

## PUBLIC SERVICE TAX

### **Sec. 25-16. Definitions.**

The following words and terms when used in this article shall have the meanings ascribed to them in this section except where the context clearly indicates a different meaning:

*Fuel oil* as used in this article, shall include Fuel Oil Grade Nos. 1, 2, 3, 4, 5, and 6, kerosene, and coal oil.

*Purchaser* shall include any person, firm, corporation, partnership, society, club or association of persons acting together as a unit who purchase or cause to be purchased for consumption utility service within the corporate limits of the city.

*Seller* shall include any person, individual, firm, copartnership, joint venture, association, corporation, partnership, society, club, estate, trust, business trust, receiver, syndicate, or other group or combination acting as a unit, and shall include the state and any political subdivision, municipality, state agency, bureau, board, commission, instrumentality or department, or any combination thereof, and the plural as well as the singular number. The University of Florida shall not be deemed a seller of any item otherwise taxable hereunder when such item is provided to university residences incidental to the provision of educational services.

*Utility service* shall mean electricity, metered or bottled gas (natural, liquefied petroleum gas or manufactured), water service, and fuel oil, sold, purchased, delivered or received within the boundaries of the city.

(Code 1960, § 25-4; Ord. No. 3286, § 1, 9-29-86; Ord. No. 3662, § 1, 9-24-90; Ord. No. 970352, § 1, 10-27-97; Ord. No. 001358, § 2, 6-25-01)

**Cross reference**— Definitions and rules of construction generally, § 1-2.

### **Sec. 25-17. Levy.**

(a) There is hereby levied by the city on each and every purchase in the city of electricity, metered or bottled gas (natural, liquefied petroleum gas, or manufactured), and water service, a tax of ten percent of the charge made by the seller of such service or commodity. There is hereby levied by the city on each and every purchase in the city of fuel oil a tax of four cents per gallon. These taxes shall in each case be paid by the purchaser thereof for the use of the city to the seller of such electricity, metered or bottled gas (natural, liquefied petroleum gas, or manufactured), water service, and fuel oil at the time of paying the charge therefor, but not less than monthly.

(b) The tax hereby levied on purchases of utility service shall be collected only once upon the same commodity or service and after the commodity or service has lost its interstate character.

(Code 1960, § 25-5; Ord. No. 3286, § 2, 9-29-86; Ord. No. 3662, § 2, 9-24-90; Ord. No. 950558, § 1, 9-11-95; Ord. No. 970352, § 1, 10-27-97; Ord. No. 001358, § 2, 6-25-01)

## **Sec. 25-18. Exemptions.**

(a) *Political subdivisions, churches.* Purchases by the United States government, the State of Florida, and all counties, school districts and the city, and by public bodies exempted by law or court order, and by any recognized church of this state for use exclusively for church purposes, are exempt from the tax levied under [section 25-17](#). Any religious institution that possesses a consumer certificate of exemption issued under F.S. ch. 212, is exempt from the tax on telecommunications services levied under [section 25-17\(c\)](#).

(b) *Fuel costs and purchased gas adjustments.* All increases in the cost of utility services to the ultimate consumer resulting from an increase in the cost of fuel to the utility subsequent to October 1, 1973, are hereby exempt from the payment of the tax imposed by [section 25-17](#). The following Gainesville Regional Utilities' fuel costs and adjustments are hereby exempt:

(1) Electric fuel costs in excess of the October 1, 1973 cost of six and five-tenths mills (\$0.0065) per kilowatt-hour.

(2) Firm natural gas fuel costs in excess of the October 1, 1973 cost of sixty-nine and six one-hundredths mills (\$0.06906) per therm.

(3) Interruptible natural gas fuel costs in excess of the October 1, 1973 cost of fifty-five and sixteen one-hundredths mills (\$0.05516) per therm.

(4) Liquid propane gas fuel costs in excess of the October 1, 1973 cost of one hundred fifty-eight and eight-two one-hundredths mills (\$0.15882) per gallon.

(c) *Special fuels, fuels in certain quantities and for certain uses.*

(1) For the purposes of this article, the tax imposed by [section 25-17](#) shall not include the following:

a. Purchases of special fuels as defined in F.S. Ch. 209;

b. The purchase of fuel oil or kerosene for use as an aircraft engine fuel or propellant or for use in internal combustion engines.

c. The purchase of natural gas or fuel oil by a public or private utility, including municipal corporations and rural electric cooperative associations, either for resale or for use as fuel in the generation of electricity.

(2) The extension of the utility tax authorized by F.S. § 166.231, to fuel oil as defined by this article is based upon the legislative finding that fuel oil as defined by this article is competitive with other utilities taxed by this article under the doctrine announced by the Florida Supreme Court in the case of *Central Oil Company v. Cheney* (Fla. 1971 253 So 2d 869). It is further determined and declared that items that are exempt under this article and other items which are not taxed under this article, such as coal, wood, charcoal and alcohol are not competitive with those other items that are taxed by this article.

(d) *Enterprise zones; partial exemption for qualified businesses.*

(1) Any business located within the enterprise zone established by Resolution R-95-6, shall be eligible to receive an exemption of 50 percent of the utility tax imposed by the city on the purchase of electrical energy if such business is a qualified business under the provisions of F.S. § 212.08, and is determined to be eligible for the exemption by the Department of Revenue.

(2) To receive the exemption, a business must file an application with the enterprise zone development agency on a form provided by the Department of Revenue for the purposes of F.S. §§ 166.231(8) and 212.08(15). A qualified business may receive the benefit herein provided for a period of five years from the billing period beginning not more than 30 days following notification to Gainesville Regional Utilities by the Department of Revenue that an exemption has been authorized. The benefits of this article shall expire on December 31, 2015. Any qualified business which has been granted an exemption under F.S. § 212.08(15) shall be entitled to the full benefit of that exemption as if expiration had not occurred on that date. Notwithstanding the expiration referenced above, if a subsequent audit conducted by the Department of Revenue determines that the business did not meet the criteria mandated in F.S. § 212.08(15), the amount of taxes exempted pursuant to this article shall immediately be due and payable to the City of Gainesville by the business, together with the appropriate interest and penalty, computed from the due date of each bill for the electrical energy purchased as exempt under this article.

(Code 1960, §§ 25-4, 25-5.1, 25-9; Ord. No. 3062, § 1, 9-24-84; Ord. No. 3261, § 1, 9-22-86; Ord. No. 3838, § 1, 3-1-93; Ord. No. 950800, § 1, 10-23-95; Ord. No. 970352, § 1, 10-27-97; Ord. No. 050668, § I, 12-12-05)