

1 A bill to be entitled
 2 An act relating to tax exemption for charges for
 3 private investigations; amending s. 212.08, F.S.;
 4 providing definitions; providing an exemption from the
 5 state tax on sales, use, and other transactions for
 6 investigation services provided by a small private
 7 investigative agency; providing an exception;
 8 authorizing the Department of Revenue to adopt
 9 emergency rules to implement the act; providing
 10 effective dates.

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 12 Be It Enacted by the Legislature of the State of Florida:

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 14 Section 1. Paragraph (qqq) is added to subsection (7) of
 15 section 212.08, Florida Statutes, to read:

16 212.08 Sales, rental, use, consumption, distribution, and
 17 storage tax; specified exemptions.—The sale at retail, the
 18 rental, the use, the consumption, the distribution, and the
 19 storage to be used or consumed in this state of the following
 20 are hereby specifically exempt from the tax imposed by this
 21 chapter.

22 (7) MISCELLANEOUS EXEMPTIONS.—Exemptions provided to any
 23 entity by this chapter do not inure to any transaction that is
 24 otherwise taxable under this chapter when payment is made by a
 25 representative or employee of the entity by any means,

26 including, but not limited to, cash, check, or credit card, even
 27 when that representative or employee is subsequently reimbursed
 28 by the entity. In addition, exemptions provided to any entity by
 29 this subsection do not inure to any transaction that is
 30 otherwise taxable under this chapter unless the entity has
 31 obtained a sales tax exemption certificate from the department
 32 or the entity obtains or provides other documentation as
 33 required by the department. Eligible purchases or leases made
 34 with such a certificate must be in strict compliance with this
 35 subsection and departmental rules, and any person who makes an
 36 exempt purchase with a certificate that is not in strict
 37 compliance with this subsection and the rules is liable for and
 38 shall pay the tax. The department may adopt rules to administer
 39 this subsection.

40 (qqq) Small private investigative agencies.-

41 1. As used in this paragraph, the term:

42 a. "Private investigation services" has the same meaning
 43 as the term "private investigation" as defined in s.
 44 493.6101(17).

45 b. "Small private investigative agency" means a private
 46 investigator licensed under s. 493.6201 which:

47 (I) Employs three or fewer full-time or part-time
 48 employees, including those performing services pursuant to an
 49 employee leasing arrangement as defined in s. 468.520(4), in
 50 total; and

51 (II) During the previous calendar year, performed private
52 investigation services otherwise taxable under this chapter in
53 which the charges for the services performed were less than
54 \$150,000 for all its businesses related through common
55 ownership.

56 2. The sale of private investigation services by a small
57 private investigative agency to a client is exempt from the tax
58 imposed by this chapter.

59 3. The exemption provided by this paragraph may not apply
60 in the first calendar year a small private investigative agency
61 conducts sales of private investigation services taxable under
62 this chapter.

63 Section 2. (1) The Department of Revenue may, and all
64 conditions are deemed met to, adopt emergency rules pursuant to
65 s. 120.54(4), Florida Statutes, for the purpose of implementing
66 the amendment made by this act to s. 212.08, Florida Statutes.

67 (2) Notwithstanding any other law, emergency rules adopted
68 pursuant to this section are effective for 6 months after
69 adoption and may be renewed during the pendency of procedures to
70 adopt permanent rules addressing the subject of the emergency
71 rules.

72 (3) This section shall take effect upon this act becoming
73 a law and expires January 1, 2027.

74 Section 3. Except as otherwise expressly provided in this
75 act and except for this section, which shall take effect upon

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76 | this act becoming a law, this act shall take effect July 1,
77 | 2023.