

By Senator Peadar

1-1296-02

See HB

1 A bill to be entitled

2 An act relating to taxation of communications

3 services; amending ss. 202.12 and 202.125,

4 F.S.; exempting the sale of cable services and

5 direct-to-home satellite services to

6 residential households from the 6.8 percent tax

7 on the sale of communications services;

8 amending s. 202.18, F.S.; revising the

9 distribution of the tax on the sale of

10 direct-to-home satellite services, to conform;

11 amending s. 202.19, F.S., relating to local

12 communications services taxes, to conform;

13 amending s. 212.20, F.S.; correcting

14 references; providing an effective date.

15

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

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18 Section 1. Paragraph (c) of subsection (1) of section

19 202.12, Florida Statutes, is amended to read:

20 202.12 Sales of communications services.--The

21 Legislature finds that every person who engages in the

22 business of selling communications services at retail in this

23 state is exercising a taxable privilege. It is the intent of

24 the Legislature that the tax imposed by chapter 203 be

25 administered as provided in this chapter.

26 (1) For the exercise of such privilege, a tax is

27 levied on each taxable transaction, and the tax is due and

28 payable as follows:

29 (c) At the rate of 4 percent on the retail sales price

30 of any direct-to-home satellite service sold to a residential

31 household and received in this state, and at the rate of 10.8

1 percent on the retail sales price of any other direct-to-home
2 satellite service received in this state. The proceeds of the
3 tax imposed under this paragraph shall be accounted for and
4 distributed in accordance with s. 202.18(2). The gross
5 receipts tax imposed by chapter 203 shall be collected on the
6 same taxable transactions and remitted with the tax imposed by
7 this paragraph.

8 Section 2. Subsection (1) of section 202.125, Florida
9 Statutes, is amended to read:

10 202.125 Sales of communications services; specified
11 exemptions.--

12 (1) The separately stated sales price of
13 communications services sold to residential households is
14 exempt from the tax imposed by s. 202.12. This exemption shall
15 not apply to any residence that constitutes all or part of a
16 public lodging establishment as defined in chapter 509, or any
17 mobile communications service, ~~any cable service, or any~~
18 ~~direct-to-home satellite service.~~

19 Section 3. Subsection (2) of section 202.18, Florida
20 Statutes, is amended to read:

21 202.18 Allocation and disposition of tax
22 proceeds.--The proceeds of the communications services taxes
23 remitted under this chapter shall be treated as follows:

24 (2) The proceeds of the taxes remitted under s.
25 202.12(1)(c) shall be divided as follows:

26 (a) With respect to the tax levied at the rate of 10.8
27 percent:

28 1.(a) The portion of such proceeds which constitutes
29 gross receipts taxes, imposed at the rate prescribed in
30 chapter 203, shall be deposited as provided by law and in
31 accordance with s. 9, Art. XII of the State Constitution.

1 ~~2.(b)~~ Sixty-three percent of the remainder shall be
2 allocated to the state and distributed pursuant to s.
3 212.20(6), except that the proceeds allocated pursuant to s.
4 212.20(6)(d)3. shall be prorated to the participating counties
5 in the same proportion as that month's collection of the taxes
6 and fees imposed pursuant to chapter 212 and paragraph (1)(b).

7 ~~3.a.(c)1.~~ During each calendar year, the remaining
8 portion of such proceeds shall be transferred to the Local
9 Government Half-cent Sales Tax Clearing Trust Fund and shall
10 be allocated in the same proportion as the allocation of total
11 receipts of the half-cent sales tax under s. 218.61 and the
12 emergency distribution under s. 218.65 in the prior state
13 fiscal year. However, during calendar year 2001, state fiscal
14 year 2000-2001 proportions shall be used.

15 ~~b.2.~~ The proportion of the proceeds allocated based on
16 the emergency distribution under s. 218.65 shall be
17 distributed pursuant to s. 218.65.

18 ~~c.3.~~ In each calendar year, the proportion of the
19 proceeds allocated based on the half-cent sales tax under s.
20 218.61 shall be allocated to each county in the same
21 proportion as the county's percentage of total sales tax
22 allocation for the prior state fiscal year and distributed
23 pursuant to s. 218.62, except that for calendar year 2001,
24 state fiscal year 2000-2001 proportions shall be used.

25 ~~d.4.~~ The department shall distribute the appropriate
26 amount to each municipality and county each month at the same
27 time that local communications services taxes are distributed
28 pursuant to subsection (3).

29 (b) With respect to the tax levied at the rate of 4
30 percent:

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1 1. The portion of such proceeds which constitutes
2 gross receipts taxes, imposed at the rate prescribed in
3 chapter 203, shall be deposited as provided by law and in
4 accordance with s. 9, Art. XII of the State Constitution.

5 2.a. During each calendar year, the remaining portion
6 of such proceeds shall be transferred to the Local Government
7 Half-cent Sales Tax Clearing Trust Fund and shall be allocated
8 in the same proportion as the allocation of total receipts of
9 the half-cent sales tax under s. 218.61 and the emergency
10 distribution under s. 218.65 in the prior state fiscal year.

11 b. The proportion of the proceeds allocated based on
12 the emergency distribution under s. 218.65 shall be
13 distributed pursuant to s. 218.65.

14 c. In each calendar year, the proportion of the
15 proceeds allocated based on the half-cent sales tax under s.
16 218.61 shall be allocated to each county in the same
17 proportion as the county's percentage of total sales tax
18 allocation for the prior state fiscal year and distributed
19 pursuant to s. 218.62.

20 d. The department shall distribute the appropriate
21 amount to each municipality and county each month at the same
22 time that local communications services taxes are distributed
23 pursuant to subsection (3).

24 Section 4. Subsection (10) of section 202.19, Florida
25 Statutes, is amended to read:

26 202.19 Authorization to impose local communications
27 services tax.--

28 (6) Notwithstanding any other provision of this
29 section, a tax imposed under this section does not apply to
30 any direct-to-home satellite service.

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1 (10) Notwithstanding any provision of law to the
2 contrary, the exemption set forth in s. 202.125(1) shall not
3 apply to a tax imposed by a municipality, school board, or
4 county pursuant to subsection (4) or subsection (5). With
5 respect to the amendment made by this act to s. 202.125(1),
6 cable service sold to residential households shall continue to
7 be subject to such tax imposed by a municipality, school
8 board, or county, and direct-to-home satellite service sold to
9 residential households shall remain exempt pursuant to
10 subsection (6).

11 Section 5. Subsection (6) of section 212.20, Florida
12 Statutes, is amended to read:

13 212.20 Funds collected, disposition; additional powers
14 of department; operational expense; refund of taxes
15 adjudicated unconstitutionally collected.--

16 (6) Distribution of all proceeds under this chapter
17 and s. 202.18(1)(b) and (2)(a)2.~~(b)~~ shall be as follows:

18 (a) Proceeds from the convention development taxes
19 authorized under s. 212.0305 shall be reallocated to the
20 Convention Development Tax Clearing Trust Fund.

21 (b) Proceeds from discretionary sales surtaxes imposed
22 pursuant to ss. 212.054 and 212.055 shall be reallocated to
23 the Discretionary Sales Surtax Clearing Trust Fund.

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

27 (d) The proceeds of all other taxes and fees imposed
28 pursuant to this chapter or remitted pursuant to s.
29 202.18(1)(b) and (2)(a)2.~~(b)~~ shall be distributed as follows:

30 1. In any fiscal year, the greater of \$500 million,
31 minus an amount equal to 4.6 percent of the proceeds of the

1 taxes collected pursuant to chapter 201, or 5 percent of all
2 other taxes and fees imposed pursuant to this chapter or
3 remitted pursuant to s. 202.18(1)(b) and (2)(a)~~2.(b)~~ shall be
4 deposited in monthly installments into the General Revenue
5 Fund.

6 2. Two-tenths of one percent shall be transferred to
7 the Solid Waste Management Trust Fund.

8 3. After the distribution under subparagraphs 1. and
9 2., 9.653 percent of the amount remitted by a sales tax dealer
10 located within a participating county pursuant to s. 218.61
11 shall be transferred into the Local Government Half-cent Sales
12 Tax Clearing Trust Fund.

13 4. After the distribution under subparagraphs 1., 2.,
14 and 3., 0.065 percent shall be transferred to the Local
15 Government Half-cent Sales Tax Clearing Trust Fund and
16 distributed pursuant to s. 218.65.

17 5. For proceeds received after July 1, 2000, and after
18 the distributions under subparagraphs 1., 2., 3., and 4., 2.25
19 percent of the available proceeds pursuant to this paragraph
20 shall be transferred monthly to the Revenue Sharing Trust Fund
21 for Counties pursuant to s. 218.215.

22 6. For proceeds received after July 1, 2000, and after
23 the distributions under subparagraphs 1., 2., 3., and 4.,
24 1.0715 percent of the available proceeds pursuant to this
25 paragraph shall be transferred monthly to the Revenue Sharing
26 Trust Fund for Municipalities pursuant to s. 218.215. If the
27 total revenue to be distributed pursuant to this subparagraph
28 is at least as great as the amount due from the Revenue
29 Sharing Trust Fund for Municipalities and the Municipal
30 Financial Assistance Trust Fund in state fiscal year
31 1999-2000, no municipality shall receive less than the amount

1 due from the Revenue Sharing Trust Fund for Municipalities and
2 the Municipal Financial Assistance Trust Fund in state fiscal
3 year 1999-2000. If the total proceeds to be distributed are
4 less than the amount received in combination from the Revenue
5 Sharing Trust Fund for Municipalities and the Municipal
6 Financial Assistance Trust Fund in state fiscal year
7 1999-2000, each municipality shall receive an amount
8 proportionate to the amount it was due in state fiscal year
9 1999-2000.

10 7. Of the remaining proceeds:

11 a. Beginning July 1, 2000, and in each fiscal year
12 thereafter, the sum of \$29,915,500 shall be divided into as
13 many equal parts as there are counties in the state, and one
14 part shall be distributed to each county. The distribution
15 among the several counties shall begin each fiscal year on or
16 before January 5th and shall continue monthly for a total of 4
17 months. If a local or special law required that any moneys
18 accruing to a county in fiscal year 1999-2000 under the
19 then-existing provisions of s. 550.135 be paid directly to the
20 district school board, special district, or a municipal
21 government, such payment shall continue until such time that
22 the local or special law is amended or repealed. The state
23 covenants with holders of bonds or other instruments of
24 indebtedness issued by local governments, special districts,
25 or district school boards prior to July 1, 2000, that it is
26 not the intent of this subparagraph to adversely affect the
27 rights of those holders or relieve local governments, special
28 districts, or district school boards of the duty to meet their
29 obligations as a result of previous pledges or assignments or
30 trusts entered into which obligated funds received from the
31 distribution to county governments under then-existing s.

1 550.135. This distribution specifically is in lieu of funds
2 distributed under s. 550.135 prior to July 1, 2000.

3 b. The department shall distribute \$166,667 monthly
4 pursuant to s. 288.1162 to each applicant that has been
5 certified as a "facility for a new professional sports
6 franchise" or a "facility for a retained professional sports
7 franchise" pursuant to s. 288.1162. Up to \$41,667 shall be
8 distributed monthly by the department to each applicant that
9 has been certified as a "facility for a retained spring
10 training franchise" pursuant to s. 288.1162; however, not more
11 than \$208,335 may be distributed monthly in the aggregate to
12 all certified facilities for a retained spring training
13 franchise. Distributions shall begin 60 days following such
14 certification and shall continue for not more than 30 years.
15 Nothing contained in this paragraph shall be construed to
16 allow an applicant certified pursuant to s. 288.1162 to
17 receive more in distributions than actually expended by the
18 applicant for the public purposes provided for in s.
19 288.1162(6). However, a certified applicant is entitled to
20 receive distributions up to the maximum amount allowable and
21 undistributed under this section for additional renovations
22 and improvements to the facility for the franchise without
23 additional certification.

24 c. Beginning 30 days after notice by the Office of
25 Tourism, Trade, and Economic Development to the Department of
26 Revenue that an applicant has been certified as the
27 professional golf hall of fame pursuant to s. 288.1168 and is
28 open to the public, \$166,667 shall be distributed monthly, for
29 up to 300 months, to the applicant.

30 d. Beginning 30 days after notice by the Office of
31 Tourism, Trade, and Economic Development to the Department of

1 Revenue that the applicant has been certified as the
2 International Game Fish Association World Center facility
3 pursuant to s. 288.1169, and the facility is open to the
4 public, \$83,333 shall be distributed monthly, for up to 168
5 months, to the applicant. This distribution is subject to
6 reduction pursuant to s. 288.1169. A lump sum payment of
7 \$999,996 shall be made, after certification and before July 1,
8 2000.

9 8. All other proceeds shall remain with the General
10 Revenue Fund.

11 Section 6. This act shall take effect July 1, 2002.

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13 HOUSE SUMMARY

14 Exempts the sale of cable services and direct-to-home
15 satellite services to residential households from the 6.8
16 percent tax on the sale of communications services.
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