



# DAILY BRIEF

From April 2, 2014

## Environment

### SB 312 – relating to Agriculture

On Wednesday, April 2nd, SB 312, relating to Agriculture, by Senator Wilton Simpson (R-New Port Richey) unanimously passed the Senate Appropriations Subcommittee on Finance and Tax. **AIF Senior Vice President of State and Federal Affairs, Brewster Bevis**, stood in support of the bill during the committee. The bill now heads to its last stop before the Senate floor in the Senate Committee on Appropriations.



The bill allows a farmer who enrolls in a Dispersed Water Storage program offered by a water management district retain the "Greenbelt" land classification on his property as long as he participates in the programs. The bill also provides several sales tax exemptions for agriculture producers. AIF testified in favor of this legislation. The bill now heads to the House Finance & Tax Subcommittee.

AIF supports legislation which allows land owners to continue to have their property classified as "agricultural" if they are participating in a water retention program. This bill will benefit Florida's farmers in the form of reduced taxes.

---

## Health Care

### SB 278 – relating to Pharmacy

On Wednesday, April 2nd, SB 278, relating to Pharmacy, by Senator Denise Grimsley (R-Sebring) unanimously passed the Senate Committee on Rules. **Tammy Perdue, AIF General Counsel**, stood in support of this bill during the committee meeting. The bill now heads to the Senate floor.



The bill would remove the cap of three pharmacy technicians that the Board of Pharmacy may authorize one pharmacist to supervise. Further, the bill would revise the composition of the board to increase the pharmacists representing both community and institutional class II pharmacies from a minimum of one in each category to a minimum of three each.

AIF supports access for Floridians to high-paying jobs, such as pharmacy technician.

---

## Legal & Judicial

### SB 926 – relating to Local Regulation of Wage Theft

On Wednesday, April 2nd, SB 926, relating to Local Regulation of Wage Theft, by Senator Wilton Simpson (R-New Port Richey) passed the Senate Committee on Rules by an 8-7 vote. **Tammy Perdue, AIF General Counsel**, stood in support of the bill during the committee and expressed appreciation of

Senator Wilton Simpson and Senator Rob Bradley (R-Orange Park) for their extensive work and leadership on this important bill for Florida employers. The bill now heads to the Senate floor.

This bill prescribes a statewide wage theft claim process to ensure consistency and reduce regulatory burdens for employers, particularly those with multiple locations throughout the state. This measure will also lessen the confusion for employees.

AIF supports this legislation that will foster positive work environments and encourage economic development.

---

## IT Governance

### **SB 1524 – relating to Security of Confidential Personal Information**

On Wednesday, April 2nd, SB 1524, relating to Security of Confidential Personal Information, by Senator John Thrasher (R-St. Augustine) unanimously passed the Senate Committee on Rules. **Tammy Perdue, AIF General Counsel**, testified in the committee and expressed appreciation for the amendment and the issues it clarified as well as for the diligent collaboration the Attorney General exerted with AIF along with our members to develop a strong bill. The bill now heads to the Senate floor.



This bill creates new Florida requirements for various notifications a company must make in the event of a data breach. This measure was originated by Attorney General Pam Bondi. AIF and our members across all industries and areas of the state have worked with General Bondi and Senator Thrasher over the past several weeks to find a way to provide the consumer safeguards needed while avoiding unintended consequences that create costly regulatory burdens on businesses. At today's committee a significant amendment was adopted which addresses the business community's concerns and provides further clarity for how the notification process will be implemented. AIF salutes Attorney General Pam Bondi and Senator John Thrasher for their diligent leadership in protecting consumer information in a manner that is fair and not burdensome to Florida businesses.

AIF supports this important legislation because it provides clear direction to companies for handling data and security challenges in a timely and consistent manner.

---

## Taxation & Budget

### **SB 712 – relating to Taxes on Prepaid Calling Arrangements**

On Wednesday, April 2nd, SB 712, relating to Taxes on Prepaid Calling Arrangements, by Senator Bill Galvano (R-Bradenton) unanimously passed the Senate Appropriations Subcommittee on Finance and Tax. **AIF Senior Vice President of State and Federal Affairs, Brewster Bevis**, stood in support of the bill during the committee. The bill now heads to its last stop before the Senate floor in the Senate Committee on Appropriations.



The bill revises the definition of the term “prepaid calling card” for purposes of the Communications Services Tax (CST) and the sales tax. The primary effect of the bill is to include mobile communications services that meet specified conditions. The bill also provides that if a purchaser of a prepaid calling arrangement has paid sales tax on the sale or recharge of such arrangement, no additional sales tax or CST tax is due or payable if the purchaser applies one or more units of the prepaid calling arrangement to obtain communications services that are provided to or through the same handset or other electronic

device that is used by the purchaser to access mobile communications services, other services that are not communications services, or products.

AIF supports clarification that prepaid calling arrangements, such as wireless phones purchased at retail stores, should be taxed as tangible personal property.

### **SB 156 – relating to Motor Vehicle and Mobile Home Taxes, Fees, and Surcharges**

On Tuesday, April 2nd, SB 156, relating to Motor Vehicle and Mobile Home Taxes, Fees, and Surcharges, by Senator Joe Negron (R-Palm City) was signed into law by Governor Rick Scott. The law will take effect on September 1st, 2014.

AIF released the following press release today regarding SB 156.

**Tallahassee, Fla.** – *The Associated Industries of Florida (AIF) today released the following statement attributed to its President & CEO Tom Feeney regarding Governor Rick Scott (R-FL) signing Senate Bill 156 by Senator Joe Negron (R-Stuart), relating to Motor Vehicle Licenses Taxes, into law.*

*“AIF applauds the Governor for signing this tax reduction legislation into law and commends Senator Negron for championing this good public policy.*

*“Not only will this \$395 million reduction deliver relief to Florida businesses and their families by putting more money back in their pockets, it translates to job creation and incentives.*

*“AIF supports making Florida a more attractive place for companies looking to relocate or start a business, and this law will encourage growth in our state.”*

The bill reduces some of the fees required to register a motor vehicle, vessel or mobile home, and returns them to the amount required prior to September 1, 2009. The fee reductions result in a \$12 per year savings in the amount paid to register a motor vehicle, \$2.00 to register a vessel, and either \$4.50 or \$9.00 to register a mobile home. The total result of this bill is a \$395 million tax reduction for Florida’s residents.

AIF supports the roll back in fees and surcharges imposed on motorist when they buy, replace or transfer a license plate or register their vehicle with the state.

### **SB 134 – relating to Tax-exempt Income**

On Wednesday, April 2nd, SB 134, relating to Tax-exempt Income, by Senator Dorothy Hukill (R-Port Orange) passed the Senate Appropriations Subcommittee on Finance and Tax by a 10-1 vote. AIF stood in support of the bill during the committee. The bill now heads to the Senate Committee on Appropriations.

The bill increases the level of income that is exempt from the Florida corporate income tax. Florida imposes a 5.5 percent tax on the net income of corporations doing business in Florida. Currently the first \$50,000 of a corporation’s income that is subject to Florida tax is exempted from the corporate income tax. This bill increases the exemption from \$50,000 to \$75,000.

AIF supports Governor Scott’s proposed increase of the exempt income amount from the current \$50,000 to the proposed \$75,000. This allows a great incentive for small businesses to expand in Florida and for companies looking to relocate here.

### **SB 362 – relating to Hurricane Preparedness**

On Wednesday, April 2nd, SB 362, relating to Hurricane Preparedness, by Senator Rob Bradley (R-Orange Park) unanimously passed the Senate Appropriations Subcommittee on Finance and Tax. AIF

stood in support of the bill during the committee. The bill now heads to the Senate Committee on Appropriations.

The bill establishes a sales tax exemption for specified items related to hurricane preparedness beginning on June 1, 2014, and ending on June 12, 2014. These items include flashlights, radios, first-aid kits, batteries, small coolers, generators and various other items.

AIF supports sales tax holidays for hurricane supplies. This tax holiday is a win-win for customers and the state as sales tend to increase more than they would without the tax holiday.

#### **SB 596 – relating to Defense Contracting**

On Wednesday, April 2nd, SB 596, relating to Defense Contracting, by Senator Greg Evers (R-Crestview) unanimously passed the Senate Appropriations Subcommittee on Finance and Tax. AIF stood in support of the bill during the committee. The bill now heads to its last stop before the Senate floor in the Senate Committee on Appropriations.

This bill provides tax breaks to prime defense contractors who use Florida-based subcontractors. The bill would allow a prime contractor to reduce its taxable income 4 percent for each subcontract it awards.

AIF supports this bill because reducing the corporate tax liability would likely encourage prime contractors to award more subcontracts to small businesses in Florida.

#### **SB 898 – relating to Communications Services Tax**

On Wednesday, April 2nd, HB 898, relating to Communications Services Tax, by Senator Joseph Abruzzo (D-Wellington) unanimously passed the Senate Appropriations Subcommittee on Finance and Tax. AIF stood in support of the bill during the committee. The bill now heads to its last stop before the Senate floor in the Senate Committee on Appropriations.

This bill, brought to the attention of the legislature by the hotel and lodging industry, intends to relieve hoteliers, both large and small, from erroneous application of the Communications Services Tax (CST) by the Florida Department of Revenue on hotels, their franchises and properties. Specifically, the bill provides clarification that certain communications over the internet do not make a hotel a provider of communications services and thus those communications are not subject to the CST.

AIF supports this bill because the impact of the state's tourism industry, along with the lodging industry, affects every corner of the state and further and erroneous taxation of the hotel and lodging industry can only harm local economies.