

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 certain
 4 exemptions from the tax imposed on rental or license
 5 fees charged for the use of commercial real property;
 6 providing for the future repeal of s. 212.031, F.S.,
 7 relating to the imposition of a tax on the rental or
 8 license fees charged for the use of commercial real
 9 property; amending ss. 212.0598, 212.0602, 288.1258,
 10 338.234, and 341.840, F.S.; conforming provisions to
 11 changes made by the act; conforming cross-references;
 12 providing effective dates.

13
 14 Be It Enacted by the Legislature of the State of Florida:

15
 16 Section 1. Section 212.031, Florida Statutes, is amended
 17 to read:

18 212.031 Tax on rental or license fee for use of real
 19 property.—

20 (1) (a) It is declared to be the legislative intent that
 21 every person is exercising a taxable privilege who engages in
 22 the business of renting, leasing, letting, or granting a license
 23 for the use of any real property unless such property is:

- 24 1. Assessed as agricultural property under s. 193.461.
 25 2. Used exclusively as dwelling units.

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

28 4. Recreational property or the common elements of a
29 condominium when subject to a lease between the developer or
30 owner thereof and the condominium association in its own right
31 or as agent for the owners of individual condominium units or
32 the owners of individual condominium units. However, only the
33 lease payments on such property shall be exempt from the tax
34 imposed by this chapter, and any other use made by the owner or
35 the condominium association shall be fully taxable under this
36 chapter.

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

51 6. A public street or road which is used for
52 transportation purposes.

53 7. Property used at an airport exclusively for the purpose
54 of aircraft landing or aircraft taxiing or property used by an
55 airline for the purpose of loading or unloading passengers or
56 property onto or from aircraft or for fueling aircraft.

57 8.a. Property used at a port authority, as defined in s.
58 315.02(2), exclusively for the purpose of oceangoing vessels or
59 tugs docking, or such vessels mooring on property used by a port
60 authority for the purpose of loading or unloading passengers or
61 cargo onto or from such a vessel, or property used at a port
62 authority for fueling such vessels, or to the extent that the
63 amount paid for the use of any property at the port is based on
64 the charge for the amount of tonnage actually imported or
65 exported through the port by a tenant.

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

70 9. Property used as an integral part of the performance of
71 qualified production services. As used in this subparagraph, the
72 term "qualified production services" means any activity or
73 service performed directly in connection with the production of
74 a qualified motion picture, as defined in s. 212.06(1)(b), and
75 includes:

76 a. Photography, sound and recording, casting, location
77 managing and scouting, shooting, creation of special and optical
78 effects, animation, adaptation (language, media, electronic, or
79 otherwise), technological modifications, computer graphics, set
80 and stage support (such as electricians, lighting designers and
81 operators, greensmen, prop managers and assistants, and grips),
82 wardrobe (design, preparation, and management), hair and makeup
83 (design, production, and application), performing (such as
84 acting, dancing, and playing), designing and executing stunts,
85 coaching, consulting, writing, scoring, composing,
86 choreographing, script supervising, directing, producing,
87 transmitting dailies, dubbing, mixing, editing, cutting,
88 looping, printing, processing, duplicating, storing, and
89 distributing;

90 b. The design, planning, engineering, construction,
91 alteration, repair, and maintenance of real or personal property
92 including stages, sets, props, models, paintings, and facilities
93 principally required for the performance of those services
94 listed in sub-subparagraph a.; and

95 c. Property management services directly related to
96 property used in connection with the services described in sub-
97 subparagraphs a. and b.

98
99 This exemption will inure to the taxpayer upon presentation of
100 the certificate of exemption issued to the taxpayer under the

101 provisions of s. 288.1258.

102 10. Leased, subleased, licensed, or rented to a person
103 providing food and drink concessionaire services within the
104 premises of a convention hall, exhibition hall, auditorium,
105 stadium, theater, arena, civic center, performing arts center,
106 publicly owned recreational facility, or any business operated
107 under a permit issued pursuant to chapter 550. A person
108 providing retail concessionaire services involving the sale of
109 food and drink or other tangible personal property within the
110 premises of an airport shall be subject to tax on the rental of
111 real property used for that purpose, but shall not be subject to
112 the tax on any license to use the property. For purposes of this
113 subparagraph, the term "sale" shall not include the leasing of
114 tangible personal property.

115 11. Property occupied pursuant to an instrument calling
116 for payments which the department has declared, in a Technical
117 Assistance Advisement issued on or before March 15, 1993, to be
118 nontaxable pursuant to rule 12A-1.070(19)(c), Florida
119 Administrative Code; provided that this subparagraph shall only
120 apply to property occupied by the same person before and after
121 the execution of the subject instrument and only to those
122 payments made pursuant to such instrument, exclusive of renewals
123 and extensions thereof occurring after March 15, 1993.

124 12. Property used or occupied predominantly for space
125 flight business purposes. As used in this subparagraph, "space

126 flight business" means the manufacturing, processing, or
127 assembly of a space facility, space propulsion system, space
128 vehicle, satellite, or station of any kind possessing the
129 capacity for space flight, as defined by s. 212.02(23), or
130 components thereof, and also means the following activities
131 supporting space flight: vehicle launch activities, flight
132 operations, ground control or ground support, and all
133 administrative activities directly related thereto. Property
134 shall be deemed to be used or occupied predominantly for space
135 flight business purposes if more than 50 percent of the
136 property, or improvements thereon, is used for one or more space
137 flight business purposes. Possession by a landlord, lessor, or
138 licensor of a signed written statement from the tenant, lessee,
139 or licensee claiming the exemption shall relieve the landlord,
140 lessor, or licensor from the responsibility of collecting the
141 tax, and the department shall look solely to the tenant, lessee,
142 or licensee for recovery of such tax if it determines that the
143 exemption was not applicable.

144 13. Rented, leased, subleased, or licensed to a person
145 providing telecommunications, data systems management, or
146 Internet services at a publicly or privately owned convention
147 hall, civic center, or meeting space at a public lodging
148 establishment as defined in s. 509.013. This subparagraph
149 applies only to that portion of the rental, lease, or license
150 payment that is based upon a percentage of sales, revenue

151 sharing, or royalty payments and not based upon a fixed price.
152 This subparagraph is intended to be clarifying and remedial in
153 nature and shall apply retroactively. This subparagraph does not
154 provide a basis for an assessment of any tax not paid, or create
155 a right to a refund of any tax paid, pursuant to this section
156 before July 1, 2010.

157 (b) When a lease involves multiple use of real property
158 wherein a part of the real property is subject to the tax
159 herein, and a part of the property would be excluded from the
160 tax under subparagraph (a)1., subparagraph (a)2., subparagraph
161 (a)3., or subparagraph (a)5., the department shall determine,
162 from the lease or license and such other information as may be
163 available, that portion of the total rental charge which is
164 exempt from the tax imposed by this section. The portion of the
165 premises leased or rented by a for-profit entity providing a
166 residential facility for the aged will be exempt on the basis of
167 a pro rata portion calculated by combining the square footage of
168 the areas used for residential units by the aged and for the
169 care of such residents and dividing the resultant sum by the
170 total square footage of the rented premises. For purposes of
171 this section, the term "residential facility for the aged" means
172 a facility that is licensed or certified in whole or in part
173 under chapter 400, chapter 429, or chapter 651; or that provides
174 residences to the elderly and is financed by a mortgage or loan
175 made or insured by the United States Department of Housing and

176 Urban Development under s. 202, s. 202 with a s. 8 subsidy, s.
177 221(d)(3) or (4), s. 232, or s. 236 of the National Housing Act;
178 or other such similar facility that provides residences
179 primarily for the elderly.

180 (c) For the exercise of such privilege, a tax is levied in
181 an amount equal to 6 percent of and on the total rent or license
182 fee charged for such real property by the person charging or
183 collecting the rental or license fee. The total rent or license
184 fee charged for such real property shall include payments for
185 the granting of a privilege to use or occupy real property for
186 any purpose and shall include base rent, percentage rents, or
187 similar charges. Such charges shall be included in the total
188 rent or license fee subject to tax under this section whether or
189 not they can be attributed to the ability of the lessor's or
190 licensor's property as used or operated to attract customers.
191 Payments for intrinsically valuable personal property such as
192 franchises, trademarks, service marks, logos, or patents are not
193 subject to tax under this section. In the case of a contractual
194 arrangement that provides for both payments taxable as total
195 rent or license fee and payments not subject to tax, the tax
196 shall be based on a reasonable allocation of such payments and
197 shall not apply to that portion which is for the nontaxable
198 payments.

199 (d) When the rental or license fee of any such real
200 property is paid by way of property, goods, wares, merchandise,

201 services, or other thing of value, the tax shall be at the rate
202 of 6 percent of the value of the property, goods, wares,
203 merchandise, services, or other thing of value.

204 (e) The following amounts are exempt from the tax imposed
205 under this section on each lease or license of real property:

206 1. Effective January 1, 2018, the first \$10,000 of the
207 total rent or license fee subject to tax under this section that
208 is charged during the calendar year by the person charging or
209 collecting the rental or license fee to the tenant or person
210 actually occupying, using, or entitled to the use of the
211 property.

212 2. Effective January 1, 2019, the first \$20,000 of the
213 total rent or license fee subject to tax under this section that
214 is charged during the calendar year by the person charging or
215 collecting the rental or license fee to the tenant or person
216 actually occupying, using, or entitled to the use of the
217 property.

218 3. Effective January 1, 2020, the first \$30,000 of the
219 total rent or license fee subject to tax under this section that
220 is charged during the calendar year by the person charging or
221 collecting the rental or license fee to the tenant or person
222 actually occupying, using, or entitled to the use of the
223 property.

224 4. Effective January 1, 2021, the first \$40,000 of the
225 total rent or license fee subject to tax under this section that

226 is charged during the calendar year by the person charging or
227 collecting the rental or license fee to the tenant or person
228 actually occupying, using, or entitled to the use of the
229 property.

230 5. Effective January 1, 2022, the first \$50,000 of the
231 total rent or license fee subject to tax under this section that
232 is charged during the calendar year by the person charging or
233 collecting the rental or license fee to the tenant or person
234 actually occupying, using, or entitled to the use of the
235 property.

236 6. Effective January 1, 2023, the first \$60,000 of the
237 total rent or license fee subject to tax under this section that
238 is charged during the calendar year by the person charging or
239 collecting the rental or license fee to the tenant or person
240 actually occupying, using, or entitled to the use of the
241 property.

242 7. Effective January 1, 2024, the first \$70,000 of the
243 total rent or license fee subject to tax under this section that
244 is charged during the calendar year by the person charging or
245 collecting the rental or license fee to the tenant or person
246 actually occupying, using, or entitled to the use of the
247 property.

248 8. Effective January 1, 2025, the first \$80,000 of the
249 total rent or license fee subject to tax under this section that
250 is charged during the calendar year by the person charging or

251 collecting the rental or license fee to the tenant or person
252 actually occupying, using, or entitled to the use of the
253 property.

254 9. Effective January 1, 2026, the first \$90,000 of the
255 total rent or license fee subject to tax under this section that
256 is charged during the calendar year by the person charging or
257 collecting the rental or license fee to the tenant or person
258 actually occupying, using, or entitled to the use of the
259 property.

260
261 For purposes of administering and implementing the exemptions
262 contained in this paragraph, the department has authority to
263 review any lease, license, or such other information as may be
264 available to determine the total rental charge that is subject
265 to the applicable exemption. The department may adjust the total
266 rental charge subject to the exemption, as necessary, to
267 accurately reflect the intent, terms, duration, or subject of
268 one or more rental or license agreement.

269 (2) (a) The tenant or person actually occupying, using, or
270 entitled to the use of any property from which the rental or
271 license fee is subject to taxation under this section shall pay
272 the tax to his or her immediate landlord or other person
273 granting the right to such tenant or person to occupy or use
274 such real property.

275 (b) It is the further intent of this Legislature that only

276 | one tax be collected on the rental or license fee payable for
277 | the occupancy or use of any such property, that the tax so
278 | collected shall not be pyramided by a progression of
279 | transactions, and that the amount of the tax due the state shall
280 | not be decreased by any such progression of transactions.

281 | (3) The tax imposed by this section shall be in addition
282 | to the total amount of the rental or license fee, shall be
283 | charged by the lessor or person receiving the rent or payment in
284 | and by a rental or license fee arrangement with the lessee or
285 | person paying the rental or license fee, and shall be due and
286 | payable at the time of the receipt of such rental or license fee
287 | payment by the lessor or other person who receives the rental or
288 | payment. Notwithstanding any other provision of this chapter,
289 | the tax imposed by this section on the rental, lease, or license
290 | for the use of a convention hall, exhibition hall, auditorium,
291 | stadium, theater, arena, civic center, performing arts center,
292 | or publicly owned recreational facility to hold an event of not
293 | more than 7 consecutive days' duration shall be collected at the
294 | time of the payment for that rental, lease, or license but is
295 | not due and payable to the department until the first day of the
296 | month following the last day that the event for which the
297 | payment is made is actually held, and becomes delinquent on the
298 | 21st day of that month. The owner, lessor, or person receiving
299 | the rent or license fee shall remit the tax to the department at
300 | the times and in the manner hereinafter provided for dealers to

301 remit taxes under this chapter. The same duties imposed by this
302 chapter upon dealers in tangible personal property respecting
303 the collection and remission of the tax; the making of returns;
304 the keeping of books, records, and accounts; and the compliance
305 with the rules and regulations of the department in the
306 administration of this chapter shall apply to and be binding
307 upon all persons who manage any leases or operate real property,
308 hotels, apartment houses, roominghouses, or tourist and trailer
309 camps and all persons who collect or receive rents or license
310 fees taxable under this chapter on behalf of owners or lessors.

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

315 (5) When space is subleased to a convention or industry
316 trade show in a convention hall, exhibition hall, or auditorium,
317 whether publicly or privately owned, the sponsor who holds the
318 prime lease is subject to tax on the prime lease and the
319 sublease is exempt.

320 (6) The lease or rental of land or a hall or other
321 facilities by a fair association subject to the provisions of
322 chapter 616 to a show promoter or prime operator of a carnival
323 or midway attraction is exempt from the tax imposed by this
324 section; however, the sublease of land or a hall or other
325 facilities by the show promoter or prime operator is not exempt

326 from the provisions of this section.

327 (7) Utility charges subject to sales tax which are paid by
328 a tenant to the lessor and which are part of a payment for the
329 privilege or right to use or occupy real property are exempt
330 from tax if the lessor has paid sales tax on the purchase of
331 such utilities and the charges billed by the lessor to the
332 tenant are separately stated and at the same or a lower price
333 than those paid by the lessor.

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

340 (9) The rental, lease, sublease, or license for the use of
341 a skybox, luxury box, or other box seats for use during a high
342 school or college football game is exempt from the tax imposed
343 by this section when the charge for such rental, lease,
344 sublease, or license is imposed by a nonprofit sponsoring
345 organization which is qualified as nonprofit pursuant to s.
346 501(c)(3) of the Internal Revenue Code.

347 Section 2. Effective January 1, 2027, section 212.031,
348 Florida Statutes, is repealed.

349 Section 3. Effective January 1, 2027, subsection (2) of
350 section 212.0598, Florida Statutes, is amended to read:

351 212.0598 Special provisions; air carriers.—

352 (2) The basis of the tax shall be the ratio of Florida
 353 mileage to total mileage as determined pursuant to chapter 220
 354 and this section. The ratio shall be determined at the close of
 355 the carrier's preceding fiscal year. However, during the fiscal
 356 year in which the air carrier begins initial operations in this
 357 state, the carrier may determine its mileage apportionment
 358 factor based on an estimated ratio of anticipated revenue miles
 359 in this state to anticipated total revenue miles. In such cases,
 360 the air carrier shall pay additional tax or apply for a refund
 361 based on the actual ratio for that year. The applicable ratio
 362 shall be applied each month to the carrier's total systemwide
 363 gross purchases of tangible personal property and services
 364 otherwise taxable in Florida. ~~Additionally, the ratio shall be~~
 365 ~~applied each month to the carrier's total systemwide payments~~
 366 ~~for the lease or rental of, or license in, real property used by~~
 367 ~~the carrier substantially for aircraft maintenance if that~~
 368 ~~carrier employed, on average, during the previous calendar~~
 369 ~~quarter in excess of 3,000 full-time equivalent maintenance or~~
 370 ~~repair employees at one maintenance base that it leases, rents,~~
 371 ~~or has a license in, in this state. In all other instances, the~~
 372 ~~tax on real property leased, rented, or licensed by the carrier~~
 373 ~~shall be as provided in s. 212.031.~~

374 Section 4. Effective January 1, 2027, section 212.0602,
 375 Florida Statutes, is amended to read:

376 | 212.0602 Education; limited exemption.—

377 | (1) To facilitate investment in education and job
 378 | training, there is also exempt from the taxes levied under this
 379 | chapter, subject to the provisions of this section, the purchase
 380 | or lease of materials, equipment, and other items ~~or the license~~
 381 | ~~in or lease of real property~~ by any entity, institution, or
 382 | organization that is primarily engaged in teaching students to
 383 | perform any qualified production services ~~of the activities or~~
 384 | ~~services described in s. 212.031(1)(a)9.~~ that conducts classes
 385 | at a fixed location located in this state, that is licensed
 386 | under chapter 1005, and that has at least 500 enrolled students.
 387 | Any entity, institution, or organization meeting the
 388 | requirements of this section shall be deemed to qualify for the
 389 | exemptions in ss. ~~212.031(1)(a)9. and~~ 212.08(5)(f) and (12), ~~and~~
 390 | to qualify for an exemption for its purchase or lease of
 391 | materials, equipment, and other items used for education or
 392 | demonstration of the school's curriculum, including supporting
 393 | operations. Nothing in this section shall preclude an entity
 394 | described in this section from qualifying for any other
 395 | exemption provided for in this chapter.

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

400 | (a) Photography, sound and recording, casting, location

401 managing and scouting, shooting, creation of special and optical
402 effects, animation, adaptation (language, media, electronic, or
403 otherwise), technological modifications, computer graphics, set
404 and stage support (such as electricians, lighting designers and
405 operators, greensmen, prop managers and assistants, and grips),
406 wardrobe (design, preparation, and management), hair and makeup
407 (design, production, and application), performing (such as
408 acting, dancing, and playing), designing and executing stunts,
409 coaching, consulting, writing, scoring, composing,
410 choreographing, script supervising, directing, producing,
411 transmitting dailies, dubbing, mixing, editing, cutting,
412 looping, printing, processing, duplicating, storing, and
413 distributing.

414 (b) The design, planning, engineering, construction,
415 alteration, repair, and maintenance of real or personal
416 property, including stages, sets, props, models, paintings, and
417 facilities principally required for the performance of those
418 services listed in paragraph (a).

419 (c) Property management services directly related to
420 property used in connection with the services described in
421 paragraphs (a) and (b).

422 Section 5. Effective January 1, 2027, paragraphs (b) and
423 (c) of subsection (2) and subsection (3) of section 288.1258,
424 Florida Statutes, are amended to read:

425 288.1258 Entertainment industry qualified production

426 | companies; application procedure; categories; duties of the
 427 | Department of Revenue; records and reports.—

428 | (2) APPLICATION PROCEDURE.—

429 | (b)1. The Office of Film and Entertainment shall establish
 430 | a process by which an entertainment industry production company
 431 | may be approved by the office as a qualified production company
 432 | and may receive a certificate of exemption from the Department
 433 | of Revenue for the sales and use tax exemptions under ss.

434 | ~~212.031~~, 212.06~~7~~ and 212.08.

435 | 2. Upon determination by the Office of Film and
 436 | Entertainment that a production company meets the established
 437 | approval criteria and qualifies for exemption, the Office of
 438 | Film and Entertainment shall return the approved application or
 439 | application renewal or extension to the Department of Revenue,
 440 | which shall issue a certificate of exemption.

441 | 3. The Office of Film and Entertainment shall deny an
 442 | application or application for renewal or extension from a
 443 | production company if it determines that the production company
 444 | does not meet the established approval criteria.

445 | (c) The Office of Film and Entertainment shall develop,
 446 | with the cooperation of the Department of Revenue and local
 447 | government entertainment industry promotion agencies, a
 448 | standardized application form for use in approving qualified
 449 | production companies.

450 | 1. The application form shall include, but not be limited

451 to, production-related information on employment, proposed
452 budgets, planned purchases of items exempted from sales and use
453 taxes under ss. ~~212.031~~, 212.06~~7~~ and 212.08, a signed
454 affirmation from the applicant that any items purchased for
455 which the applicant is seeking a tax exemption are intended for
456 use exclusively as an integral part of entertainment industry
457 preproduction, production, or postproduction activities engaged
458 in primarily in this state, and a signed affirmation from the
459 Office of Film and Entertainment that the information on the
460 application form has been verified and is correct. In lieu of
461 information on projected employment, proposed budgets, or
462 planned purchases of exempted items, a production company
463 seeking a 1-year certificate of exemption may submit summary
464 historical data on employment, production budgets, and purchases
465 of exempted items related to production activities in this
466 state. Any information gathered from production companies for
467 the purposes of this section shall be considered confidential
468 taxpayer information and shall be disclosed only as provided in
469 s. 213.053.

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

473 (3) CATEGORIES.—

474 (a)1. A production company may be qualified for
475 designation as a qualified production company for a period of 1

476 | year if the company has operated a business in Florida at a
477 | permanent address for a period of 12 consecutive months. Such a
478 | qualified production company shall receive a single 1-year
479 | certificate of exemption from the Department of Revenue for the
480 | sales and use tax exemptions under ss. ~~212.031~~, 212.06~~7~~ and
481 | 212.08, which certificate shall expire 1 year after issuance or
482 | upon the cessation of business operations in the state, at which
483 | time the certificate shall be surrendered to the Department of
484 | Revenue.

485 | 2. The Office of Film and Entertainment shall develop a
486 | method by which a qualified production company may annually
487 | renew a 1-year certificate of exemption for a period of up to 5
488 | years without requiring the production company to resubmit a new
489 | application during that 5-year period.

490 | 3. Any qualified production company may submit a new
491 | application for a 1-year certificate of exemption upon the
492 | expiration of that company's certificate of exemption.

493 | (b)1. A production company may be qualified for
494 | designation as a qualified production company for a period of 90
495 | days. Such production company shall receive a single 90-day
496 | certificate of exemption from the Department of Revenue for the
497 | sales and use tax exemptions under ss. ~~212.031~~, 212.06~~7~~ and
498 | 212.08, which certificate shall expire 90 days after issuance,
499 | with extensions contingent upon approval of the Office of Film
500 | and Entertainment. The certificate shall be surrendered to the

501 Department of Revenue upon its expiration.

502 2. Any production company may submit a new application for
 503 a 90-day certificate of exemption upon the expiration of that
 504 company's certificate of exemption.

505 Section 6. Effective January 1, 2027, section 338.234,
 506 Florida Statutes, is amended to read:

507 338.234 Granting concessions or selling along the turnpike
 508 system; ~~immunity from taxation.~~

509 ~~(1)~~ The department may enter into contracts or licenses
 510 with any person for the sale of services or products or business
 511 opportunities on the turnpike system, or the turnpike enterprise
 512 may sell services, products, or business opportunities on the
 513 turnpike system, which benefit the traveling public or provide
 514 additional revenue to the turnpike system. Services, business
 515 opportunities, and products authorized to be sold include, but
 516 are not limited to, motor fuel, vehicle towing, and vehicle
 517 maintenance services; food with attendant nonalcoholic
 518 beverages; lodging, meeting rooms, and other business services
 519 opportunities; advertising and other promotional opportunities,
 520 which advertising and promotions must be consistent with the
 521 dignity and integrity of the state; state lottery tickets sold
 522 by authorized retailers; games and amusements that operate by
 523 the application of skill, not including games of chance as
 524 defined in s. 849.16 or other illegal gambling games; Florida
 525 citrus, goods promoting the state, or handmade goods produced

526 within the state; and travel information, tickets, reservations,
527 or other related services. However, the department, pursuant to
528 the grants of authority to the turnpike enterprise under this
529 section, shall not exercise the power of eminent domain solely
530 for the purpose of acquiring real property in order to provide
531 business services or opportunities, such as lodging and meeting-
532 room space on the turnpike system.

533 ~~(2) The effectuation of the authorized purposes of the~~
534 ~~Strategic Intermodal System, created under ss. 339.61-339.65,~~
535 ~~and Florida Turnpike Enterprise, created under this chapter, is~~
536 ~~for the benefit of the people of the state, for the increase of~~
537 ~~their commerce and prosperity, and for the improvement of their~~
538 ~~health and living conditions; and, because the system and~~
539 ~~enterprise perform essential government functions in~~
540 ~~effectuating such purposes, neither the turnpike enterprise nor~~
541 ~~any nongovernment lessee or licensee renting, leasing, or~~
542 ~~licensing real property from the turnpike enterprise, pursuant~~
543 ~~to an agreement authorized by this section, are required to pay~~
544 ~~any commercial rental tax imposed under s. 212.031 on any~~
545 ~~capital improvements constructed, improved, acquired, installed,~~
546 ~~or used for such purposes.~~

547 Section 7. Effective January 1, 2027, paragraph (a) of
548 subsection (3) of section 341.840, Florida Statutes, is amended
549 to read:

550 341.840 Tax exemption.—

551 (3) (a) Purchases or leases of tangible personal property
552 or real property by the enterprise, excluding agents of the
553 enterprise, are exempt from taxes imposed by chapter 212 as
554 provided in s. 212.08(6). Purchases or leases of tangible
555 personal property that is incorporated into the high-speed rail
556 system as a component part thereof, as determined by the
557 enterprise, by agents of the enterprise or the owner of the
558 high-speed rail system are exempt from sales or use taxes
559 imposed by chapter 212. ~~Leases, rentals, or licenses to use real~~
560 ~~property granted to agents of the enterprise or the owner of the~~
561 ~~high-speed rail system are exempt from taxes imposed by s.~~
562 ~~212.031 if the real property becomes part of such system.~~ The
563 exemptions granted in this subsection do not apply to sales,
564 leases, or licenses by the enterprise, agents of the enterprise,
565 or the owner of the high-speed rail system.

566 Section 8. Except as otherwise expressly provided in this
567 act, this act shall take effect July 1, 2017.