

1 A bill to be entitled
2 An act relating to the communications services
3 tax; amending s. 202.125, F.S., relating to the
4 tax exemption on the sale of communications
5 services to religious or educational
6 institutions; providing definitions to conform
7 such exemption to the sales tax exemption
8 provided for these institutions; creating s.
9 202.151, F.S.; clarifying the imposition of a
10 use tax on certain purchases of communications
11 services; amending s. 202.16, F.S.; providing
12 an exception to the requirement that dealers
13 separately state the communications services
14 tax on bills and invoices; creating s. 202.205,
15 F.S.; providing a transition rule for counties
16 and municipalities that reduced the local
17 communications services tax on a specified
18 date; amending s. 202.22, F.S.; clarifying
19 provisions governing the electronic databases
20 used to determine local tax situs for the
21 communications services tax; repealing s.
22 212.05(1)(g), F.S., relating to a sales tax on
23 certain substitute telecommunications
24 equipment; amending s. 337.401, F.S.; changing
25 the date on which local governments must notify
26 dealers that provide communications services of
27 changes in permit fees; revising provisions
28 relating to charges for the use of
29 rights-of-way; defining the term "dealer";
30 amending s. 365.172, F.S.; clarifying that the
31 E911 fee applies to certain customers whose

1 place of primary use is within the state;
2 specifying that certain definitions applicable
3 to the Communications Services Tax
4 Simplification Law apply to the E911 fee;
5 amending ss. 212.0501, 212.08, 212.20, 509.032,
6 561.1105, F.S., relating to the tax on diesel
7 fuel, a tax exemption for professional
8 services, distribution of taxes, and tax
9 certificates; conforming cross-references to
10 changes made by the act; specifying that
11 certain provisions of the act are remedial in
12 nature and intended to clarify the law in
13 effect on the effective date of the act;
14 requiring the Department of Revenue to submit a
15 report on the accuracy of the 2001 state
16 communications services tax rates and local
17 communications services tax conversion rates to
18 the Governor, the President of the Senate, and
19 the Speaker of the House of Representatives;
20 providing effective dates.

21
22 Be It Enacted by the Legislature of the State of Florida:

23
24 Section 1. Subsection (4) of section 202.125, Florida
25 Statutes, is amended to read:

26 202.125 Sales of communications services; specified
27 exemptions.--

28 (4) The sale of communications services to a religious
29 institution or educational institution ~~organization~~ that is
30 exempt from federal income tax under s. 501(c)(3) of the
31 Internal Revenue Code, or by a religious institution that is

1 exempt from federal income tax under s. 501(c)(3) of the
2 Internal Revenue Code having an established physical place for
3 worship at which nonprofit religious services and activities
4 are regularly conducted and carried on,is exempt from the
5 taxes imposed or administered pursuant to ss. 202.12 and
6 202.19. As used in this subsection, the term:

7 (a) "Religious institution" means an organization
8 owning and operating an established physical place for worship
9 at which nonprofit religious services and activities are
10 regularly conducted. The term also includes:

11 1. Any nonprofit corporation the sole purpose of which
12 is to provide free transportation services to religious
13 institution members, their families, and other religious
14 institution attendees.

15 2. Any nonprofit state, district, or other governing
16 or administrative office the function of which is to assist or
17 regulate the customary activities of religious institutions.

18 3. Any nonprofit corporation that owns and operates a
19 television station in this state of which at least 90 percent
20 of the programming consists of programs of a religious nature
21 and the financial support for which, exclusive of receipts for
22 broadcasting from other nonprofit organizations, is
23 predominantly from contributions from the public.

24 4. Any nonprofit corporation the primary activity of
25 which is making and distributing audio recordings of religious
26 scriptures and teachings to blind or visually impaired persons
27 at no charge.

28 5. Any nonprofit corporation the sole or primary
29 purpose of which is to provide, upon invitation, nonprofit
30 religious services, evangelistic services, religious
31 education, administrative assistance, or missionary assistance

1 for a religious institution, or established physical place of
2 worship at which nonprofit religious services and activities
3 are regularly conducted.

4 (b) "Educational institution" includes:

5 1. Any state tax-supported, parochial, church, and
6 nonprofit private school, college, or university that conducts
7 regular classes and courses of study required for
8 accreditation by or membership in the Southern Association of
9 Colleges and Schools, the Florida Council of Independent
10 Schools, or the Florida Association of Christian Colleges and
11 Schools, Inc.;

12 2. Any nonprofit private school that conducts regular
13 classes and courses of study which are accepted for continuing
14 education credit by a board of the Division of Medical Quality
15 Assurance of the Department of Health;

16 3. Any nonprofit library;

17 4. Any nonprofit art gallery;

18 5. Any nonprofit performing arts center that provides
19 educational programs to school children, which programs
20 involve performances or other educational activities at the
21 performing arts center and serve a minimum of 50,000 school
22 children a year; and

23 6. Any nonprofit museum that is open to the public.

24 Section 2. Section 202.151, Florida Statutes, is
25 created to read:

26 202.151 Use tax imposed on certain purchasers of
27 communications services.--Any person who purchases
28 communications services that are otherwise taxable under ss.
29 202.12 and 202.19 at retail from a seller in another state,
30 territory, the District of Columbia, or any foreign country
31 shall report and remit to the department the taxes imposed by

1 or administered under this chapter on the communications
2 services purchased and used, the same as if such
3 communications services had been purchased at retail from a
4 dealer in this state. This section does not apply if the
5 out-of-state seller registers as a dealer in this state and
6 collects from the purchaser the taxes imposed by or
7 administered under this chapter. The department may adopt
8 rules governing the reporting and remitting of communications
9 services taxes by purchasers who purchase from out-of-state
10 sellers who do not collect the taxes imposed by or
11 administered under this chapter.

12 Section 3. Subsection (1) of section 202.16, Florida
13 Statutes, is amended to read:

14 202.16 Payment.--The taxes imposed or administered
15 under this chapter and chapter 203 shall be collected from all
16 dealers of taxable communications services on the sale at
17 retail in this state of communications services taxable under
18 this chapter and chapter 203. The full amount of the taxes on
19 a credit sale, installment sale, or sale made on any kind of
20 deferred payment plan is due at the moment of the transaction
21 in the same manner as a cash sale.

22 (1)(a) Except as otherwise provided in ss.
23 202.12(1)(b) and 202.15, the taxes collected under this
24 chapter and chapter 203 shall be paid by the purchaser of the
25 communications service and shall be collected from such person
26 by the dealer of communications services.

27 (b) Each dealer of communications services selling
28 communications services in this state shall collect the taxes
29 imposed under this chapter and chapter 203 from the purchaser
30 of such services, and such taxes must be stated separately
31 from all other charges on the bill or invoice. Notwithstanding

1 the requirement in this paragraph and in s. 202.35 to
2 separately state such taxes, a public lodging establishment
3 licensed under chapter 509 may notify purchasers of the taxes
4 imposed under this chapter on a notice in a guest room posted
5 in a manner consistent with the requirements of s. 509.2015,
6 rather than separately stating the taxes on the guest bill or
7 invoice.

8 Section 4. Section 202.205, Florida Statutes, is
9 created to read:

10 202.205 Transition rule for local
11 rates.--Notwithstanding s. 202.21, the rate of the local
12 communications services tax for a county or municipality that
13 adopted a resolution or ordinance reducing the rate of tax
14 effective October 1, 2002, and that notified the Department of
15 Revenue of the reduced rate by mail postmarked by July 16,
16 2001, shall be the adopted reduced rate beginning October 1,
17 2002. However, the local governing body of the county or
18 municipality may change the local rate effective January 1,
19 2003, in the manner provided in this chapter.

20 Section 5. Paragraph (b) of subsection (2) and
21 paragraphs (a) and (g) of subsection (3) of section 202.22,
22 Florida Statutes, are amended to read:

23 202.22 Determination of local tax situs.--

24 (2)

25 (b)1. Each local taxing jurisdiction shall furnish to
26 the department all information needed to create and update the
27 electronic database, including changes in service addresses,
28 annexations, incorporations, reorganizations, and any other
29 changes in jurisdictional boundaries. The information
30 furnished to the department must specify an effective date,
31 which must be the next ensuing January 1 or July 1, and such

1 information must be furnished to the department at least 120
2 days prior to the effective date. However, the requirement
3 that counties submit information pursuant to this paragraph
4 shall be subject to appropriation.

5 2. The department shall update the electronic database
6 in accordance with the information furnished by local taxing
7 jurisdictions under subparagraph 1. Each update must specify
8 the effective date as the next ensuing January 1 or July 1 and
9 must be posted by the department on a website not less than 90
10 days prior to the effective date. A substantially affected
11 person may provide notice to the database administrator of an
12 objection to information contained in the electronic database.
13 If an objection is supported by competent evidence, the
14 department shall forward the evidence to the affected local
15 taxing jurisdictions and update the electronic database in
16 accordance with the determination furnished by local taxing
17 jurisdictions to the department. The department shall also
18 furnish the update on magnetic or electronic media to any
19 dealer of communications services or vendor who requests the
20 update on such media. However, the department may collect a
21 fee from the dealer of communications services which does not
22 exceed the actual cost of furnishing the update on magnetic or
23 electronic media. Information contained in the electronic
24 database is conclusive for purposes of this chapter. The
25 electronic database is not an order, a rule, or a policy of
26 general applicability.

27 3. Each update must identify the additions, deletions,
28 and other changes to the preceding version of the database.
29 ~~Each dealer of communications services shall be required to~~
30 ~~collect and remit local communications services taxes imposed~~
31 ~~under this chapter only for those service addresses that are~~

1 ~~contained in the database and for which all of the elements~~
2 ~~required by this subsection are included in the database.~~

3 (3) For purposes of this section, a database must be
4 certified by the department pursuant to rules that implement
5 the following criteria and procedures:

6 (a) The database must assign street addresses, address
7 ranges, post office boxes, or post office box ranges to the
8 proper jurisdiction with an overall accuracy rate of 95
9 percent at a 95 percent level of confidence, as determined
10 through a statistically reliable sample. The accuracy must be
11 measured based on the entire geographic area within the state
12 covered by such database state or, if the service area of the
13 dealer does not encompass the entire state, based on the
14 dealer's entire service area.

15 (g) Notwithstanding any provision of law to the
16 contrary, if a dealer submits an application for certification
17 on or before the later of October 1, 2001, or the date that
18 which is 30 days after the date on which the applicable
19 department rule becomes effective, the 180-day time limit set
20 forth in paragraph (d) does not apply. During the time the
21 application is under consideration by the department or, if
22 the application is denied, until the denial is no longer
23 subject to administrative or judicial review or until a later
24 date fixed by order of the reviewing court and such
25 application is neither approved nor denied within the time
26 period set forth in paragraph (d):

27 1. For purposes of computing the amount of the
28 deduction to which such dealer is entitled under s. 202.28,
29 the dealer shall be deemed to have used a certified database
30 pursuant to paragraph (1)(b), ~~until such time as the~~
31 ~~application for certification is denied.~~

1 2. In the event that such application is approved,
2 such approval shall be deemed to have been effective on the
3 date of the application or October 1, 2001, whichever is
4 later.

5 Section 6. Paragraph (g) of subsection (1) of section
6 212.05, Florida Statutes, as amended by section 38 of chapter
7 2001-140, Laws of Florida, is repealed.

8 Section 7. Paragraph (j) of subsection (3) and
9 subsections (4) and (6) of section 337.401, Florida Statutes,
10 are amended to read:

11 337.401 Use of right-of-way for utilities subject to
12 regulation; permit; fees.--

13 (3)

14 (j) Pursuant to this paragraph, any county or
15 municipality may by ordinance change either its election made
16 on or before July 16, 2001, under paragraph (c) or an election
17 made under this paragraph.

18 1.a. If a municipality or charter county changes its
19 election under this paragraph in order to exercise its
20 authority to require and collect permit fees in accordance
21 with this subsection, the rate of the local communications
22 services tax imposed by such jurisdiction pursuant to ss.
23 202.19 and 202.20 shall automatically be reduced by the sum of
24 0.12 percent plus the percentage, if any, by which such rate
25 was increased pursuant to sub-subparagraph (c)1.b.

26 b. If a municipality or charter county changes its
27 election under this paragraph in order to discontinue
28 requiring and collecting permit fees, the rate of the local
29 communications services tax imposed by such jurisdiction
30 pursuant to ss. 202.19 and 202.20 may be increased by
31

1 ordinance or resolution by an amount not to exceed 0.24
2 percent.

3 2.a. If a noncharter county changes its election under
4 this paragraph in order to exercise its authority to require
5 and collect permit fees in accordance with this subsection,
6 the rate of the local communications services tax imposed by
7 such jurisdiction pursuant to ss. 202.19 and 202.20 shall
8 automatically be reduced by the percentage, if any, by which
9 such rate was increased pursuant to sub-subparagraph (c)2.b.

10 b. If a noncharter county changes its election under
11 this paragraph in order to discontinue requiring and
12 collecting permit fees, the rate of the local communications
13 services tax imposed by such jurisdiction pursuant to ss.
14 202.19 and 202.20 may be increased by ordinance or resolution
15 by an amount not to exceed 0.24 percent.

16 3.a. Any change of election pursuant to this paragraph
17 and any tax rate change resulting from such change of election
18 shall be subject to the notice requirements of s. 202.21;
19 however, no such change of election shall become effective
20 prior to January 1, 2003.

21 b. Any county or municipality changing its election
22 under this paragraph in order to exercise its authority to
23 require and collect permit fees shall, in addition to
24 complying with the notice requirements under s. 202.21,
25 provide to all dealers providing communications services in
26 such jurisdiction written notice of such change of election by
27 September ~~July~~ 1 immediately preceding the January 1 on which
28 such change of election becomes effective. For purposes of
29 this sub-subparagraph, dealers providing communications
30 services in such jurisdiction shall include every dealer
31 reporting tax to such jurisdiction pursuant to s. 202.37 on

1 the return required under s. 202.27 to be filed on or before
2 the 20th day of May immediately preceding the January 1 on
3 which such change of election becomes effective.

4 (4) As used in this section, "communications services"
5 and "dealer" have ~~has~~ the same meaning ascribed in chapter
6 202, and "cable service" has the same meaning ascribed in 47
7 U.S.C. s. 522, as amended.

8 (6)(a) As used in this subsection, the term:

9 1. "Pass-through provider" means any person who places
10 or maintains a communications facility in the roads or
11 rights-of-way of a municipality or county that levies a tax
12 pursuant to chapter 202 and who does not remit taxes imposed
13 by that municipality or county pursuant to chapter 202.

14 2. "Communications facility" means a facility that may
15 be used to provide communications services. Multiple cables,
16 conduits, strands, or fibers located within the same conduit
17 shall be considered one communications facility for purposes
18 of this subsection.

19 (b) A municipality that levies a tax pursuant to
20 chapter 202 may charge a pass-through provider that places or
21 maintains a communications facility in the municipality's
22 roads or rights-of-way an annual amount not to exceed \$500 per
23 linear mile or portion thereof. A municipality's roads or
24 rights-of-way do not include roads or rights-of-way that
25 extend in or through the municipality but that are state,
26 county, or another authority's roads or rights-of-way.

27 (c) A county that levies a tax pursuant to chapter 202
28 may charge a pass-through provider that places or maintains a
29 communications facility in the county's roads or
30 rights-of-way, including county roads or rights-of-way within
31 a municipality in the county, an annual amount not to exceed

1 \$500 per linear mile or portion thereof. However, a county
2 shall not impose a charge for any linear miles, or portions
3 thereof, of county roads or rights-of-way where a
4 communications facility is placed which extend through any
5 municipality within the county to which the pass-through
6 provider remits a tax imposed pursuant to chapter 202. A
7 county's roads or rights-of-way do not include roads or
8 rights-of-way that extend in or through the county but that
9 are state, municipal, or another authority's roads or
10 rights-of-way.

11 (d) The amounts charged pursuant to this subsection
12 shall be based on the linear miles of roads or rights-of-way
13 where a communications facility is placed, not based on a
14 summation of the lengths of individual cables, conduits,
15 strands, or fibers. The amounts referred to in this subsection
16 may be charged only once annually and only to one person
17 annually for any communications facility. A municipality or
18 county shall discontinue charging such amounts to a person
19 that has ceased to be a pass-through provider. Any annual
20 amounts charged shall be reduced for a prorated portion of any
21 12-month period during which the person remits taxes imposed
22 by the municipality or county pursuant to chapter 202. Any
23 excess amounts paid to a municipality or county shall be
24 refunded to the person upon written notice of the excess to
25 the municipality or county.

26 (e) This subsection does not alter any provision of
27 this section or s. 202.24 relating to taxes, fees, or other
28 charges or impositions by a municipality or county on a dealer
29 of communications services or authorize any charges to be
30 assessed on a dealer of communications services, except as
31 specifically set forth in this subsection. A municipality or

1 county may not charge a pass-through provider any amounts
2 other than the charges under this subsection as a condition to
3 the placement or maintenance of a communications facility in
4 the roads or rights-of-way of a municipality or county by a
5 pass-through provider, except that a municipality or county
6 may impose permit fees on a pass-through provider consistent
7 with paragraph (3)(c) if the municipality or county elects to
8 exercise its authority to collect permit fees under paragraph
9 (3)(c).

10 (f) The charges under this subsection do not apply to
11 communications facilities placed in a municipality's or
12 county's rights-of-way before the effective date of this
13 subsection with permission from the municipality or county, if
14 any was required, except to the extent that the facilities of
15 a pass-through provider were subject to per-linear-foot or
16 per-mile charges in effect as of October 1, 2001, in which
17 case the municipality or county may impose on a pass-through
18 provider only charges consistent with paragraph (b) or
19 paragraph (c) for such facilities. Notwithstanding the
20 foregoing, this subsection does not impair any written
21 agreement between a pass-through provider and a municipality
22 or county imposing per-linear-foot or per-mile charges for
23 communications facilities placed in municipal or county roads
24 or rights-of-way which was in effect before the effective date
25 of this subsection. Upon the termination or expiration of any
26 such written agreement, any charges imposed must be consistent
27 with paragraph (b) or paragraph (c). Notwithstanding the
28 foregoing, until October 1, 2005, this subsection shall not
29 affect a municipality or county continuing to impose charges
30 in excess of the charges authorized in this subsection on
31 facilities of a pass-through provider that is not a dealer of

1 communications services in the state under chapter 202, but
2 only to the extent that such charges were imposed by municipal
3 or county ordinance or resolution adopted before February 1,
4 2002. Effective October 1, 2005, any charges imposed must be
5 consistent with paragraph (b) or paragraph (c).

6 (g) The charges authorized in this subsection shall
7 not be applied with respect to any communications facility
8 that is used exclusively for the internal communications of an
9 electric utility or other person in the business of
10 transmitting or distributing electric energy.~~If a~~

11 ~~municipality or county imposes any amount on a person or~~
12 ~~entity other than a provider of communications services in~~
13 ~~connection with the placement or maintenance by such person or~~
14 ~~entity of a communication facility in municipal or county~~
15 ~~roads or rights-of-way, such amounts, if any, shall not exceed~~
16 ~~the highest amount, if any, the municipality or county is~~
17 ~~imposing in such context as of the date this act becomes a~~
18 ~~law. If a municipality or county is not imposing any amount~~
19 ~~in such context as of the date this act becomes a law, any~~
20 ~~amount, if any, imposed thereafter, shall not be less than~~
21 ~~\$500 per linear mile, payable annually, of any cable, fiber~~
22 ~~optic, or other pathway that makes physical use of the~~
23 ~~municipal or county right-of-way. Any excess of \$500 shall be~~
24 ~~applied in a nondiscriminatory manner and shall not exceed the~~
25 ~~sum of:~~

26 ~~(a) Costs directly related to the inconvenience or~~
27 ~~impairment solely caused by the disturbance to the municipal~~
28 ~~or county right-of-way;~~

29 ~~(b) The reasonable cost of the regulatory activity of~~
30 ~~the municipality or county; and~~

31

1 ~~(c) The proportionate share of cost of land for such~~
2 ~~street, alley, or other public way attributable to utilization~~
3 ~~of the right-of-way by a person or entity other than a~~
4 ~~provider of communications services.~~

5
6 ~~For purposes of this subsection, the term communications~~
7 ~~facility shall not include communications facilities owned,~~
8 ~~operated, or used by electric utilities or regional~~
9 ~~transmission organizations exclusively for internal~~
10 ~~communications purposes. Except as specifically provided~~
11 ~~herein, municipalities and counties retain all existing~~
12 ~~authority, if any, to collect fees relating to public roads~~
13 ~~and rights-of-way from electric utilities or regional~~
14 ~~transmission organizations, and nothing in this subsection~~
15 ~~shall alter this authority.~~

16 Section 8. Effective with respect to bills issued by
17 providers of mobile telecommunications services after August
18 1, 2002, subsections (8) and (9) of section 365.172, Florida
19 Statutes, are amended to read:

20 365.172 Wireless emergency telephone number "E911."--

21 (8) WIRELESS E911 FEE.--

22 (a) Each home service provider shall collect a monthly
23 fee imposed on each customer whose place of primary use is
24 ~~service subscriber who has a service number that has a billing~~
25 ~~address~~ within this state. The rate of the fee shall be 50
26 cents per month per each service number, beginning August 1,
27 1999. The fee shall apply uniformly and be imposed throughout
28 the state.

29 (b) The fee is established to ensure full recovery for
30 providers and for counties, over a reasonable period, of the
31

1 costs associated with developing and maintaining an E911
2 system on a technologically and competitively neutral basis.

3 (c) After July 1, 2001, the board may adjust the
4 allocation percentages provided in s. 365.173 or reduce the
5 amount of the fee, or both, if necessary to ensure full cost
6 recovery or prevent overrecovery of costs incurred in the
7 provision of E911 service, including costs incurred or
8 projected to be incurred to comply with the order. Any new
9 allocation percentages or reduced fee may not be adjusted for
10 2 years. The fee may not exceed 50 cents per month per each
11 service number.

12 (d) State and local taxes do not apply to the fee.

13 (e) A local government may not levy any additional fee
14 on wireless providers or subscribers for the provision of E911
15 service.

16 (9) MANAGEMENT OF FUNDS.--

17 (a) Each provider, as a part of its monthly billing
18 process, shall collect the fee imposed under subsection (8).
19 The provider may list the fee as a separate entry on each
20 bill, in which case the fee must be identified as a fee for
21 E911 services. A provider shall remit the fee only if the fee
22 is paid by the subscriber. If a provider receives a partial
23 payment for a monthly bill from a subscriber, the amount
24 received shall first be applied to the payment due the
25 provider for the provision of telecommunications service.

26 (b) A provider is not obligated to take any legal
27 action to enforce collection of the fees for which any
28 subscriber is billed. The provider shall provide to the board
29 each quarter a list of the names, addresses, and service
30 numbers of all subscribers who have indicated to the provider
31 their refusal to pay the fee.

1 (c) Each provider may retain 1 percent of the amount
2 of the fees collected as reimbursement for the administrative
3 costs incurred by the provider to bill, collect, and remit the
4 fee. The remainder shall be delivered to the board and
5 deposited in the fund. The board shall distribute the
6 remainder pursuant to s. 365.173.

7 (d) Each provider shall deliver revenues from the fee
8 to the board within 60 days after the end of the month in
9 which the fee was billed, together with a monthly report of
10 the number of ~~billing addresses~~ of wireless customers whose
11 place of primary use is subscribers in each county. A provider
12 may apply to the board for a refund of, or may take a credit
13 for, any fees remitted to the board which are not collected by
14 the provider within 6 months following the month in which the
15 fees are charged off for federal income tax purposes as bad
16 debt. The board may waive the requirement that the fees and
17 number of customers whose place of primary use is in each
18 county ~~billing addresses~~ be submitted to the board each month,
19 and authorize a provider to submit the fees and number of
20 customers ~~billing addresses~~ quarterly if the provider
21 demonstrates that such waiver is necessary and justified.

22 (e) For purposes of this section, the definitions
23 contained in s. 202.11 and the provisions of s. 202.155 apply
24 in the same manner and to the same extent as such definitions
25 and provisions apply to the taxes levied pursuant to chapter
26 202 on mobile communications services.

27 (f)(e) As used in this subsection, the term "provider"
28 includes any person or entity that resells wireless service
29 and was not assessed the fee by its resale supplier.

30 Section 9. Subsection (4) of section 212.0501, Florida
31 Statutes, is amended to read:

1 212.0501 Tax on diesel fuel for business purposes;
2 purchase, storage, and use.--

3 (4) Except as otherwise provided in s. 212.05(1)(k)~~s.~~
4 ~~212.05(1)(l)~~, a licensed sales tax dealer may elect to collect
5 such tax pursuant to this chapter on all sales to each person
6 who purchases diesel fuel for consumption, use, or storage by
7 a trade or business. When the licensed sales tax dealer has
8 not elected to collect such tax on all such sales, the
9 purchaser or ultimate consumer shall be liable for the payment
10 of tax directly to the state.

11 Section 10. Paragraph (v) of subsection (7) of section
12 212.08, Florida Statutes, is amended to read:

13 212.08 Sales, rental, use, consumption, distribution,
14 and storage tax; specified exemptions.--The sale at retail,
15 the rental, the use, the consumption, the distribution, and
16 the storage to be used or consumed in this state of the
17 following are hereby specifically exempt from the tax imposed
18 by this chapter.

19 (7) MISCELLANEOUS EXEMPTIONS.--

20 (v) Professional services.--

21 1. Also exempted are professional, insurance, or
22 personal service transactions that involve sales as
23 inconsequential elements for which no separate charges are
24 made.

25 2. The personal service transactions exempted pursuant
26 to subparagraph 1. do not exempt the sale of information
27 services involving the furnishing of printed, mimeographed, or
28 multigraphed matter, or matter duplicating written or printed
29 matter in any other manner, other than professional services
30 and services of employees, agents, or other persons acting in
31 a representative or fiduciary capacity or information services

1 furnished to newspapers and radio and television stations. As
2 used in this subparagraph, the term "information services"
3 includes the services of collecting, compiling, or analyzing
4 information of any kind or nature and furnishing reports
5 thereof to other persons.

6 3. This exemption does not apply to any service
7 warranty transaction taxable under s. 212.0506.

8 4. This exemption does not apply to any service
9 transaction taxable under s. 212.05(1)(i)~~s. 212.05(1)(j)~~.

10

11 Exemptions provided to any entity by this subsection shall not
12 inure to any transaction otherwise taxable under this chapter
13 when payment is made by a representative or employee of such
14 entity by any means, including, but not limited to, cash,
15 check, or credit card even when that representative or
16 employee is subsequently reimbursed by such entity.

17 Section 11. Paragraph (c) of subsection (6) of section
18 212.20, Florida Statutes, is amended to read:

19 212.20 Funds collected, disposition; additional powers
20 of department; operational expense; refund of taxes
21 adjudicated unconstitutionally collected.--

22 (6) Distribution of all proceeds under this chapter
23 and s. 202.18(1)(b) and (2)(b) shall be as follows:

24 (c) Proceeds from the fees imposed under ss.
25 212.05(1)(h)3.~~212.05(1)(i)3.~~ and 212.18(3) shall remain with
26 the General Revenue Fund.

27 Section 12. Paragraph (f) of subsection (2) of section
28 509.032, Florida Statutes, is amended to read:

29 509.032 Duties.--

30 (2) INSPECTION OF PREMISES.--

31

1 (f) In conducting inspections of establishments
2 licensed under this chapter, the division shall determine if
3 each coin-operated amusement machine that is operated on the
4 premises of a licensed establishment is properly registered
5 with the Department of Revenue. Each month the division shall
6 report to the Department of Revenue the sales tax registration
7 number of the operator of any licensed establishment that has
8 on location a coin-operated amusement machine and that does
9 not have an identifying certificate conspicuously displayed as
10 required by s. 212.05(1)(h)~~s. 212.05(1)(i)~~.

11 Section 13. Section 561.1105, Florida Statutes, is
12 amended to read:

13 561.1105 Inspection of licensed premises;
14 coin-operated amusement machines.--In conducting inspections
15 of establishments licensed under the Beverage Law, the
16 division shall determine if each coin-operated amusement
17 machine that is operated on the licensed premises is properly
18 registered with the Department of Revenue. Each month, the
19 division shall report to the Department of Revenue the sales
20 tax registration number of the operator of any licensed
21 premises that has on location a coin-operated amusement
22 machine and that does not have an identifying certificate
23 conspicuously displayed as required by s. 212.05(1)(h)~~s.~~
24 ~~212.05(1)(i)~~.

25 Section 14. The amendments to sections 202.125(4),
26 202.22(2)(b) and (3)(a) and (g), and 212.05(1)(g), Florida
27 Statutes, contained in this act are remedial in nature and
28 intended to clarify the law in effect on the effective date of
29 this act.

30 Section 15. By February 1, 2003, the Department of
31 Revenue shall submit a report on the accuracy of the state

1 communications services tax rates and the local communication
2 services tax conversion rates imposed, authorized, or
3 administered pursuant to section 202.20, Florida Statutes, to
4 the Governor, the President of the Senate, and the Speaker of
5 the House of Representatives. The report shall include a
6 comparison of the available collection data and updated
7 estimates for the sales tax portion, the gross receipts tax
8 portion, and each local government's local portion of the
9 communications services tax.

10 Section 16. Except as otherwise expressly provided in
11 this act, this act shall take effect upon becoming a law.

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