

FISH AND WILDLIFE CONSERVATION COMMISSION

Freshwater Fish and Wildlife

RULE NO.: 68A-27.003
 RULE TITLE: Designation of Endangered Species; Prohibitions

NOTICE OF CORRECTION

When the above proposed rule was published in the April 29, 2011, Vol. 37, No. 17 FAW, paragraph 68A-27.003(1)(c) should have read:

68A-27.003 Designation of Endangered Species; Prohibitions.

(1) Federally-designated Endangered and Threatened species:

(c) Fish:

1. ~~Gulf sturgeon (*Acipenser oxyrinchus [=*oxyrhynchus*] desotoi*)(T);~~
2. Okaloosa darter (*Etheostoma okaloosae*)(E),
3. ~~Shortnose sturgeon (*Acipenser brevirostrum*)(E),~~
4. Smalltooth sawfish (*Pristis pectinata*)(E).

**Section IV
 Emergency Rules**

DEPARTMENT OF REVENUE

Miscellaneous Tax

RULE NO.: 12BER11-2
 RULE TITLE: Tax on Transfers of Ownership Interest in Legal Entities

SPECIFIC REASONS FOR FINDING AN IMMEDIATE DANGER TO THE PUBLIC HEALTH, SAFETY OR WELFARE: Chapter 2009-131, Laws of Florida, authorizes the Department to promulgate an emergency rule, and to renew such rule, to implement the provisions of the law. The law provides that conditions necessary for an emergency rule and its renewal have been met. Section 201.02(1)(b), F.S., provides for the imposition of tax on transfers of ownership interest in a conduit entity when the transfer is within three years of a transfer of Florida real property into the conduit entity, documentary stamp tax was not paid on the full consideration when the real property was transferred into the conduit entity, and the ownership interest transferred belonged to the grantor of the real property. This emergency rule provides how the tax is imposed, when the tax is due, and examples of transfers of real property that would be subject to the tax.

REASON FOR CONCLUDING THAT THE PROCEDURE IS FAIR UNDER THE CIRCUMSTANCES: The Legislature expressly authorized the promulgation of an emergency rule, and the renewal of such rule, to implement Chapter 2009-131, Laws of Florida, and determined that all conditions necessary for this emergency rule have been met. This law imposes a tax

on the transfer of a grantor’s ownership interest in a conduit entity when the grantor conveyed real property to the conduit entity without having paid tax on the full consideration for the real property and the transfer is within three years after the grantor conveyed the real property to the conduit entity.

SUMMARY: Emergency Rule 12BER11-2, F.A.C. (Tax on Transfers of Ownership Interest in Legal Entities), provides for the application of tax to transfers of a grantor’s ownership interest in a conduit entity after the grantor has conveyed real property to the conduit entity without having paid tax on the full consideration for the real property. This emergency rule: (1) provides when the tax is imposed under Section 201.02(1)(b), F.S., as amended by Chapter 2009-131, L.O.F., how the tax is computed, and when the tax is due; (2) provides definitions of the terms “conduit entity” and “full consideration”; and (3) provides examples of transfers of real property that would be subject to the tax.

THE PERSON TO BE CONTACTED REGARDING THE EMERGENCY RULE IS: Tim Phillips, Revenue Program Administrator I, Technical Assistance and Dispute Resolution, Department of Revenue, P. O. Box 7443, Tallahassee, Florida 32314-7443, telephone (850)717-7224

THE FULL TEXT OF THE EMERGENCY RULE IS:

12BER11-2 Tax on Transfers of Ownership Interest in Legal Entities.

(1)(a) Scope. This rule applies to transfers of a grantor’s ownership interest in a conduit entity after the grantor has conveyed real property to the conduit entity without having paid tax on the full consideration for the real property.

(b) Definitions. For purposes of this rule:

1. “Conduit entity” means a legal entity to which real property is conveyed without full consideration by a grantor who owns a direct or indirect interest in the entity or a successor entity.

2. “Full consideration” means the consideration that would be paid in an arm’s length transaction between unrelated parties.

(2) When a grantor conveys real property to a conduit entity without tax being paid on full consideration and all or a portion of the grantor’s ownership interest, either direct or indirect, is subsequently transferred for consideration within 3 years after the grantor conveyed the real property to the conduit entity, the transfer of the grantor’s ownership interest in the conduit entity is subject to tax.

(3) The tax is based on the consideration paid or given for the grantor’s ownership interest in the conduit entity. The tax rate is 70 cents for each \$100 or fraction thereof of the consideration. If the conduit entity owns assets other than the real property described in subsection (2), tax is calculated by multiplying the consideration for the interest in the conduit entity by a fraction, the numerator of which is the value of the