

By Senator Trumbull

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1                   A bill to be entitled  
2       An act relating to communication services; amending s.  
3       202.19, F.S.; revising the date after which a  
4       specified tax may be increased; amending s. 212.08,  
5       F.S.; creating a tax exemption for certain  
6       communications and Internet equipment; defining terms;  
7       providing applicability; providing construction;  
8       specifying how the exemption may be obtained; creating  
9       the Communications Services Tax Working Group;  
10      specifying where the group is housed administratively;  
11      providing membership; prohibiting members from  
12      receiving reimbursement; providing an exception;  
13      providing the group's purpose; requiring the group to  
14      prepare and submit a report to the Governor and  
15      Legislature by a specified date; authorizing the group  
16      to hold meetings; providing for future repeal;  
17      providing effective dates.

18  
19 Be It Enacted by the Legislature of the State of Florida:

20  
21       Section 1. Effective July 1, 2025, paragraph (d) of  
22       subsection (2) and subsection (5) of section 202.19, Florida  
23       Statutes, are amended to read:

24       202.19 Authorization to impose local communications  
25       services tax.—

26       (2)

27       (d) The local communications services tax rate in effect on  
28       January 1, 2023, may not be increased before January 1, 2031  
29       ~~2026~~.

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30 (5) In addition to the communications services taxes  
31 authorized by subsection (1), a discretionary sales surtax that  
32 a county or school board has levied under s. 212.055 is imposed  
33 as a local communications services tax under this section, and  
34 the rate shall be determined in accordance with s. 202.20(3).  
35 However, any increase to the discretionary sales surtax levied  
36 under s. 212.055 on or after January 1, 2023, may not be added  
37 to the local communications services tax under this section  
38 before January 1, 2031 ~~2026~~.

39 (a) Except as otherwise provided in this subsection, each  
40 such tax rate shall be applied, in addition to the other tax  
41 rates applied under this chapter, to communications services  
42 subject to tax under s. 202.12 which:

- 43 1. Originate or terminate in this state; and
- 44 2. Are charged to a service address in the county.

45 (b) With respect to private communications services, the  
46 tax shall be on the sales price of such services provided within  
47 the county, which shall be determined in accordance with the  
48 following provisions:

- 49 1. Any charge with respect to a channel termination point  
50 located within such county;
- 51 2. Any charge for the use of a channel between two channel  
52 termination points located in such county; and
- 53 3. Where channel termination points are located both within  
54 and outside of such county:
  - 55 a. If any segment between two such channel termination  
56 points is separately billed, 50 percent of such charge; and
  - 57 b. If any segment of the circuit is not separately billed,  
58 an amount equal to the total charge for such circuit multiplied

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59 by a fraction, the numerator of which is the number of channel  
60 termination points within such county and the denominator of  
61 which is the total number of channel termination points of the  
62 circuit.

63 Section 2. Effective July 1, 2025, paragraph (vvv) is added  
64 to subsection (7) of section 212.08, Florida Statutes, to read:

65 212.08 Sales, rental, use, consumption, distribution, and  
66 storage tax; specified exemptions.—The sale at retail, the  
67 rental, the use, the consumption, the distribution, and the  
68 storage to be used or consumed in this state of the following  
69 are hereby specifically exempt from the tax imposed by this  
70 chapter.

71 (7) MISCELLANEOUS EXEMPTIONS.—Exemptions provided to any  
72 entity by this chapter do not inure to any transaction that is  
73 otherwise taxable under this chapter when payment is made by a  
74 representative or employee of the entity by any means,  
75 including, but not limited to, cash, check, or credit card, even  
76 when that representative or employee is subsequently reimbursed  
77 by the entity. In addition, exemptions provided to any entity by  
78 this subsection do not inure to any transaction that is  
79 otherwise taxable under this chapter unless the entity has  
80 obtained a sales tax exemption certificate from the department  
81 or the entity obtains or provides other documentation as  
82 required by the department. Eligible purchases or leases made  
83 with such a certificate must be in strict compliance with this  
84 subsection and departmental rules, and any person who makes an  
85 exempt purchase with a certificate that is not in strict  
86 compliance with this subsection and the rules is liable for and  
87 shall pay the tax. The department may adopt rules to administer

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88 this subsection.

89 (vvv) Certain communications and Internet equipment.-

90 1. As used in this paragraph, the term:

91 a. "Communications and Internet equipment" means equipment,  
92 machinery, software, or other tangible personal property used,  
93 in whole or in part, by a provider of communications services,  
94 Internet access services, or a combination thereof, to transmit,  
95 convey, amplify, or route information such as images, text,  
96 voice, video programming, other video content, or data. The term  
97 includes, but is not limited to, cable modem termination system  
98 components and WiFi equipment, headend and hub equipment,  
99 monitoring equipment, fiber optic cable, coaxial cable, conduit,  
100 distribution plants, customer connection or premises equipment,  
101 telecommunications radio, routing and switching equipment,  
102 software, equipment enclosures above and below ground, towers,  
103 poles, mounts, electricity, transmitters, power equipment,  
104 diagnostic equipment, storage devices, servers, multiplexers,  
105 amplifiers, antennas, and related property and equipment,  
106 including items used to monitor, test, maintain, enable, or  
107 facilitate qualifying equipment, and includes charges to apply,  
108 install, maintain, operate, or repair such tangible personal  
109 property. The term does not include office furniture and  
110 fixtures; general office equipment and machinery that is not  
111 used to provide communications services or Internet access  
112 services; or motor vehicles.

113 b. "Communications services" has the same meaning as in s.  
114 202.11(1).

115 c. "Disaster period" means a time period that begins 10  
116 days before the declaration of a state of emergency issued by

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117 the Governor pursuant to s. 252.36 and ending 60 days after  
118 termination of such emergency declaration.

119 d. "Eligible area" means any county that is subject to a  
120 state of emergency declared by the Governor pursuant to s.  
121 252.36 during the disaster period.

122 e. "Eligible service provider" includes a dealer as defined  
123 in s. 202.11(2), a provider of Internet access services, and any  
124 member of an affiliated group as defined in s. 202.37(1)(c)2.

125 f. "Internet access service" has the same meaning as in s.  
126 202.11(6).

127 g. "Unserved" has the same meaning as in s. 288.9963(2)(e).

128 2. Communications and Internet equipment purchased, used,  
129 or leased, including the installation or repair of such  
130 equipment, in an unserved area or during a disaster period by an  
131 eligible service provider within an eligible area is exempt from  
132 the tax imposed by this chapter.

133 a. The exemption provided for a disaster period under this  
134 paragraph is intended to apply to communications and Internet  
135 equipment that was damaged by the natural disaster for which the  
136 Governor declared a state of emergency pursuant to s. 252.36.

137 b. To the extent communications or Internet equipment is  
138 used to provide communications or Internet access services  
139 within an eligible area but such equipment is partly within and  
140 partly outside the eligible area, or wholly outside the eligible  
141 area, the exemption must be based on a reasonable allocation of  
142 such equipment's sales price or cost price, as applicable, which  
143 reasonably reflects the location where the equipment is used.

144 3. Communications and Internet equipment acquired with  
145 grants or matching contributions made pursuant to the federal

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146 Broadband Equity, Access, and Deployment Program, as established  
147 pursuant to 47 U.S.C. s. 1702, or a similar program established  
148 under the laws of this state, is exempt from the tax imposed by  
149 this chapter if the funds are expended for the purpose of making  
150 investments in infrastructure to provide broadband Internet  
151 access services.

152 4. The exemption provided by this paragraph may be obtained  
153 only by a refund of previously paid taxes on a form prescribed  
154 by the department.

155 Section 3. (1) The Communications Services Tax Working  
156 Group is created and housed for administrative purposes within  
157 the Department of Revenue.

158 (2) The working group shall be composed of 9 members as  
159 follows:

160 (a) The executive director of the Department of Revenue, or  
161 his or her designee, who shall serve as chair and as a nonvoting  
162 member and who shall appoint the remaining members.

163 (b) Four members who may include, but are not limited to,  
164 video service providers, direct-to-home satellite service  
165 providers, local telephone service providers, and wireless  
166 service providers who provide prepaid services.

167 (c) Two members who are representatives of county  
168 governments.

169 (d) Two representatives who are representatives of  
170 municipal governments.

171 (3) Members of the working group are not entitled to  
172 receive reimbursement for per diem and travel expenses other  
173 than reimbursement provided by their respective company, group,  
174 office, or agency.

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175 (4) The working group shall do all of the following:

176 (a) Review national and state tax policies relating to the  
177 communications industry.

178 (b) Review the historical amount of tax revenue that has  
179 been generated by the communications services taxes imposed or  
180 administered pursuant to chapter 202, Florida Statutes.

181 (c) Review how local governments are spending the  
182 communications services taxes collected, specifically whether  
183 the taxes are being used to fund general obligations and to  
184 secure bond indebtedness.

185 (d) Review the fairness of the state's communications tax  
186 laws and their administrative burdens, including whether the  
187 applicability of the tax laws are reasonably clear to  
188 communications services providers, retailers, customers, local  
189 government entities, and state administrators.

190 (e) Identify options for streamlining the administrative  
191 systems related to communication services taxes.

192 (f) Review the local communications services tax rates in  
193 effect within municipalities, charter counties, and noncharter  
194 counties.

195 (g) Identify options that remove the competitive advantage  
196 within the industry as it relates to the state's tax structure  
197 without unduly reducing revenue to local governments, including,  
198 but not limited to, a review of industry trends, developing  
199 business models, and new entrants that provide services that  
200 compete with traditional communications services providers.

201 (5) The working group shall prepare a report that addresses  
202 the issues described in subsection (4) and submit such report to  
203 the Governor, the President of the Senate, and the Speaker of

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204 the House of Representatives by December 1, 2025. The working  
205 group shall hold meetings as frequently as deemed necessary by  
206 the chair to prepare the report.

207 (6) In accordance with s. 20.052(8), Florida Statutes, this  
208 section is repealed October 2, 2028.

209 Section 4. Except as otherwise provided in this act, this  
210 act shall take effect upon becoming a law.