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The Honorable Governor Rick Scott
Executive Office of the Governor
400 South Monroe Street
Tallahassee, Florida 32399

Dear Governor Scott:

Please allow me to introduce myself; I am a Certified Public Accountant practicing in Florida since 1990. I have had the privilege to represent many of Florida's manufacturing companies on Florida tax and business matters.

In the past years I have encountered a tax policy issue that I believe is hindering Florida businesses and placing them at a competitive disadvantage when doing business outside of our State.

Specifically, when a Florida based manufacturer fabricates property here in Florida using that property for real property construction in other states, Florida taxing policy assesses a use tax on the Florida business for the property that eventually is used outside of Florida.

The taxation of property used outside of our state makes Florida businesses uncompetitive when trying to obtain work in competing states. Most other states assess a tax on businesses that bring property into their states; Florida is assessing a use tax on property leaving our state.

Many tax experts believe this tax results from an incorrect interpretation of legislative intent by the Florida Department of Revenue. Our legislature never intended to tax goods involved in inter-state commerce regardless of its use. This issue can be addressed by changes to Rule 12A-1.051 of the Florida Administrative Code.

I am certain the people of Florida are grateful for all of your efforts in making our state attractive to business, competitive with other states and helping Florida manufactures to remain strong and competitive.

Thank you for your time and consideration.

Very truly yours,
JOSEPH P. HANDY, CPA, PLC.


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