1988

Session Law 88-102

Florida Senate & House of Representatives

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FLORIDA LEGISLATURE

FINAL LEGISLATIVE BILL INFORMATION

1987 Special Sessions B, C, D
1988 Regular Session
1988 Special Sessions E, F

RE: CHAPTER 88-102
CS/50 375 (Pssm)

prepared by:

Joint Legislative Management Committee
Legislative Information Division
Capitol Building, Room 826 — 488-4371
A bill to be entitled
An act relating to ad valorem tax exemptions;
amending s. 196.012, F.S.; revising and
providing applicable definitions; conforming a
cross-reference; amending s. 196.192, F.S.;
specifying criteria to be used in granting
exemptions for certain purposes; providing an
effective date.

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

Section 1. Subsections (4), (5), (6), (7), (8), (9),
(10), (11), (12), (13), (14), (15), (16), (17), and (18) of
section 196.012, Florida Statutes, are renumbered as
subsections (5), (6), (7), (8), (9), (10), (11), (12), (13),
(14), (15), (16), (17), (18), and (19) of said section,
respectively; and subsections (1), (2), (3), and (16) of said
section are amended, and a new subsection (4) is added to said
section, to read:

196.012 Definitions.--For the purpose of this chapter,
the following terms are defined as follows, except where the
context clearly indicates otherwise:

(1) "Exempt use of property" or "use of property for
exempt purposes" means predominant or exclusive use of
property for educational, literary, scientific, religious,
charitable, or governmental purposes, as defined in this
chapter.

(2) "Exclusive use of property" means use of property
solely that is used 100 percent for exempt purposes. Such
purposes may include more than one class of exempt use.
(3) "Predominant use of property" means use of property used for exempt purposes in excess of 50 percent but less than exclusive.

(4) "Use" means the exercise of any right or power over real or personal property incident to the ownership of the property or any interest in the property.

"Permanent resident" means a person who has established a permanent residence as defined in subsection.

Section 2. Section 196.192, Florida Statutes, is amended to read:

196.192 Exemptions from ad valorem taxation.--Subject to the provisions of this chapter:

(1) All property used exclusively for exempt purposes shall be totally exempt from ad valorem taxation.

(2) All property used predominantly for exempt purposes shall be exempted from ad valorem taxation to the extent of the ratio that such predominant use bears to the nonexempt use.

For purposes of this section, each use to which the property is being put must be considered in granting an exemption from ad valorem taxation, including any economic use, in addition to any physical use.

Section 3. This act shall take effect upon becoming a law.

SENATE SUMMARY

Revises definitions applicable to ad valorem tax exemptions and provides a definition for the term "use" with respect thereto. Provides that, in deciding whether an ad valorem tax exemption should be granted, each use to which property is being put must be considered, including any economic use in addition to each physical use.

CODING: Words striken are deletions; words underlined are additions.
A bill to be entitled
An act relating to ad valorem tax exemptions;
amending s. 196.012, F.S.; revising and
providing applicable definitions; conforming a
cross-reference; requiring ownership of
property by an exempt entity for grant of an
exemption; amending s. 196.192, F.S.;
specifying criteria to be used in granting
exemptions for certain purposes; amending s.
196.196, F.S.; including religious
organizations in a list of exempt entities;
providing an effective date.

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

Section 1. Subsections (4), (5), (6), (7), (8), (9),
(10), (11), (12), (13), (14), (15), (16), (17), and (18) of
section 196.012, Florida Statutes, are renumbered as
subsections (5), (6), (7), (8), (9), (10), (11), (12), (13),
(14), (15), (16), (17), (18), and (19) of said section,
respectively; and subsections (1), (2), (3), and (16) of said
section are amended, and a new subsection (4) is added to said
section, to read:

"Exempt use of property" or "use of property for
exempt purposes" means predominant or exclusive use of
property, owned by an exempt entity, for educational,
literary, scientific, religious, charitable, or governmental
purposes, as defined in this chapter.
"Exclusive use of property" means use of property solely that is used at least 100 percent for exempt purposes. Such purposes may include more than one class of exempt use.

"Predominant use of property" means use of property used for exempt purposes in excess of 50 percent but less than exclusive.

"Use" means the exercise of any right or power over real or personal property incident to the ownership of the property.

"Permanent resident" means a person who has established a permanent residence as defined in subsection.

Section 2. Section 196.192, Florida Statutes, is amended to read:

196.192 Exemptions from ad valorem taxation.—Subject to the provisions of this chapter:

(1) All property owned by an exempt entity and used exclusively for exempt purposes shall be totally exempt from ad valorem taxation.

(2) All property owned by an exempt entity and used predominantly for exempt purposes shall be exempted from ad valorem taxation to the extent of the ratio that such predominant use bears to the nonexempt use.

For purposes of this section, each use to which the property is being put must be considered in granting an exemption from ad valorem taxation, including any economic use, in addition to any physical use.

Section 3. Subsection (3) of section 196.196, Florida Statutes, is amended to read:

CODING: Words stricken are deletions; words underlined are additions.
196.196 Criteria for determining that portion of charitable, religious, scientific or literary property entitled to exempt status.--

(3) Except as otherwise provided herein, property claimed as exempt for literary, scientific, religious, or charitable purposes which is used for profitmaking purposes shall be subject to ad valorem taxation. Use of property for functions not requiring a business or occupational license conducted by the organization at its primary residence the revenue of which is used wholly for exempt purposes shall not be considered profit making. In this connection the playing of bingo on such property shall not be considered as using such property in such a manner as would impair its exempt status.

Section 4. This act shall take effect upon becoming a law.

STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR Senate Bill 375

Senate Bill 375 addresses only use of property for exempt purposes with respect to granting property tax exemptions. Ownership by an exempt entity is not specified. A property tax exemption inures to the property owner. A non-exempt owner could lease property to someone to use for exempt purposes. The owner could receive the exemption even though he was using the property for a profitmaking purpose, a non-exempt purpose. Committee Substitute for Senate Bill 375 requires that property be owned by an exempt entity as well as used for exempt purposes to be eligible for a property tax exemption.

CODING: Words stricken are deletions; words underlined are additions.
(e) Upon receipt of the written statement from the property appraiser, the tax collector shall reduce the taxes on the property shown on the tax collection roll to the amount shown by the property appraiser to be due.

(f) No later than May 1, the tax collector shall notify the board of county commissioners and the Department of Revenue of the total reduction in taxes for all property which received a partial abatement of taxes pursuant to this section.

(g) For purposes of this subsection:

1. "Loss of use and occupancy" means that the building or structure, or some self-sufficient unit within it, cannot be used for the purpose for which it was constructed during a period of 60 days or more.

2. "House or other residential building or structure" does not include amenities not essential to use and occupancy such as detached utility buildings, bulkheads, fences, detached carports, swimming pools, and other similar items of property.

(h) This subsection shall take effect upon becoming law, and shall apply retroactive to January 1, 1988 and shall stand repealed July 1, 1989.

Section 5. Except as otherwise provided herein, this act shall take effect January 1, 1989, and shall apply only to tax years 1989 and thereafter.

Approved by the Governor June 16, 1988.

Filed in Office Secretary of State June 16, 1988.

CHAPTER 88-102

Committee Substitute for Senate Bill No. 375

An act relating to ad valorem tax exemptions; amending s. 196.012, F.S.; revising and providing applicable definitions; conforming a cross-reference; requiring ownership of property by an exempt entity for grant of an exemption; amending s. 196.192, F.S.; specifying criteria to be used in granting exemptions for certain purposes; specifying that the criteria does not apply to exemptions pursuant to s. 196.199, F.S.; amending s. 196.196, F.S.; including religious organizations in a list of exempt entities; providing an effective date.

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

Section 1. Subsections (4), (5), (6), (7), (8), (9), (10), (11), (12), (13), (14), (15), (16), (17), and (18) of section 196.012, Florida Statutes, are renumbered as subsections (5), (6), (7), (8), (9), (10), (11), (12), (13), (14), (15), (16), (17), (18), and (19) of said section, respectively; and subsections (1), (2), (3), (5), and (16) of said section are amended, and a new subsection (4) is added to said section, to read:
196.012 Definitions.--For the purpose of this chapter, the following terms are defined as follows, except where the context clearly indicates otherwise:

(1) "Exempt use of property" or "use of property for exempt purposes" means predominant or exclusive use of property, owned by an exempt entity, for educational, literary, scientific, religious, charitable, or governmental purposes use, as defined in this chapter.

(2) "Exclusive use of property" means use of property solely that is-used-100-percent for exempt purposes. Such purposes may include more than one class of exempt use.

(3) "Predominant use of property" means use of property used for exempt purposes in excess of 50 percent but less than exclusive.

(4) "Use" means the exercise of any right or power over real or personal property incident to the ownership of the property.

(5) "Educational institution" means a state, parochial, church, or private school, college, or university conducting regular classes and courses of study required for eligibility to certification by, accreditation to, or membership in the State Department of Education of Florida, Southern Association of Colleges and Secondary Schools, or the Florida Council of Independent Schools; and educational direct-support organizations created pursuant to ss. 229.8021, 240.299 and 240.331; and facilities located on the property of eligible entities which will become owned by those entities on a date certain.

(17) "Permanent resident" means a person who has established a permanent residence as defined in subsection (18). Section 2. Section 196.192, Florida Statutes, is amended to read:

196.192 Exemptions from ad valorem taxation.--Subject to the provisions of this chapter:

(1) All property owned by an exempt entity and used exclusively for exempt purposes shall be totally exempt from ad valorem taxation.

(2) All property owned by an exempt entity and used predominantly for exempt purposes shall be exempted from ad valorem taxation to the extent of the ratio that such predominant use bears to the nonexempt use.

For purposes of this section, each use to which the property is being put must be considered in granting an exemption from ad valorem taxation, including any economic use, in addition to any physical use. This section shall not apply in determining the exemption for property owned by governmental units pursuant to s. 196.199.

Section 3. Subsection (3) of section 196.196, Florida Statutes, is amended to read:

196.196 Criteria for determining that portion of charitable, religious, scientific or literary property entitled to exempt status.--
(3) Except as otherwise provided herein, property claimed as exempt for literary, scientific, religious, or charitable purposes which is used for profitmaking purposes shall be subject to ad valorem taxation. Use of property for functions not requiring a business or occupational license conducted by the organization at its primary residence the revenue of which is used wholly for exempt purposes shall not be considered profit making. In this connection the playing of bingo on such property shall not be considered as using such property in such a manner as would impair its exempt status.

Section 4. This act shall take effect upon becoming a law.

Approved by the Governor June 16, 1988.

Filed in Office Secretary of State June 16, 1988.

CHAPTER 88-103

Senate Bill No. 595

An act relating to liability insurance for sheriffs and their deputies and employees; creating s. 30.555, F.S.; authorizing sheriffs to secure and obtain such liability insurance; providing an effective date.

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

Section 1. Section 30.555, Florida Statutes, is created to read:

30.555 Liability insurance.--The sheriff may obtain insurance to cover liability for damages arising out of claims for false arrest, false imprisonment, false or improper service of process, or other claims arising out of the performance of his duties or the duties of his deputies or employees and may pay the premiums for such insurance from funds appropriated for the necessary and regular expenses of his office without specific appropriation or specification of expenses with respect thereto.

Section 2. This act shall take effect upon becoming a law.

Approved by the Governor June 16, 1988.

Filed in Office Secretary of State June 16, 1988.

CHAPTER 88-104

Senate Bill No. 682

An act relating to insurance; amending s. 626.752, F.S., relating to the exchange of business, providing additional restrictions, disclosures and requirements; providing for liability of insurers for coverage written by unlicensed agents under certain circumstances; amending s. 626.918, F.S.; clarifying existing language; providing a waiver of certain requirements by the Department of Insurance with respect to certain surplus
I. SUMMARY:

A. PRESENT SITUATION:

Section 196.192, F.S., totally exempt from ad valorem taxation property used exclusively for exempt purposes and partially exempt property used predominately for exempt purposes. Under s. 196.012, F.S., exempt uses are specified to be for educational, literary, scientific, religion, charitable, or governmental purposes. Exclusive use is 100 percent for exempt purposes and predominant use is use in excess of 50 percent for exempt purposes. Section 196.011(1), F.S., requires an annual application for exemption from taxation on property as a result of its ownership and use from the person or organization who has legal title to real or personal property. A person must own and use property for homestead purposes to receive the homestead exemption under s. 196.031, F.S. Section 196.195, F.S., provides criteria for determining profit or non-profit status of an applicant and s. 196.196, F.S., provides criteria for determining that portion of charitable, religious, scientific, or literary property which is entitled to exempt status. Property may not be exempt if it is used for profit-making or non-exempt purposes. (S. 196.195(3), F.S.) No application for exemption may be granted for exempt purposes until the applicant has been found to be non-profit. (S. 196.195(4), F.S.) Property claimed as exempt for exempt purposes but used for profit-making purposes is taxable. (S. 196.196(3), F.S.) In 1984, the District Court of Appeal of the Second District, in Daniel v. Murrell, held that under changes made to the Florida Constitution in 1968 and under s. 196.192, F.S., only actual physical use of property is material in granting exemptions from taxation. Other types of use, such as economic use, and the character of ownership are irrelevant. In 1987, the Florida Supreme Court in Schultz v. Trustees Skycrest Baptist Church, Inc. relied on Murrell to uphold a decision to look only to actual physical use of property in granting an exemption from property taxes. Neither court considered any other provisions...
II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring or First Year Start-Up Effects:
   None

2. Recurring or Annualized Continuation Effects:
   None

3. Long Run Effects Other Than Normal Growth:
   None

4. Appropriations Consequences:
   None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring or First Year Start-Up Effects:
III. LONG RANGE CONSEQUENCES:

IV. COMMENTS:
None

V. AMENDMENTS:
None
VI. SIGNATURES:

SUBSTANTIVE COMMITTEE:
Prepared by: ____________________________ Staff Director: ____________________________

FINANCE & TAXATION:
Prepared by: ____________________________ Staff Director: ____________________________
Henry C. Cain ____________________________ Henry C. Cain ____________________________

APPROPRIATIONS:
Prepared by: ____________________________ Staff Director: ____________________________
I. SUMMARY:

A. Present Situation:

Section 196.192, F.S., totally exempt from ad valorem taxation property used exclusively for exempt purposes and partially exempt property used predominately for exempt purposes. Under s. 196.012, F.S., exempt uses are specified to be for educational, literary, scientific, religion, charitable, or governmental purposes. Exclusive use is 100 percent for exempt purposes and predominant use is in excess of 50 percent for exempt purposes. Section 196.011(1), F.S., requires an annual application for exemption from taxation on property as a result of its ownership and use from the person or organization who has legal title to real or personal property. A person must own and use property for homestead purposes to receive the homestead exemption under s. 196.031, F.S. Section 196.195, F.S., provides criteria for determining profit or non-profit status of an applicant and s. 196.196, F.S., provides criteria for determining that portion of charitable, religious, scientific, or literary property which is entitled to exempt status. Property may not be exempt if it is used for profit-making or non-exempt purposes. (s. 196.195(3), F.S.) No application for exemption may be granted for exempt purposes until the applicant has been found to be non-profit. (s. 196.195(4), F.S.) Property claimed as exempt for literary, scientific, or charitable purposes but used for profit-making purposes is taxable. (s. 196.196(3), F.S.) In 1984, the District Court of Appeal of the Second District, in Daniel v. Murrell, held that under changes made to the Florida Constitution in 1968 and under s. 196.192, F.S., only actual physical use of property is material in granting exemptions from taxation. Other types of use, such as economic use, and the character of ownership are irrelevant. In 1987, the Florida Supreme Court in Schultz v. Trustees Skycrest Baptist Church, Inc. relied on Murrell to uphold a decision to look only to actual physical use of property in granting an exemption from property taxes. Neither court considered any other provisions of Chapter 196, F.S., established under Constitutional authorization, in construing provisions granting property tax exemptions.

Currently, s. 196.196(3), F.S., subjects to taxation property claimed as exempt for literary, scientific, or charitable purposes but used for profit-making purposes. Property claimed as exempt for religious purposes but used for profit-making purposes is not specifically taxable. The omission was inadvertent inasmuch as the other provisions of s. 196.196, F.S., apply to literary, religious, or charitable purposes.

B. Effect of Proposed Changes:

The bill clarifies the definitions of "exempt use", "exclusive use", and "predominant use" of property. It defines use to be
the exercise of any right or power over property incident to
ownership of the property. It amends s. 196.192, F.S., to make
it clear that that section be read in conjunction with and be
subject to other provisions of chapter 196, F.S., and that each
use to which property is put be considered in granting
exemptions, including economic uses. It further specifies that
only property owned by an exempt entity and used for exempt
purposes may be exempt from taxation.

The bill subjects to taxation property claimed as exempt for
religious purposes but used for profitmaking purposes.

II. ECONOMIC IMPACT AND FISCAL NOTE:

A. Public:

The public should benefit to the extent that property which is
used for profit-making purposes will be subject to taxation,
increasing the tax base and lowering the millage necessary to
meet budget requirements of local governments.

B. Government:

Local: Local governments will benefit from the standpoint
that current property tax bases will be protected from
being reduced by reliance on Murrell and Skycrest.

State: None.

III. COMMENTS:

None.

IV. AMENDMENTS:

None.
Senate Bill 375 addresses only use of property for exempt purposes with respect to granting property tax exemptions. Ownership by an exempt entity is not specified. A property tax exemption inures to the property owner. A non-exempt owner could lease property to someone to use for exempt purposes. The owner could receive the exemption even though he was using the property for a profitmaking purpose, a non-exempt purpose. Committee Substitute for Senate Bill 375 requires that property be owned by an exempt entity as well as used for exempt purposes to be eligible for a property tax exemption.
Journal
of the
Florida
House of Representatives

Ninetieth
Regular Session
since Statehood in 1845

April 5 through June 7, 1988

[Including a record of transmittal of Acts subsequent to sine die adjournment]
Adopted without objection

The Speaker in the Chair

Amendment 6 — On page 4, line 31, insert amending s 626 944, F.S., changing eligibility requirements for risk managers, health care

Representative Martinez offered the following title amendment

Amendment 7 — On page 46, line 23, after the period insert Section 56. Any insurance company which does business in Florida and sells malpractice insurance in any other state shall sell malpractice insurance in Florida (renumber subsequent sections)

Rep. Lewis moved the adoption of the amendment, which was adopted without objection.

Representative Crady offered the following amendment

Amendment 8 — On page 5, line 9, insert Section 1 Subsection (6) is added to section 624 155, Florida Statutes, to read

624 155 Civil remedy —

(6) In the absence of expressed language to the contrary, this section shall not be construed to authorize a civil action or create a cause of action against an insurer or its employees who, in good faith, release information about an insured or an insurance policy to a law enforcement agency in furtherance of an investigation of a criminal or fraudulent act relating to a motor vehicle theft or a motor vehicle insurance claim (renumber subsequent sections)

Rep. Crady moved the adoption of the amendment, which was adopted without objection.

Representative Crady offered the following title amendment

Amendment 9 — On page 1, line 2, after the semicolon insert amending s 624 155, F.S., providing that release of certain information to a law enforcement agency shall not create a cause of action.

Rep. Crady moved the adoption of the amendment, which was adopted without objection.

Under Rule 8 19, the bill was referred to the Engrossing Clerk

THE SPEAKER PRO TEMPORE IN THE CHAIR

SB 374 — A bill to be entitled An act relating to ad valorem taxation, amending s 192 032, F.S., revising provisions for determining situs of property for assessment purposes; providing an effective date.

was read the second time by title and, under Rule 8 19, referred to the Engrossing Clerk

Amendment 1 — On page 2, line 28, strike all of said line and insert to any physical use This section shall not apply in determining the exemption for property owned by governmental units pursuant to s 196 199

Rep. Figg moved the adoption of the amendment, which was adopted.

Representative Ascheri offered the following title amendment.

Amendment 2 — On page 1, line 9, after the semicolon insert specifying that the criteria does not apply to exemptions pursuant to s 196 199, F.S.

Rep. Figg moved the adoption of the amendment, which was adopted without objection.

Representative Gardner offered the following amendment

Amendment 3 — On page 2, line 9, after the period insert “5)4) “Educational institution” means a state, parochial, church, or private school, college, or university conducting regular classes and courses of study required for eligibility to certification by, accreditation to, or membership in the State Department of Education of Florida, Southern Association of Colleges and Secondary Schools, or the Florida Council of Independent Schools, and educational direct-support organizations created pursuant to ss 229 8021, 240 399 and 240 331, and facilities located on the property of eligible entities which will become owned by those entities on a date certain.

Rep. Gardner moved the adoption of the amendment, which was adopted without objection.

Representative Gardner offered the following amendment

Amendment 4 — On page 1, line 21, after “(3),” insert “(5),”. Rep. Gardner moved the adoption of the amendment, which was adopted without objection.

Under Rule 8 19, the bill was referred to the Engrossing Clerk

CS for SB 334 — A bill to be entitled An act relating to homestead tax exemption, amending s 196 011, F.S., authorizing persons who fail to timely apply for a homestead tax exemption to petition the property appraisal adjustment board, providing a filing fee, authorizing the granting of the exemption, providing an effective date.

was read the second time by title

Representative Mackey offered the following amendment

Amendment 1 — On page 2, lines 13 and 14, strike all of said lines and insert Section 2 Subsection (3) is added to section 196 295, Florida Statutes to read
A bill to be entitled
An act relating to ad valorem tax exemptions; amending s. 196.012, F.S.; revising and providing applicable definitions; conforming a cross-reference; amending s. 196.192, F.S.; specifying criteria to be used in granting exemptions for certain purposes; providing an effective date.

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

Section 1. Subsections (4), (5), (6), (7), (8), (9), (10), (11), (12), (13), (14), (15), (16), (17), and (18) of section 196.012, Florida Statutes, are renumbered as subsections (5), (6), (7), (8), (9), (10), (11), (12), (13), (14), (15), (16), (17), (18), and (19) of said section, respectively; and subsections (1), (2), (3), and (16) of said section are amended, and a new subsection (4) is added to said section, to read:

196.012 Definitions.--For the purpose of this chapter, the following terms are defined as follows, except where the context clearly indicates otherwise:

(1) "Exempt use of property" or "use of property for exempt purposes" means predominant or exclusive use of property for educational, literary, scientific, religious, charitable, or governmental purposes, as defined in this chapter.

(2) "Exclusive use of property" means use of property solely that is used 100 percent for exempt purposes. Such purposes may include more than one class of exempt use.

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(3) "Predominant use of property" means use of property used for exempt purposes in excess of 50 percent but less than exclusive.

(4) "Use" means the exercise of any right or power over real or personal property incident to the ownership of the property or any interest in the property.

(17) "Permanent resident" means a person who has established a permanent residence as defined in subsection (18).

Section 2. Section 196.192, Florida Statutes, is amended to read:

196.192 Exemptions from ad valorem taxation.--Subject to the provisions of this chapter:

(1) All property used exclusively for exempt purposes shall be totally exempt from ad valorem taxation.

(2) All property used predominantly for exempt purposes shall be exempted from ad valorem taxation to the extent of the ratio that such predominant use bears to the nonexempt use.

For purposes of this section, each use to which the property is being put must be considered in granting an exemption from ad valorem taxation, including any economic use, in addition to any physical use.

Section 3. This act shall take effect upon becoming a law.

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An act relating to ad valorem tax exemptions;
amending s. 196.012, F.S.; revising and
providing applicable definitions; conforming a
cross-reference; requiring ownership of
property by an exempt entity for grant of an
exemption; amending s. 196.192, F.S.;
specifying criteria to be used in granting
exemptions for certain purposes; amending s.
196.196, F.S.; including religious
organizations in a list of exempt entities;
providing an effective date.

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

Section 1. Subsections (4), (5), (6), (7), (8), (9),
(10), (11), (12), (13), (14), (15), (16), (17), and (18) of
section 196.012, Florida Statutes, are renumbered as
subsections (5), (6), (7), (8), (9), (10), (11), (12), (13),
(14), (15), (16), (17), and (19) of said section,
respectively; and subsections (1), (2), (3), and (16) of said
section are amended, and a new subsection (4) is added to said
section, to read:

196.012 Definitions.--For the purpose of this chapter,
the following terms are defined as follows, except where the
context clearly indicates otherwise:

(1) "Exempt use of property" or "use of property for
exempt purposes" means predominant or exclusive use of
property, owned by an exempt entity, for educational,
literary, scientific, religious, charitable, or governmental
purposes use, as defined in this chapter.
"Exclusive use of property" means use of property solely that is used in 100 percent for exempt purposes. Such purposes may include more than one class of exempt use.

"Predominant use of property" means use of property used for exempt purposes in excess of 50 percent but less than exclusive.

"Use" means the exercise of any right or power over real or personal property incident to the ownership of the property.

"Permanent resident" means a person who has established a permanent residence as defined in subsection.

Section 2. Section 196.192, Florida Statutes, is amended to read:

196.192 Exemptions from ad valorem taxation.--Subject to the provisions of this chapter:

(1) All property owned by an exempt entity and used exclusively for exempt purposes shall be totally exempt from ad valorem taxation.

(2) All property owned by an exempt entity and used predominantly for exempt purposes shall be exempted from ad valorem taxation to the extent of the ratio that such predominant use bears to the nonexempt use.

For purposes of this section, each use to which the property is being put must be considered in granting an exemption from ad valorem taxation, including any economic use, in addition to any physical use.

Section 3. Subsection (3) of section 196.196, Florida Statutes, is amended to read:

196.196 Criteria for determining that portion of charitable, religious, scientific or literary property entitled to exempt status.--

(3) Except as otherwise provided herein, property claimed as exempt for literary, scientific, religious, or charitable purposes which is used for profitmaking purposes shall be subject to ad valorem taxation. Use of property for functions not requiring a business or occupational license conducted by the organization at its primary residence the revenue of which is used wholly for exempt purposes shall not be considered profit making. In this connection the playing of bingo on such property shall not be considered as using such property in such a manner as would impair its exempt status.

Section 4. This act shall take effect upon becoming a law.