of the child who has knowledge of the child's paternity

➤ **Administrative Support Orders**

Effective Date: July 1, 2023

Statute Reference: Section 409.2563(8), F.S.

Chapter Law: Section 6, 2023-152 (HB 1087)

Provides that the clerk of court's depository will update the clerk's child support payment accounts concerning an administrative support order when the Department of Revenue provides the clerk with records that a payment was made to another state

COMMUNICATIONS SERVICES TAX

➤ **Local Communications Services Tax**

Effective Date: July 1, 2023

Statute Reference: Section 202.19, F.S.

Chapter Law: Section 17, 2023-157 (HB 7063, 1st Eng.)

Prohibits local communication services tax rates in effect as of January 1, 2023, from being increased prior to January 1, 2026. Also, prohibits any increases to discretionary sales surtax levied under s. 212.055, F.S., occurring on or after January 1, 2023, from being added to the local communications services tax prior to January 1, 2026.

CORPORATE INCOME TAX

➤ **"Adjusted federal income" Defined**

Effective Date: July 1, 2023

Statute Reference: Section 220.13(1)(a), F.S.

Chapter Law: Section 30, 2023-157 (HB 7063, 1st Eng.)

Amends the statute to include a required addition to federal taxable income for the amount taken as a credit for the taxable year under ss. 220.199 and 220.1991, F.S.

➤ **Adoption of the 2023 U.S. Internal Revenue Code**

Effective Date: May 25, 2023 (retroactive to January 1, 2023)

Statute Reference: Section 220.03, F.S.

Chapter Law: Sections 28 and 29, 2023-157 (HB 7063, 1st Eng.)

Updates the references in the Florida Income Tax Code to conform to the United States Internal Revenue Code in effect on January 1, 2023

➤ **Contaminated Site Rehabilitation Tax Credit**

Effective Date: July 1, 2023

Statute Reference: Sections 220.1845 and 376.30781, F.S.

Chapter Law: Sections 31 and 37, 2023-157 (HB 7063, 1st Eng.)

Authorizes the Department of Environmental Protection to grant \$35 million of Contaminated Site Rehabilitation Tax Credit against corporate income tax beginning in the 2023-2024 fiscal year and for all subsequent fiscal years

➤ **Credit for Manufacturing of Human Breast Milk Derived Human Milk Fortifiers**

Effective Date: July 1, 2023

Statute Reference: Sections 220.02, 220.13, and 220.1991, F.S.

Chapter Law: Section 33, 2023-157 (HB 7063, 1st Eng.)

Creates s. 220.1991, F.S., which provides a credit against corporate income/franchise tax for manufacturers of human breast milk derived human milk fortifiers. The credit is equal to 50 percent of the cost of manufacturing equipment purchased for use in the production of human breast milk derived human milk fortifiers in Florida.

➤ **Experiential Learning Tax Credit Program**

Effective Date: July 1, 2023

Statute Reference: Section 220.198, F.S.

Chapter Law: Section 4, 2023-81 (SB 240, 1st Eng.)

Amends s. 220.198, F.S., changing the section title from “Internship tax credit program” to the “Experiential learning tax credit program.” Expands the tax credit program to include apprentices and preapprentices, as defined in s. 446.021, F.S. Specifies that a qualified business, including all subsidiaries, may not claim a tax credit of more than \$10,000 in any one taxable year. Expands the tax credit cap to fiscal year 2023-2024 and fiscal year 2024-2025. The cap remains \$2.5 million per fiscal year.

➤ **Residential Graywater System Tax Credit**

Effective Date: July 1, 2023

Statute Reference: Section 220.199, F.S.

Chapter Law: Section 32, 2023-157 (HB 7063, 1st Eng.)

Creates s. 220.199, F.S., which provides a credit against corporate income/franchise tax for developers and homeowners that purchase a qualifying residential graywater system, starting with taxable years beginning on or after January 1, 2024. The credit is equal to 50 percent of the cost of each qualifying residential graywater system purchased during the taxable year, not to exceed \$4,200 for each system purchased or \$2,000,000 per developer or homebuilder per taxable year. Taxpayers must apply to the Department of Environmental Protection for the approval of a credit. No credits may be certified by the Department of Environmental Protection for taxable years beginning on or after January 1, 2027. A taxpayer may carry forward any unused portion of the tax credit up to two taxable years.

DOCUMENTARY STAMP TAX

➤ Partial Exemption for Small Business Association Loans

Effective Date: July 1, 2023

Statute Reference: Section 201.08, F.S.

Chapter Law: Section 16, 2023-157 (HB 7063, 1st Eng.)

Amends s. 201.08(3), F.S., to provide that a note or mortgage for a federal small business loan program transaction pursuant to 15 U.S.C. ss. 695-697g, which specify that the SBA is the obligee or mortgagee and increases the principal balance of a note or mortgage that is part of an interim loan for purposes of debenture guarantee funding upon which documentary stamp tax has previously been paid, is subject to additional tax due only on the increase above the principal balance in place prior to the increase

ESTATE TAX

➤ Exceptions From Estate Tax

Effective Date: July 1, 2023

Statute Reference: Sections 198.26 and 198.32, F.S.

Chapter Law: 2023-207 (HB 619)

Amends ss. 198.26 and 198.32, F.S., to provide that a personal representative of an estate is not required to file an Affidavit of No Florida Estate Tax Due, and the estate will not be subject to a lien for estate tax for estates of decedents who died after December 31, 2004, if, upon the death of the decedent, a state death tax credit or state generation-skipping transfer tax credit is not allowable pursuant to the provisions of the Internal Revenue Code of 1986, as amended

FUEL TAX

➤ Levy of Natural Gas Fuel Tax, Registration, Reporting

Effective Date: July 1, 2023

Statute Reference: Sections 206.9952, 206.9955, and 206.996, F.S.

Chapter Law: Sections 18, 19, and 20, 2023-157 (HB 7063, 1st Eng.)

Postpones the date of the imposition of natural gas fuel taxes on natural gas fuel used in motor vehicles from January 1, 2024, to January 1, 2026. Requires natural gas fuel retailers to be licensed to report and pay tax and begin filing returns effective January 1, 2026.

INTANGIBLE PERSONAL PROPERTY TAXES

➤ Partial Exemption for Small Business Association Loans

Effective Date: July 1, 2023

Statute Reference: Section 199.145, F.S.

Chapter Law: Section 15, 2023-157 (HB 7063, 1st Eng.)

Amends s. 199.145(2), F.S., to provide that a note or mortgage for a federal small business loan program transaction pursuant to 15 U.S.C. ss. 695-697g, which specifies that the SBA is the obligee or mortgagee and increases the principal balance of a note or mortgage that is part of an interim loan for purposes of debenture guarantee funding upon which nonrecurring tax has previously been paid, is subject to additional tax due only on the increase above the principal balance in place prior to the increase

MULTI-TAX CREDITS

➤ Community Contribution Tax Credit for Donations

Effective Date: July 1, 2023

Statute Reference: Sections 212.08(5)(p), 220.183, and 624.5105, F.S.

Chapter Law: Sections 12, 19, and 40, 2023-17 (SB 102, 1st Eng.)

Amends ss. 212.08(5)(p)1.e., 220.183(1)(c), and 624.5105(1)(c), F.S., to provide that the total amount of the community contribution tax credit that may be taken against sales and use tax, corporate income tax, or insurance premium tax is increased to \$25 million for fiscal year 2023-2024 and each fiscal year thereafter

➤ Live Local Tax Credit Program

Effective Date: July 1, 2023

Statute Reference: Sections 220.1878, 420.50872, and 624.51058, F.S.

Chapter Law: Sections 21, 34, and 41, 2023-17 (SB 102, 1st Eng.)

Creates s. 420.50872, F.S., which provides for a corporate income tax credit and insurance premium tax credit for contributions to the Florida Housing Finance Corporation under the Live Local Program. The tax credit cap amount is \$100 million for each state fiscal year beginning with the 2023-2024 fiscal year.

Beginning October 1, 2023, a taxpayer may submit an application to the Department for an allocation of the tax credit cap. Unused credits due to insufficient tax liability on the part of the taxpayer may be carried forward for a period not to exceed 10 years. The Department is required to compile a list of 500 taxpayers with the greatest total corporate income or franchise tax due as reported on the taxpayer's return filed pursuant to s. 220.22, F.S., during the previous calendar year and notify those taxpayers of the existence of the Live Local Program and the process for obtaining an allocation of the tax credit cap. The Department is required to compile the first such report by August 15, 2023, and by each August 15 thereafter.

➤ **Strong Families Tax Credit**

Effective Date: July 1, 2023

Statute Reference: Section 402.62, F.S.

Chapter Law: Section 38, 2023-157 (HB 7063, 1st Eng.)

Amends s. 402.62(5)(a), F.S., to provide that beginning in fiscal year 2023-2024, the tax credit cap for the Strong Families Tax Credit is increased from \$10 million to \$20 million in each state fiscal year

PROPERTY TAX OVERSIGHT

➤ **Powers and Duties**

Effective Date: July 1, 2023

Statute Reference: Section 125.01, F.S.

Chapter Law: Section 1, 2023-157 (HB 7063, 1st Eng.)

A county may not levy special assessments on agricultural lands classified under s. 193.461. This does not apply to residential structures and their curtilage. This does not affect any existing assessments pledged for debt service but cannot be used to secure bonds or certificates issued after July 1, 2023.

➤ **Appeals**

Effective Date: July 1, 2023

Statute Reference: Section 194.036, F.S.

Chapter Law: Section 5, 2023-157 (HB 7063, 1st Eng.)

If a property appraiser disagrees with the decision of the value adjustment board, the property appraiser may appeal to circuit court if one or more of following variances are met: 20 percent variance from any assessment of \$250,000 or less; 15 percent variance from any assessment in excess of \$250,000 but not in excess of \$1 million; 10 percent variance from any assessment in excess of \$1 million but not in excess of \$2.5 million; or 5 percent variance from any assessment in excess of \$2.5 million.

➤ **Exemption for Certain Permanently and Totally Disabled Veterans and for Surviving Spouses of Veterans; Exemption for Surviving Spouses of First Responders Who Die in the Line of Duty**

Effective Date: July 1, 2023

Statute Reference: Section 196.081, F.S.

Chapter Law: Sections 6-7, 2023-157 (HB 7063, 1st Eng.)

Certain permanently and totally disabled veterans and their surviving spouses are entitled to a complete exemption for property owned and used as a homestead.

Clarifies s. 196.081(1)(b) changing "may" receive a refund to "is entitled to" a refund.

Clarifies ss. 196.081(3), (4)(b), and (6)(b) clarifying that the surviving spouse of a veteran or first responder may transfer an exemption.

➤ **Exemption for Certain Permanently and Totally Disabled Veterans and for Surviving Spouses of Veterans; Exemption for Surviving Spouses of First Responders Who Die in the Line of Duty**

Effective Date: July 1, 2023

Statute Reference: Section 196.081, F.S.

Chapter Law: Sections 8-9, 2023-157 (HB 7063, 1st Eng.)

Creates s. 196.081(1)(b)2., to provide that a totally and permanently disabled vet or surviving spouse does not have to currently receive an exemption under s. 196.081 on another property to be entitled to receive a prorated refund of ad valorem taxes paid for a newly acquired property

Removes the requirement that a veteran who died from service-connected causes while on active duty must be a Florida resident on January 1 of the year the veteran died in order for the surviving spouse to qualify for the exemption

Clarifies that the surviving spouse of a first responder employed by United States government is eligible to qualify for exemption; removes the requirement that the first responder and surviving spouse were Florida residents on January 1 of the year the first responder died in order for the surviving spouse to qualify for exemption

Adds federal law enforcement officers to the definition of "first responder"

➤ **Determining Whether Property is Entitled to Charitable, Religious, Scientific, or Literary Exemption**

Effective Date: July 1, 2023

Statute Reference: Section 196.196, F.S.

Chapter Law: Sections 10-11, 2023-157 (HB 7063, 1st Eng.)

Creates s. 196.196(6) to clarify that property used as a parsonage, burial grounds, or tomb and owned by an exempt organization that owns a house of public worship is used for religious purpose

➤ **Educational Property Exemption**

Effective Date: July 1, 2023

Statute Reference: Section 196.198, F.S.

Chapter Law: Section 12, 2023-157 (HB 7063, 1st Eng.)

Adds property used for educational purposes is exempt when the educational property is leased by an educational institution that owns the leasehold for a nominal amount per year having an original term of 98 years or more. Land, buildings, and other improvements to real property used exclusively for educational purposes are deemed owned by an educational institution if the institution currently using the land, buildings, and other improvements for educational purposes received the exemption under s. 196.098 on the same property in any 10 consecutive prior years.

➤ **Refund of Taxes for Residential Improvements Rendered Uninhabitable by a Catastrophic Event**

Effective Date: July 1, 2023

Statute Reference: Section 197.319, F.S.

Chapter Law: Sections 13-14, 2023-157 (HB 7063, 1st Eng.)

Clarifies the definitions in s. 197.319(1) for postcatastrophic event just value, residential improvement, and uninhabitable. Adds language to clarify the process outlined in s. 197.319: requires the property owner to file an application for refund of taxes paid for the year a catastrophic event occurs with the property appraiser on a form prescribed by the Department; establishes March 1 of the year following catastrophic event as the application's due date; requires the application form to add a field to describe the catastrophic event; describes the steps the property appraiser must take if a refund is approved or not approved; requires the tax collector to calculate the damage differential and process the refund after taxes are paid.

➤ **Appropriation**

Effective Date: July 1, 2023

Statute Reference: N/A

Chapter Law: Section 50, 2023-157 (HB 7063, 1st Eng.)

For fiscal year 2023-2024, \$35 million is appropriated from the General Revenue Fund to the Department to offset reductions in ad valorem tax revenue to local taxing jurisdictions under s. 197.3181, F.S. Taxing jurisdictions must apply to the Department by October 1, 2023 and provide supporting documentation on a form prescribed by the Department. The Department is authorized to adopt emergency rules.

➤ **Housing**

Effective Date: January 1, 2024

Statute Reference: Section 196.1978, F.S.

Chapter Law: Section 8, 2023-17 (SB 102, 1st Eng.)

Cites this act as the "Live Local Act." Amends subsection (1) of s. 196.1978, providing an exemption from ad valorem taxation for property used to provide affordable housing for land

owned by a nonprofit entity, and leased for a minimum of 99 years to provide housing with low-income levels, if the square footage is greater than 50% of all the improvements to the land.

Adds subsection (3) to s. 196.1978, providing a new process to certify affordable housing through the Florida Housing Finance Corporation. Portions of property in a multifamily project, newly constructed, income is between 80% and 120% of the median annual adjusted gross income will receive a 75% exemption. Properties with income 80% and lower will receive a 100% exemption. The property owner must submit the exemption application and certification notice to the property appraiser.

➤ **Housing**

Effective Date: January 1, 2024

Statute Reference: Section 196.1979, F.S.

Chapter Law: Section 9, 2023-17 (SB 102, 1st Eng.)

Cites this act as the "Live Local Act." Creates s. 196.1979, authorizing local governments to adopt ordinances to provide an ad valorem tax exemption for portions of property used to provide affordable housing meeting certain requirements. The application for certification must be provided by the local entity designated pursuant to the board of county commissioners or governing body of a municipality.

Exemption amount is determined on the percentage of residential units used to provide affordable housing. If less than 100% of the residential units, the property receives up to 75% of the assessed value, or if 100% of the residential units are used, the property receives up to 100% exemption of the assessed value.

➤ **Economic Programs**

Effective Date: July 1, 2023

Statute Reference: Section 196.012, F.S.

Chapter Law: Section 14, 2023-173 (HB 5, 2nd Eng.)

Renames the Department of Economic Opportunity to the Department of Commerce. Amends s. 196.012, Definitions, to update a reference to the new s. 288.005, F.S., for the term "target industry business."

SALES TAX

➤ **Building Materials Used to Construct Affordable Housing**

Effective Date: July 1, 2023

Statute Reference: Section 212.08(5)(v), F.S.

Chapter Law: Section 12, 2023-17 (SB 102, 1st Eng.)

Creates s. 212.08(5)(v), F.S., to allow the owner of an eligible residential unit within an affordable housing development to apply for a refund of sales or use tax previously paid on building materials that become a component part of the eligible residential unit. Each refund is limited to

the lesser of 97.5 percent of the sales tax paid or \$5,000 but must exceed \$500. In lieu of providing copies of invoices evidencing the actual cost of the building materials and amount of sales tax paid, the cost of building materials will be determined to be equal to 40 percent of the increase in the final assessed value of the eligible residential units for ad valorem tax purposes less the most recent assessed value of land for the units.

➤ **Florida Tax Exempt Agricultural Materials (TEAM) Card**

Effective Date: July 1, 2023

Statute Reference: Section 212.08(19), F.S.

Chapter Law: Sections 1, 2, and 3, 2023-154 (HB 1279)

Creates s. 212.08(19), F.S., to provide for a Florida farm tax exempt agricultural materials (TEAM) card to be used by a farmer to claim the applicable sales tax exemptions provided by s. 212.08, F.S. Authorizes a farmer to present a TEAM card to a selling dealer in lieu of a certificate or affidavit otherwise required. The TEAM card will be available to a farmer whose property has been classified as agricultural pursuant to s. 193.461, F.S., or who has implemented agricultural best management practices adopted by the Department of Agriculture and Consumer Services (DACS) pursuant to s. 403.067(7)(c)2., F.S. Farmers are required to apply with the Department in order to receive a TEAM card. DACS will administer, issue, and distribute the cards to farmers who have applied to the Department. TEAM cards are valid for five years and subject to the review/renewal procedures in s. 212.084, F.S. The Department of Revenue will begin accepting TEAM card applications beginning January 1, 2024.

➤ **Reduction of the Tax Rate for the Lease, Rental, or License to Use Real Property**

Effective Date: December 1, 2023

Statute Reference: Section 212.031, F.S.

Chapter Law: Section 22, 2023-157 (HB 7063, 1st Eng.)

Amends s. 212.031(1)(c), F.S., providing that the tax imposed on the rental or license fees charged by the person charging or collecting the rental or license fee for the use of commercial rental property is reduced from 5.5 percent to 4.5 percent.

Amends s. 212.031(1)(d), F.S., providing that the tax imposed on the value of property, goods, wares, merchandise, services, or other thing of value, when the rental or license fee for the use of commercial real property is paid by way of property, goods, wares, merchandise, services, or other thing of value, is reduced from 5.5 percent to 4.5 percent.

➤ **Sales Tax Exemptions – Baby and Toddler Products**

Effective Date: July 1, 2023

Statute Reference: Section 212.08(7)(qqq), F.S.

Chapter Law: Section 24, 2023-157 (HB 7063, 1st Eng.)

Creates s. 212.08(7)(qqq), F.S., to provide a new exemption for baby and toddler products that exempts the following:

- Baby cribs, including baby playpens and baby play yards
- Baby strollers
- Baby safety gates

- Baby monitors
- Child safety cabinet locks and latches and electrical socket covers
- Bicycle child carrier seats and trailers
- Baby exercisers
- Breast pumps, bottle sterilizers, baby bottles and nipples, pacifiers, and teething rings
- Baby wipes
- Changing tables and changing pads
- Children’s diapers including single-use diapers, reusable diapers, and reusable diaper inserts
- Baby and toddler clothing, apparel, and shoes primarily intended for and marketed for children age 5 or younger. Baby and toddler clothing size 5T and smaller and baby and toddler shoes size 13T and smaller are presumed to be primarily intended for and marketed for children age 5 or younger.

➤ **Sales Tax Exemptions – Diapers and Incontinence Products for Human Use**

Effective Date: July 1, 2023

Statute Reference: Section 212.08(7)(rrr), F.S.

Chapter Law: Section 24, 2023-157 (HB 7063, 1st Eng.)

Creates s. 212.08(7)(rrr), F.S., to provide an exemption from sales and use tax for sales of diapers, incontinence undergarments, incontinence pads, and incontinence liners for human use

➤ **Sales Tax Exemptions – Firearm Safety Devices**

Effective Date: July 1, 2023

Statute Reference: Section 212.08(7)(ttt), F.S.

Chapter Law: Section 24, 2023-157 (HB 7063, 1st Eng.)

Creates s. 212.08(7)(ttt), F.S., to provide an exemption from sales and use tax for sales of “firearm safety devices.” The exemption is provided for sales of the following:

- A firearm safe, firearm lockbox, firearm case, or other device that is designed to be used to store a firearm and that is designed to be unlocked only by means of a key, a combination, or other similar means
- A firearm trigger lock or firearm cable lock that, when installed on a firearm, is designed to prevent the firearm from being operated without first deactivating the device and that is designed to be unlocked only by means of a key, a combination, or other similar means

➤ **Sales Tax Exemptions – Investigation Services**

Effective Date: July 1, 2023

Statute Reference: Section 212.08(7)(uuu), F.S.

Chapter Law: Section 24, 2023-157 (HB 7063, 1st Eng.)

Creates s. 212.08(7)(uuu), F.S., to provide a new sales tax exemption for sales of private investigation services provided by a small private investigative agency. Defines the term “small private investigative agency” to mean a private investigator licensed under s. 493.6201, F.S., that during the previous calendar year employed three or fewer full- or part-time employees and performed taxable private investigation services for which the agency charged less than \$150,000 for all its businesses related through common ownership. The exemption for private investigation

services performed by a small private investigative agency does not apply during the first calendar year that the agency conducts taxable private investigation services.

➤ **Sales Tax Exemptions – Items in Agricultural Use**

Effective Date: July 1, 2023

Statute Reference: Section 212.08(5)(a), F.S.

Chapter Law: Section 24, 2023-157 (HB 7063, 1st Eng.)

Amends the exemption for items for agricultural use provided in s. 212.08(5)(a), F.S., to include materials used to construct or repair permanent or temporary fencing used to contain, confine, or process cattle used in agricultural operations on lands classified as agricultural lands under s. 193.461, F.S.

➤ **Sales Tax Exemptions – Certain Machinery and Equipment Used in Production of Renewable Natural Gas**

Effective Date: July 1, 2023

Statute Reference: Section 212.08(5)(w), F.S.

Chapter Law: Section 24, 2023-157 (HB 7063, 1st Eng.)

Provides a new exemption in s. 212.08(5)(w), F.S., for purchases of machinery and equipment that are primarily used in the production, storage, transportation, compression, or blending of renewable natural gas at a fixed location in Florida. Purchasers claiming the exemption are required to present an affidavit to the selling dealer to document the designated exempt use. Purchasers with self-accrual authority must maintain all documentation necessary to prove the exempt status of purchases in lieu of presenting an affidavit to the selling dealer.

➤ **Sales Tax Exemptions – Oral Hygiene Products**

Effective Date: July 1, 2023

Statute Reference: Section 212.08(7)(sss), F.S.

Chapter Law: Section 24, 2023-157 (HB 7063, 1st Eng.)

Creates s. 212.08(7)(sss), F.S., to provide an exemption for oral hygiene products. Oral hygiene products are defined as electric and manual toothbrushes, toothpaste, dental floss, dental picks, oral irrigators, and mouthwash.

➤ **Sales Tax Holiday – Clothing, School Supplies, Learning Aids and Jigsaw Puzzles, Personal Computers and Personal Computer-Related Accessories**

Effective Date: May 25, 2023

Statute Reference: N/A

Chapter Law: Section 43, 2023-157 (HB 7063, 1st Eng.)

Provides an exemption from sales tax during the period of July 24, 2023, through August 6, 2023, and during the period from January 1, 2024, through January 14, 2024, on the retail sale of the following:

- Sales of clothing, wallets, or bags, including handbags, backpacks, fanny packs, and

diaper bags, but excluding briefcases, suitcases, and other garment bags, having a sales price of \$100 or less per item

- Sales of school supplies having a sales price of \$50 or less per item
- Sales of learning aids and jigsaw puzzles having a sales price of \$30 or less per item
- Sales of personal computers and related accessories having a sales price of \$1,500 or less per item purchased for noncommercial home or personal use

"Clothing" is defined to mean:

1. Any article of wearing apparel intended to be worn on or about the human body, excluding watches, watchbands, jewelry, umbrellas, and handkerchiefs
2. All footwear, excluding skis, swim fins, roller blades, and skates

"School supplies" is defined to mean pens, pencils, erasers, crayons, notebooks, notebook filler paper, legal pads, binders, lunch boxes, construction paper, markers, folders, poster board, composition books, poster paper, scissors, cellophane tape, glue, paste, rulers, computer disks, staplers, and staples used to secure paper products, protractors, compasses, and calculators.

"Learning aids" is defined to mean flashcards or other learning cards, matching or other memory games, puzzle books and search-and-find books, interactive or electronic books and toys intended to teach reading or math skills, and stacking or nesting blocks or sets.

"Personal computers" include electronic book readers, laptops, desktops, handhelds, tablets, or tower computers. The term does not include cellular telephones, video game consoles, digital media receivers, or devices that are not primarily designed to process data.

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

➤ **Sales Tax Holiday – Disaster Preparedness Supplies**

Effective Date: May 25, 2023

Statute Reference: N/A

Chapter Law: Section 44, 2023-157 (HB 7063, 1st Eng.)

Provides an exemption from sales tax during the period of May 27, 2023, through June 9, 2023, or during the period from August 26, 2023, through September 8, 2023, for the following items:

- A portable, self-powered light source with a sales price of \$40 or less
- A portable self-powered radio, two-way radio, or weather-band radio with a sales price of \$50 or less
- A tarpaulin or other flexible waterproof sheeting with a sales price of \$100 or less
- An item normally sold as, or generally advertised as, a ground anchor system or tie-down kit with a sales price of \$100 or less
- A gas or diesel fuel tank with a sales price of \$50 or less
- A package of AAA-cell, AA-cell, C-cell, D-cell, 6-volt, or 9-volt batteries, excluding automobile or boat batteries, with a sales price of \$50 or less
- A nonelectric food storage cooler with a sales price of \$60 or less
- A portable generator used to provide light or communications or preserve food in the event of a power outage with a sales price of \$3,000 or less
- Reusable ice with a sales price of \$20 or less

- A portable power bank with a sales price of \$60 or less
- A smoke detector, smoke alarm, carbon monoxide detector, or fire extinguisher with a sales price of \$70 or less
- Items necessary for the evacuation of household pets purchased for noncommercial use:
 - Over-the-counter pet medications with a sales price of \$100 or less per item
 - A portable kennel or pet carrier with a sales price of \$100 or less
 - A bag of dry pet food weighing 50 or fewer pounds and with a sales price of \$100 or less
 - Cans or pouches of wet pet food with a sales price of \$10 or less per can or pouch, or the equivalent if sold in a box or case
 - A manual can opener with a sales price of \$15 or less
 - Leashes, collars, and muzzles with a sales price of \$20 or less per item
 - A collapsible or travel-sized food or water bowl with a sales price of \$15 or less
 - Cat litter weighing 25 or fewer pounds and with a sales price of \$25 or less per item
 - A cat litter pan with a sales price of \$15 or less
 - Pet waste disposal bags with a sales price of \$15 or less per package
 - Pet pads with a sales price of \$20 or less per box or package
 - Hamster or rabbit substrate with a sales price of \$15 or less per package
 - A pet bed with a sales price of \$40 or less
- Specific common household consumable items with a sales price of \$30 or less of the following:
 - Laundry detergent and supplies: powder detergent, liquid detergent, or pod detergent, fabric softener, dryer sheets, stain removers, and bleach
 - Toilet paper
 - Paper towels
 - Paper napkins and tissues
 - Facial tissues
 - Hand soap, bar soap, and body wash
 - Sunscreen and sunblock
 - Dish soap and detergents, including powder detergents, liquid detergents, or pod detergents or rinse agents that can be used in dishwashers
 - Cleaning or disinfecting wipes and sprays
 - Hand sanitizer
 - Trash bags

➤ **Sales Tax Holiday – Freedom Summer**

Effective Date: *May 25, 2023*

Statute Reference: *N/A*

Chapter Law: *Section 45, 2023-157 (HB 7063, 1st Eng.)*

Provides an exemption from sales tax during the period from May 29, 2023, through September 4, 2023, for the following:

- Sales of admissions, as defined in s. 212.02(1), F.S., for:
 - A live music event scheduled to be held between May 29, 2023, and December 31, 2023
 - A live sporting event scheduled to be held between May 29, 2023, and December 31, 2023
 - A movie to be shown in a movie theater between May 29, 2023, and December 31, 2023
 - Entry to a museum, including any annual passes
 - Entry to a state park, including any annual passes
 - Entry to a ballet, play, or musical theatre performance scheduled to be held between May 29, 2023, through December 31, 2023

- Season tickets for ballets, plays, music events, or musical theatre performances
- Entry to a fair, festival, or cultural event scheduled to be held between May 29, 2023, through December 31, 2023
- Use of or access to private and membership clubs providing physical fitness facilities between May 29, 2023, and December 31, 2023

If the purchaser of a tax-exempt admission subsequently resells the admission, the purchaser shall collect tax on the full sales price of the resold admission.

- The retail sale of boating and water activity supplies, camping supplies, fishing supplies, general outdoor supplies, residential pool supplies, children's toys, and children's athletic equipment. Excludes supplies for commercial fishing purposes.
 - Boating and water activity supplies includes:
 - Life jackets and coolers with a sales price of \$75 or less
 - Recreational pool tubes, pool floats, inflatable chairs, and pool toys with a sales price of \$35 or less
 - Safety flares with a sales price of \$50 or less
 - Water skis, wakeboards, kneeboards, and recreational inflatable water tubes or floats capable of being towed with a sales price of \$150 or less
 - Paddleboards and surfboards with a sales price of \$300 or less
 - Canoes and kayaks with a sales price of \$500 or less
 - Paddles and oars with a sales price of \$75 or less
 - Snorkels, goggles, and swimming masks with a sales price of \$25 or less
 - Camping supplies includes:
 - Tents with a sales price of \$200 or less
 - Sleeping bags, portable hammocks, camping stoves, and collapsible camping chairs with a sales price of \$50 or less
 - Camping lanterns and flashlights with a sales price of \$30 or less
 - Fishing supplies includes:
 - Rods and reels with a sales price of \$75 or less if sold individually, or \$150 or less if sold as a set
 - Tackle boxes or bags with a sales price of \$30 or less
 - Bait or fishing tackle with a sales price of \$5 or less if sold individually, or \$10 or less if multiple items are sold together
 - General outdoor supplies include:
 - Sunscreen, sunblock, or insect repellent with a sales price of \$15 or less
 - Sunglasses with a sales price of \$100 or less
 - Binoculars with a sales price of \$200 or less
 - Water bottles with a sales price of \$30 or less
 - Hydration packs with a sales price of \$50 or less
 - Outdoor gas or charcoal grills with a sales price of \$250 or less
 - Bicycle helmets with a sales price of \$50 or less
 - Bicycles with a sales price of \$500 or less
 - Residential pool supplies include:
 - Individual residential pool and spa replacement parts, nets, filters, lights, and covers with a sales price of \$100 or less
 - Residential pool and spa chemicals purchased by an individual with a sales price of \$150 or less
 - "Children's athletic equipment" means a consumer product with a sales price of \$100 or less designed or intended by the manufacturer for a child 12 years of age or younger when the child engages in athletic activity. The manufacturer's intent can be supported by a statement by a manufacturer about the intended use of such product, including a label on such product, as well as product packaging, display, promotion, or advertising.

- “Children’s toys” means a consumer product with a sales price of \$75 or less designed or intended by the manufacturer for a child 12 years of age or younger for use by the child when the child plays. The manufacturer’s intent can be supported by a statement by a manufacturer about the intended use of such product, including a label on such product, as well as product packaging, display, promotion, or advertising.

➤ **Sales Tax Holiday – Tool Time; Tools Commonly Used by Skilled Trade Workers**

Effective Date: July 1, 2023

Statute Reference: N/A

Chapter Law: Section 46, 2023-157 (HB 7063, 1st Eng.)

Provides an exemption from sales tax beginning September 2, 2023, through September 8, 2023, on the retail sale of tools used by skilled workers. “Tools” included in the list of exempt items includes the following products:

- Hand tools with a sales price of \$50 or less per item
- Power tools with a sales price of \$300 or less per item
- Power tool batteries with a sales price of \$150 or less per item
- Work gloves with a sales price of \$25 or less per pair
- Safety glasses with a sales price of \$50 or less per pair
- Protective coveralls with a sales price of \$50 or less per item
- Work boots with a sales price of \$175 or less per pair
- Tool belts with a sales price of \$100 or less per item
- Duffle/tote bags with a sales price of \$50 or less per item
- Toolboxes with a sales price of \$75 or less per item
- Toolboxes for vehicles with a sales price of \$300 or less per item
- Industry textbooks and code books with a sales price of \$125 or less per item
- Electrical voltage and testing equipment with a sales price of \$100 or less per item
- LED flashlights with a sales price of \$50 or less per item
- Shop lights with a sales price of \$100 or less per item
- Handheld pipe cutters, drain opening tools, and plumbing inspection equipment with a sales price of \$150 or less per item
- Shovels with a sales price of \$50 or less
- Rakes with a sales price of \$50 or less
- Hard hats and other head protection with a sales price of \$100 or less
- Hearing protection items with a sales price of \$75 or less
- Ladders with a sales price of \$250 or less
- Fuel cans with a sales price of \$50 or less
- High visibility safety vests with a sales price of \$30 or less

➤ **Temporary Sales Tax Exemption for ENERGY STAR Appliances**

Effective Date: May 25, 2023

Statute Reference: N/A

Chapter Law: Section 47, 2023-157 (HB 7063, 1st Eng.)

Provides an exemption from sales tax beginning July 1, 2023, through June 30, 2024, on the retail sale of a new ENERGY STAR appliance for noncommercial use.

The term “ENERGY STAR product” means the following products designated by the United States Environmental Protection Agency and the United States Department of Energy as meeting or exceeding each agency's requirements under the ENERGY STAR program:

- A washing machine with a sales price of \$1,500 or less
- A clothes dryer with a sales price of \$1,500 or less
- A water heater with a sales price of \$1,500 or less
- A refrigerator or combination refrigerator/freezer with a sales price of \$4,500 or less

Each product must be affixed with an ENERGY STAR label.

➤ **Temporary Sales Tax Exemption for Gas Ranges and Cooktops**

Effective Date: May 25, 2023

Statute Reference: N/A

Chapter Law: Section 48, 2023-157 (HB 7063, 1st Eng.)

Provides an exemption from sales tax beginning July 1, 2023, through June 30, 2024, on the retail sale of gas ranges and cooktops. The term “gas ranges and cooktops” means any gas range or cooktop fueled by combustible gas such as natural gas, propane, butane, liquefied petroleum gas, or other flammable gas. The term does not include camping stoves or other portable stoves.

SECONDHAND DEALERS AND SECONDARY METALS RECYCLERS

➤ **Secondhand Goods**

Effective Date: July 1, 2023

Statute Reference: Section 538.03, F.S.

Chapter Law: 2023-127 (HB 737)

Amends the definition of “secondhand goods” provided in s. 538.03, F.S. The amended definition adds the following items as specifically excluded from the definition: gold bullion, silver bullion, platinum bullion, palladium bullion, or rhodium bullion if such bullion has been assayed and is properly marked as to its weight and fineness.

TAX ADMINISTRATION

➤ **Documentary Stamp Tax Distributions**

Effective Date: July 1, 2023

Statute Reference: Section 201.15, F.S.

Chapter Law: Section 10, 2023-17 (SB 102, 1st Eng.)

Amends s. 201.15(4), F.S., to require the lesser of 8 percent or \$150 million of the documentary stamp tax collected, after required distributions to the Land Acquisition Trust Fund, to be paid into the State Treasury to the credit of the State Housing Trust Fund. Requires that if 8 percent of the remainder is greater than \$150 million in any fiscal year, the difference between 8 percent of the

remainder and \$150 million must be paid into the State Treasury to the credit of the General Revenue Fund.

➤ **Economic Programs**

Effective Date: July 1, 2023

Statute Reference: Chapter 288, F.S. Sections 20.60, 212.08, 212.098, and 212.20, F.S.

Chapter Law: 2023-173, (HB 5)

Amends s. 20.60, F.S. Eliminates the Department of Economic Opportunity and establishes the Department of Commerce and its divisions and offices to assist the Governor in working with the Legislature, state agencies, business leaders, and economic development professionals to formulate and implement coherent and consistent policies and strategies designed to promote economic opportunities for all Floridians. All duties, records, pending issues, rules, and unexpended balances of appropriations, allocations, and other public funds relating to programs in Enterprise Florida, Inc., are transferred to the Department of Commerce by a type two transfer. The Division of Strategic Business Development is renamed the Division of Economic Development.

Amends s. 212.08(5)(j), F.S., to provide that businesses must be certified by the Department of Commerce in order to qualify for the exemption from sales tax for machinery and equipment used in semiconductor, defense, or space technology production and that qualifying businesses must apply to the Department of Commerce in order to receive the exemption.

Amends s. 212.098, F.S., to remove a targeted industry eligible for refund under s. 288.106, F.S., as an eligible business, due to repeal of s. 288.106, F.S.

Amends s. 212.20(6)(d)6.c. and d., F.S., to remove the Department's requirement to distribute funds to the Professional Golf Hall of Fame and the International Game Fish Association World Center.

Repeals the following incentive programs:

- Professional Golf Hall of Fame Facility (s. 288.1168, F.S.)
- International Game Fish Association World Center Facility (s. 288.1169, F.S.)
- Motorsports Entertainment Complex (s. 288.1171, F.S.)
- Entertainment industry financial incentive program (s. 288.1171, F.S.)

Amends s. 288.1258, F.S., to replace all references to the Office of Film and Entertainment to the Department of Commerce.

➤ **Emergency Communications**

Effective Date: July 1, 2023

Statute Reference: Section 212.05965, F.S.

Chapter Law: 2023-55 (SB 1418, 1st Eng.)

The Prepaid Wireless E911 Fee imposed on the retail sale of prepaid wireless service occurring in Florida is renamed the "Prepaid Wireless Public Safety Emergency Communications Systems Fee." Section 212.05965, F.S., is amended to rename the "prepaid wireless E911 fee" the "prepaid wireless public safety emergency communications systems fee." References within s. 365.172, F.S., to "prepaid wireless E911 fee" are amended to "prepaid wireless fee."

➤ **Florida Agricultural Promotional Campaign Trust Fund**

Effective Date: July 1, 2023

Statute Reference: Section 212.20(6)(d)6.h., F.S.

Chapter Law: Section 25, 2023-157 (HB 7063, 1st Eng.)

Creates s. 212.20(6)(d)6.h., F.S., to require the Department to distribute \$27.5 million to the Florida Agricultural Promotional Campaign Trust Fund, until June 30, 2025, at which time s. 212.20(6)(d)6.h., F.S., is repealed.

➤ **Enforcement of School Zone Speed Limits**

Effective Date: July 1, 2023

Statute Reference: Section 316.1896 and 318.18, F.S.

Chapter Law: 2023-174 (HB 657, 1st Eng.)

Authorizes the use of speed detection systems to identify motorists that exceed speed limits in school zones. Provides instructions regarding how fines and penalties paid by motorists that violate speed limit provisions in school zones are to be distributed by the Department of Revenue.