

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 1792

SPONSOR: Comprehensive Planning, Local and Military Affairs Committee and Senator Sullivan

SUBJECT: Ad Valorem Taxation

DATE: April 5, 1999

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Cooper</u>	<u>Yeatman</u>	<u>CA</u>	<u>Favorable/CS</u>
2.	_____	_____	<u>FR</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

This bill revises the date for filing tangible personal property tax returns.

This bill amends section 193.063 of the Florida Statutes.

II. Present Situation:

Section 196.001, F.S., requires ad valorem taxation, unless expressly exempt, of all real and personal property in this state. Property is taxed as either real property, personal property, or intangible personal property. Section 192.001, F.S., defines tangible personal property as "all goods, chattels, and other articles of value . . . capable of manual possession and whose chief value is intrinsic to the article itself." A more descriptive definition of tangible personal property is any personal property which may be seen, perceived by the senses, weighed, measured, or touched. Stocks, bonds, notes, securities, or other obligations are not tangible personal property.

Section 193.062, F.S., requires tangible personal property tax returns be filed by April 1 of each year. Section 193.063, F.S., allows property appraisers, at their discretion, to issue filing extension of up to 45 days. A request for an extension must be made in time to allow the property appraiser to review the request and act on it prior to the tax return due date. The extension request must include the taxable entity's name, its tax identification number, and the reason why an extension should be granted.

Section 193.072, F.S., provides that the penalty for filing a return after the due date is 5 percent of the total tax levied against the property covered by the return for that year, for each month that a return is filed after the due date, not to exceed 25 percent.

III. Effect of Proposed Changes:

Section 1 amends s. 193.063, F.S., to require, rather than authorize, the property appraiser to grant a 30 day extension for filing a tangible personal property tax return. The property appraiser is also authorized to grant an additional 15-day extension. The property appraiser is prohibited from requiring that the request for the extension be made more than 10 days before the due date of the return. In addition, the extension request must include any or all of the following: the taxable entity's name, its tax identification number, and the reason why the discretionary extension should be granted.

Section 3 provides that the act take effect January 1, 2000.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

This bill may require counties to expend additional funds because it may require county property appraisers hire additional personnel to process tangible personal property returns over a shorter period of time. Therefore, the bill could fall within the purview of subsection (a) of Article VII, Section 18, of the State Constitution, which provides that cities and counties are not bound by general laws requiring them to spend funds or to take an action which requires the expenditure of funds unless certain specified exemptions or exceptions are met.

However, the bill is likely to have an insignificant fiscal impact (less than \$1.4 million annually statewide). Thus, the bill is exempted from the requirements of Article VII, Section 18 of the State Constitution due to insignificant fiscal impact.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Individuals and businesses will have additional time to file tangible personal property returns.

C. Government Sector Impact:

By providing for a non-discretionary 30 day filing extension, some property appraisers may need to hire additional personnel to process returns over a shorter period of time. The statewide fiscal impact is indeterminate.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
