1   A bill to be entitled

2   An act relating to communications services tax; amending

3   s. 202.16, F.S.; requiring that a dealer compute the

4   communications services tax based on a rounding algorithm;

5   providing criteria; providing for application of the tax;

6   providing options to the dealer for applying the rounding

7   algorithm; providing that a dealer is not required to

8   collect the tax based on a bracket system; removing the

9   provision requiring the Department of Revenue to make

10   available tax amounts and applicable brackets; providing

11   that the provisions of the act are remedial in nature and

12   apply retroactively; providing that the act does not

13   provide a basis for assessment of any tax not paid or

14   create a right to certain refunds or credits; providing an

15   effective date.

16

17   Be It Enacted by the Legislature of the State of Florida:

18

19   Section 1. Subsection (3) of section 202.16, Florida

20   Statutes, is amended to read:

21   202.16 Payment.—The taxes imposed or administered under

22   this chapter and chapter 203 shall be collected from all dealers

23   of taxable communications services on the sale at retail in this

24   state of communications services taxable under this chapter and

25   chapter 203. The full amount of the taxes on a credit sale,

26   installment sale, or sale made on any kind of deferred payment

27   plan is due at the moment of the transaction in the same manner

28   as a cash sale.

29   (3)(a) A dealer must compute the tax due on a sale of

30 communications services imposed pursuant to this chapter and

31 chapter 203 based on a rounding algorithm that meets the

32 following criteria:

33   1. The tax computation must be carried to the third

34 decimal place.

35   2. The tax must be rounded to a whole cent using a method

36 that rounds up to the next cent whenever the third decimal place

37 is greater than four.

38   (b) A dealer may elect to compute the tax due on a sale of

39 communications services on an item or an invoice basis.

40   (c) The rounding algorithm must be applied to the local

41 communications services tax imposed pursuant to this chapter

42 separately from its application to the communications services

43 tax imposed pursuant to s. 202.12 and gross receipts tax

44 pursuant to s. 203.01.

45   (d) A dealer may elect to apply the rounding algorithm to

46 the communications services taxes imposed pursuant to ss. 202.12

47 and 203.01 in one of the following manners:

48   1. Apply the rounding algorithm to the combined

49 communications services tax imposed pursuant to ss. 202.12 and

50 203.01.

51   2. Apply the rounding algorithm separately to the

52 communications services tax imposed pursuant to s. 202.12(1)(a)

53 and gross receipt tax imposed pursuant to s. 203.01(1)(b)2. and

54 3.

55   3. Apply the rounding algorithm to the combined taxes

56 imposed pursuant to ss. 202.12(1)(a) and 203.01(1)(b)3., as

57 allowed by s. 203.001, and apply the rounding algorithm
58 separately to the gross receipts tax pursuant to s.
59 203.01(1)(b)2.
60   (e) A dealer is not required to collect the tax based on a
61 bracket system. Notwithstanding the rate of tax on the sale of
62 communications services imposed pursuant to this chapter and
63 chapter 203, the department shall make available in an
64 electronic format or otherwise the tax amounts and brackets
65 applicable to each taxable sale such that the tax collected
66 results in a tax rate no less than the tax rate imposed pursuant
67 to this chapter and chapter 203.
68   Section 2. This act is intended to be remedial in nature
69 and applies retroactively. This act does not provide a basis for
70 an assessment of any tax not paid or create a right to a refund
71 or credit of any tax paid under s. 202.16, Florida Statutes,
72 before July 1, 2011.
73   Section 3. This act shall take effect July 1, 2011.

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