

HB 887

2011

1 A bill to be entitled
2 An act relating to taxation of communications services;
3 amending s. 202.16, F.S.; requiring tax amounts and
4 brackets made available to communications services dealers
5 by the Department of Revenue for computing the
6 communication services tax to be based on a rounding
7 algorithm; specifying mathematical criteria for the
8 rounding algorithm; authorizing a communications services
9 dealer to compute the tax on an item or an invoice basis;
10 requiring the department to allow application of the
11 rounding algorithm to certain aggregated state and local
12 taxes; directing the department to allow, but not require,
13 a dealer to collect taxes on communications services based
14 on a bracket system; providing construction; providing for
15 retroactive application; providing an effective date.

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

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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.

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29 (3) (a) Notwithstanding the rate of tax on the sale of
30 communications services imposed pursuant to this chapter and
31 chapter 203, the department shall make available in an
32 electronic format or otherwise the tax amounts and brackets
33 applicable to each taxable sale based on a rounding algorithm
34 that meets the following criteria:

35 1. Tax computation must be carried to the third decimal
36 place.

37 2. The tax must be rounded to a whole cent using a method
38 that rounds up to the next cent whenever the third decimal place
39 is greater than four.

40 (b) A dealer may compute the tax due on a taxable sale on
41 an item or an invoice basis, and the department must allow
42 application of the rounding algorithm to the aggregated state
43 and local taxes imposed under this chapter and chapter 203. The
44 department must allow, but may not require, a dealer to collect
45 the tax based on a bracket system ~~such that the tax collected~~
46 ~~results in a tax rate no less than the tax rate imposed pursuant~~
47 ~~to this chapter and chapter 203.~~

48 Section 2. The amendments made by this act to section
49 202.16, Florida Statutes, are intended to be remedial in nature
50 and apply retroactively. The amendments do not provide a basis
51 for an assessment of any tax not paid, or create a right to a
52 refund of any tax paid, under section 202.16, Florida Statutes,
53 before July 1, 2011.

54 Section 3. This act shall take effect July 1, 2011.