The Committee on Finance and Tax (Burgess) recommended the following:

**Senate Amendment (with title amendment)**

Delete lines 97 - 124 and insert:

(ppp) Equipment purchased or leased in this state by a provider of communications services or a provider of Internet access services.—

1. The purchase or lease of qualifying equipment by a provider of communications services or Internet access services is exempt from the tax imposed by this chapter.
2. The exemption provided by this paragraph does not apply to the purchase or lease of any of the following:
   a. Real property;
   b. Improvements to real property;
   c. Office furniture and fixtures;
   d. General office equipment and machinery that is not used to provide communications services or Internet access services;
   e. Vehicles;
   f. Customer premise equipment; or
   g. Facilities used to distribute signals beyond the central office, headend, or hub facilities, including fiber optic, coaxial, or other transmission cables; amplifiers; taps; and customer drops.

3. The exemption provided by this paragraph does not apply to the tax levied by s. 212.031.

4. As used in this paragraph, the term:
   a. “Central office” means the location where telephone subscribers’ lines are joined to switching equipment to connect subscribers to each other, locally and long distance. Central office equipment includes, but is not limited to, switches, cable distribution frames, and batteries.
   b. “Communications services” has the same meaning as in s. 202.11(1).
   c. “Headend” means the primary location in a communications provider’s network which receives television programming signals through satellite antennae or fiber optic cables for distribution to the customer premises through a distribution network. Headend equipment includes, but is not limited to, computer-based electronic equipment that receives programming
signals and uses prescribed processes to combine, amplify, and convert the programming signals and transmit them through the distribution network. The headend processes and combines signals for distribution to hubs or directly to customer premises. In most cases, the headend also serves as a distribution hub for the fiber optic transfer nodes closest to the headend. The term also includes a super headend, which processes all incoming programming signals and transmits them to regional headends or directly to hubs.

d. “Hub” means the secondary location in a communications provider’s network which is connected to the headend by a fiber optic or other cable. A hub may contain electronic equipment that processes, converts, and transmits signals through the distribution network, and can serve a large number of business and residential communities.

e. “Internet access service” has the same meaning as in s. 202.11(6) and only applies to services that provide access to the Internet with a capacity for transmission at a consistent speed of at least 25 megabits per second download and 3 megabits per second upload.

f. “Provider of communications services or Internet access services” includes a dealer as defined in s. 202.11(2), a provider of Internet access service, and any member of an affiliated group as defined in s. 202.37(1)(c)2.

g. “Qualifying equipment” means equipment, machinery, software, or other infrastructure used to provide communications services or Internet access services and located within a central office, headend, or hub operated by a provider of communications services or Internet access services.
And the title is amended as follows:

Delete lines 4 - 7

and insert:

exempting the purchase or lease of certain equipment
by a provider of communications services or a provider
of Internet access services in this state from the
sales and use tax; providing exceptions; defining
terms;