

REVENUE ESTIMATING CONFERENCE

Tax: Article V Fees & Transfers

Issue: Clerk of the Court Recording Fees

Bill Number(s): CS/HB 841

Entire Bill

Partial Bill:

Sponsor(s): Judiciary Committee, Rep. Powell and Others

Month/Year Impact Begins: Upon Becoming a Law

Date of Analysis: 4/24/2013

Section 1: Narrative

- a. **Current Law:** Section 28.222, F.S., provides for the clerk of the circuit court to be the recorder of all instruments required by law. Section 28.24 (12), F.S., provides service charges to be imposed by the clerks for recording, indexing, and filing instruments of not more than a certain size. Section 142.01(1) and (2), F.S., provides that all court related fees, fines, costs, and service charges are considered state funds and shall be remitted monthly to the Department of Revenue for deposit into the Clerks of the Court Trust Fund.
- b. **Proposed Change:** Among other things, this bill amends section 709.2105, F.S., relating to “validity of power of attorney,” to provide that an original power of attorney relied upon to affect the title to real property may be required for recording in the official records and that an original properly executed power of attorney may be presented to the clerk of the circuit court for recording in the official records as provided under s. 28.222, upon payment of the service charge provided in s. 28.24.

Section 2: Description of Data and Sources

Telephone interview with Florida Court Clerks and Comptrollers (FCCC) Association staff

Section 3: Methodology (Include Assumptions and Attach Details)

According to FCCC staff, it is not common practice in Florida for power of attorney instruments to be recorded. There exists no readily available data regarding the number recorded statewide for any particular time period. Whether or not the language proposed in the bill will result in additional power of attorney instruments being recorded or not is unknown; however, it was not anticipated that any resulting increase in the number would be significant.

According to FCCC staff, the typical power of attorney instrument necessary to affect the title of real property would require approximately 3 pages. A power of attorney template downloaded from the internet required only 1 page, including principal, agent, and notary signature lines. The fee for a three page power of attorney instrument with 4 signatures or less would be as follows:

1 <sup>st</sup> page recording	\$5
2 <sup>nd</sup> page recording	\$4
3 <sup>rd</sup> page recording	\$4
1 <sup>st</sup> page additional Records Modernization Fund recording	\$1
2 <sup>nd</sup> page additional Records Modernization Fund recording	0.5
3 <sup>rd</sup> page additional Records Modernization Fund recording	<u>0.5</u>
<b>TOTAL</b>	<b>\$15</b>

Assuming 3 pages per power of attorney instrument, it would require an increase of more than 3,333 power of attorney instruments in any fiscal year to exceed \$50,000 ( $50,000 / 15 = \underline{3,333.33}$ ). It was assumed that at least 1 additional power of attorney instrument would be recorded as a result of the proposed bill; therefore, the impact of the bill was assumed to be positive insignificant.

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**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14 COCTF GR Ser. Ch.			*	*		
2014-15 COCTF GR Ser. Ch.			*	*		
2015-16 COCTF GR Ser. Ch.			*	*		
2016-17 COCTF GR Ser. Ch.			*	*		
2017-18 COCTF GR Ser. Ch.			*	*		

**List of affected Trust Funds:**

Clerk of Court TF

**Section 5: Consensus Estimate (Adopted: 04/26/2013) The conference adopted the proposed estimate.**

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	*	*	*	*			*	*
2014-15	*	*	*	*			*	*
2015-16	*	*	*	*			*	*
2016-17	*	*	*	*			*	*
2017-18	*	*	*	*			*	*

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Sales and Use Tax

**Issue:** Natural Gas for Fuel Cells

**Bill Number(s):** Proposed Language

**Entire Bill**

**Partial Bill:**

**Sponsor(s):**

**Month/Year Impact Begins:** July 2013

**Date of Analysis:** 4/25/2013

**Section 1: Narrative**

- a. **Current Law:** 212.08 Sales, rental, use, consumption, distribution, and storage tax; specified exemptions.—The sale at retail, the rental, the use, the consumption, the distribution, and the storage to be used or consumed in this state of the following are hereby specifically exempt from the tax imposed by this chapter.
- b. **Proposed Change:** Amends 212.08 (4)(a)2 to add: natural gas used to generate electricity through use in a non-combustion fuel cell which is located in a stationary vehicle is exempt from the tax imposed by this chapter.

**Section 2: Description of Data and Sources**

U.S. Energy Information Administration – Natural Gas Weekly Update  
 Bloom Energy ES-5700 Energy Server Data Sheet

**Section 3: Methodology (Include Assumptions and Attach Details)**

Using the specified number of millions of British Thermal Units per hour and the price per million of British Thermal Units of natural gas, the expenditure for running an energy server 24 hours a day for 1 year is derived. 6 percent sales tax is backed out from this cost figure to arrive at an impact per unit of \$2,944. The low estimate assumes one energy server enters the state in 2013-14, and each subsequent year is then double the prior year. The middle estimate assumes twice as many energy servers entering as the low, while the high is indicative of tenfold the low estimate.

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	Insignificant	(\$0.47m)	Insignificant	(\$0.09m)	Insignificant	(\$0.05m)
2014-15	(\$0.06m)	(\$0.47m)	Insignificant	(\$0.09m)	Insignificant	(\$0.05m)
2015-16	(\$0.12m)	(\$0.47m)	Insignificant	(\$0.09m)	Insignificant	(\$0.05m)
2016-17	(\$0.24m)	(\$0.47m)	(\$0.05m)	(\$0.09m)	Insignificant	(\$0.05m)
2017-18	(\$0.47m)	(\$0.47m)	(\$0.09m)	(\$0.09m)	(\$0.05m)	(\$0.05m)

**List of affected Trust Funds:** General Sales Tax Grouping

**Section 5: Consensus Estimate (Adopted:04/26/2013) The conference adopted the middle estimate.**

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	(Insignificant)	(0.1)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)
2014-15	(Insignificant)	(0.1)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)
2015-16	(Insignificant)	(0.1)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)
2016-17	(0.1)	(0.1)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)
2017-18	(0.1)	(0.1)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)
2014-15	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)
2015-16	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)
2016-17	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2017-18	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)

	A	B	C	D
1				
2	Fuel required		1.32 MMBtu/hr*	
3			\$4.24 MMBtu**	
4				
5	Full capacity, 24h 365d	\$	49,060	
6	6% Sales tax impact	\$	2,944	
7	# Servers for 50k significance		17	
8				
9		Assumed new servers	Potential Impact	
10		2013-14	1 \$	2,944
11		2014-15	2 \$	5,887
12		2015-16	4 \$	11,775
13		2016-17	8 \$	23,549
14		2017-18	16 \$	47,098
15				
16		<b>High</b>	<b>Middle</b>	<b>Low</b>
17		insig.	insig.	insig.
18	<b>2013-14</b>			
19	<b>2014-15</b> \$	0.06	insig.	insig.
20	<b>2015-16</b> \$	0.12	insig.	insig.
21	<b>2016-17</b> \$	0.24	\$ 0.05	insig.
22	<b>2017-18</b> \$	0.47	\$ 0.09	\$ 0.05
23				
24	* <a href="http://www.bloomenergy.com/fuel-cell/es-5700-data-sheet/">http://www.bloomenergy.com/fuel-cell/es-5700-data-sheet/</a>			
25	** <a href="http://www.eia.gov/naturalgas/weekly/">http://www.eia.gov/naturalgas/weekly/</a>			