

1 A bill to be entitled
 2 An act relating to air carriers; amending s. 206.9825,
 3 F.S.; deleting an excise tax exemption for certain
 4 aviation fuel delivered by licensed wholesalers or
 5 terminal suppliers that increase the state's workforce
 6 by certain amounts; creating s. 206.9850, F.S.;
 7 authorizing distributions from state funds; creating
 8 s. 288.1259, F.S.; providing an incentive program for
 9 certain air carriers; providing definitions; providing
 10 a cap of \$17 million per fiscal year; providing an
 11 effective date.

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

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 15 Section 1. Effective June 1, 2018, subsection (1) of
 16 section 206.9825, Florida Statutes, is amended to read:

17 206.9825 Aviation fuel tax.—

18 (1)~~(a)~~ Except as otherwise provided in this part, an
 19 excise tax of 6.9 cents per gallon of aviation fuel is imposed
 20 upon every gallon of aviation fuel sold in this state, or
 21 brought into this state for use, upon which such tax has not
 22 been paid or the payment thereof has not been lawfully assumed
 23 by some person handling the same in this state. Fuel taxed
 24 pursuant to this part shall not be subject to the taxes imposed
 25 by ss. 206.41(1)(d), (e), and (f) and 206.87(1)(b), (c), and
 26 (d).

27 ~~(b) Any licensed wholesaler or terminal supplier that~~
 28 ~~delivers aviation fuel to an air carrier offering~~
 29 ~~transeontinental jet service and that, after January 1, 1996,~~
 30 ~~increases the air carrier's Florida workforce by more than 1000~~
 31 ~~percent and by 250 or more full-time equivalent employee~~
 32 ~~positions, may receive a credit or refund as the ultimate vendor~~
 33 ~~of the aviation fuel for the 6.9 cents excise tax previously~~
 34 ~~paid, provided that the air carrier has no facility for fueling~~
 35 ~~highway vehicles from the tank in which the aviation fuel is~~
 36 ~~stored. In calculating the new or additional Florida full-time~~
 37 ~~equivalent employee positions, any full-time equivalent employee~~
 38 ~~positions of parent or subsidiary corporations which existed~~
 39 ~~before January 1, 1996, shall not be counted toward reaching the~~
 40 ~~Florida employment increase thresholds. The refund allowed under~~
 41 ~~this paragraph is in furtherance of the goals and policies of~~
 42 ~~the State Comprehensive Plan set forth in s. 187.201(16) (a),~~
 43 ~~(b)1., 2., (17) (a), (b)1., 4., (19) (a), (b)5., (21) (a), (b)1.,~~
 44 ~~2., 4., 7., 9., and 12.~~

45 ~~(c) If, before July 1, 2001, the number of full-time~~
 46 ~~equivalent employee positions created or added to the air~~
 47 ~~carrier's Florida workforce falls below 250, the exemption~~
 48 ~~granted pursuant to this section shall not apply during the~~
 49 ~~period in which the air carrier has fewer than the 250~~
 50 ~~additional employees.~~

51 ~~(d) The exemption taken by credit or refund pursuant to~~
 52 ~~paragraph (b) shall apply only under the terms and conditions~~

53 ~~set forth therein. If any part of that paragraph is judicially~~
 54 ~~declared to be unconstitutional or invalid, the validity of any~~
 55 ~~provisions taxing aviation fuel shall not be affected and all~~
 56 ~~fuel exempted pursuant to paragraph (b) shall be subject to tax~~
 57 ~~as if the exemption was never enacted. Every person benefiting~~
 58 ~~from such exemption shall be liable for and make payment of all~~
 59 ~~taxes for which a credit or refund was granted.~~

60 Section 2. Section 206.9850, Florida Statutes, is created
 61 to read:

62 206.9850 Distributions to certain air carriers.--Beginning
 63 on the later of July 1 of each year or 30 days after written
 64 notice by the Department of Economic Opportunity to the
 65 department that an applicant has been approved as a qualified
 66 air carrier pursuant to s. 288.1259, F.S., the department shall
 67 make 12 monthly distributions to the approved applicant in an
 68 amount certified by the Department of Economic Opportunity
 69 pursuant to s. 288.1259, F.S. All distributions under this
 70 program shall be made from the Fuel Tax Collection Trust Fund;
 71 however, such distributions will be reduced from the existing
 72 Aviation Fuel tax revenue and may not exceed the portion of the
 73 trust fund that is composed of deposits from Aviation Fuel tax
 74 paid under Part III of this chapter.

75 Section 3. Section 288.1259, Florida Statutes, is created
 76 to read:

77 288.1259 Florida Aviation Race to the Sky Program.--
 78 (1) Definitions.- As used in this section, the term:

79 (a) "Air carrier" means a person, as defined in s.
 80 1.01(3), F.S., that is in the business of air transportation for
 81 compensation or hire.

82 (b) "Award" means an amount of state funds to be
 83 distributed from the Fuel Tax Collection Trust Fund pursuant to
 84 s. 206.9850, F.S.

85 (c) "Department" means the Department of Economic
 86 Opportunity.

87 (d) "Destination" means a location in Florida receiving
 88 air transportation service from an air carrier for which
 89 compensation is received by the carrier.

90 (e) "Passenger enplanements" means the number of persons
 91 who board an aircraft in this state for the purpose of air
 92 transportation for which compensation is received by the
 93 carrier.

94 (e) "Qualified air carrier" means an air carrier certified
 95 by the department to receive an award under this section.

96 (f) "Qualified applicant" means an air carrier that filed
 97 a timely and complete application pursuant to subsection (2).

98 (2) Application process.-

99 (a) An air carrier may apply for an award pursuant to this
 100 section by submitting an application to the department after
 101 January 1 but no later than April 1 of each year. Upon receipt
 102 of such application, the department shall review the application
 103 for completeness. If review of the application demonstrates that
 104 the application is incomplete, the executive director shall

105 notify the applicant within 15 business days of receipt and
 106 identify the reason for denial. The applicant may respond within
 107 15 business days of notification with additional information
 108 necessary to complete the application.

109 (b) The application must include any required information
 110 as determined by the department.

111 (c) After April 1 but no later than June 1 of each year,
 112 the executive director shall review all timely filed and
 113 complete applications, determine which qualified applicants will
 114 receive an award pursuant to subsection (3), and issue a letter
 115 of certification to each applicant, which includes:

116 1. the justification for the department's decision to
 117 approve or deny an award for the applicant;

118 2. the total amount of funds, if any, awarded to the
 119 applicant;

120 3. the schedule of payments of any award; and

121 3. certification to receive the scheduled payments, if
 122 any, from the Department of Revenue pursuant to s. 206.9850,
 123 F.S.

124 (3) Awards.- The total annual award amount to be allocated
 125 to qualified air carriers shall be \$17 million. Such amount
 126 shall be allocated and certified by the department pursuant to
 127 this subsection.

128 (a) Capacity Development Incentive.- The department shall
 129 use the data reported to the United States Department of
 130 Transportation on Form 41, Schedule T100 Air Carrier Data, to

131 determine the total passenger enplanements in this state in the
132 prior calendar year for each qualified applicant. The department
133 will certify the three qualified applicants with the most
134 passenger enplanements in this state in the prior calendar year
135 among all qualified applicants, and, upon such certification,
136 the department shall allocate a percent of the total annual
137 award as follows:

138 1. 28 percent to the qualified air carrier with the most
139 passenger enplanements;

140 2. 22 percent to the qualified air carrier with the second
141 most passenger enplanements; and

142 3. 20 percent to the qualified air carrier with the third
143 most passenger enplanements.

144 (b) Destination Variety Incentive.- The department shall
145 use the data reported to the United States Department of
146 Transportation on Form 41, Schedule T100 Air Carrier Data, to
147 determine the total number of destinations in this state that
148 each qualified applicant provided air transportation to in the
149 prior calendar year. The department will certify the three
150 qualified applicants that provided air transportation to the
151 most destinations in this state in the prior calendar year among
152 all qualified applicants, and, upon such certification, the
153 department shall allocate 10 percent of the total annual award
154 to each of those three qualified applicants.

155 (4) The department may adopt rules pursuant to ss.
156 120.536(1) and 120.54 and develop policies and procedures to

157 | implement and administer this section, and must develop an
158 | application form for qualifying an applicant as a qualified air
159 | carrier.

160 | (5) The Department of Revenue may adopt rules pursuant to
161 | ss. 120.536(1) and 120.54 to administer this section.

162 | Section 4. This act shall take effect July 1, 2017, unless
163 | otherwise provided.