

By the Council for Ready Infrastructure and  
Representatives Ritter and Attkisson

1                                   A bill to be entitled  
2           An act relating to the communications services  
3           tax; amending s. 202.125, F.S.; providing  
4           definitions of religious or educational  
5           institutions to conform an exemption to the  
6           sales tax exemption provided for such  
7           institutions; creating s. 202.151, F.S.;  
8           clarifying the imposition of a use tax on  
9           certain purchases of communications services;  
10          authorizing the Department of Revenue to adopt  
11          rules; amending s. 202.16, F.S.; providing an  
12          exception to the requirement that dealers  
13          separately state the communications services  
14          tax on bills and invoices; creating s. 202.205,  
15          F.S.; providing a transition rule for counties  
16          and municipalities that reduced the local  
17          communications services tax on a specified  
18          date; amending s. 202.22, F.S.; clarifying  
19          provisions governing the electronic databases  
20          used to determine local tax situs for the  
21          communications services tax; amending s.  
22          337.401, F.S.; changing the date on which local  
23          governments must notify dealers that provide  
24          communications services of changes in permit  
25          fees; revising provisions relating to charges  
26          for use of rights-of-way; providing  
27          definitions; authorizing certain counties or  
28          municipalities to levy an annual charge upon  
29          certain providers for using municipal  
30          rights-of-way; providing limitations; providing  
31          criteria; specifying application; amending s.

1 365.172, F.S.; clarifying that the E911 fee  
2 applies to certain customers whose place of  
3 primary use is within the state; specifying  
4 that certain definitions applicable to the  
5 Communications Services Tax Simplification Law  
6 apply to the E911 fee; amending ss. 212.0501,  
7 212.08, 212.20, 509.032, and 561.1105, F.S.;  
8 conforming cross references to changes made by  
9 the act; specifying that certain provisions of  
10 the act are remedial in nature and intended to  
11 clarify the law in effect on the effective date  
12 of the act; requiring the Department of Revenue  
13 to submit a report of the accuracy of the 2001  
14 revenue estimates of the state and local  
15 communications services taxes to the Governor,  
16 the President of the Senate, and the Speaker of  
17 the House of Representatives; repealing s.  
18 212.05(1)(g), F.S., relating to a sales tax on  
19 certain substitute telecommunications  
20 equipment; providing effective dates.

21  
22 Be It Enacted by the Legislature of the State of Florida:

23  
24 Section 1. Subsection (4) of section 202.125, Florida  
25 Statutes, is amended to read:

26 202.125 Sales of communications services; specified  
27 exemptions.--

28 (4) The sale of communications services to a religious  
29 institution or educational institution ~~organization~~ that is  
30 exempt from federal income tax under s. 501(c)(3) of the  
31 Internal Revenue Code, or by a religious institution that is

1 exempt from federal income tax under s. 501(c)(3) of the  
2 Internal Revenue Code having an established physical place for  
3 worship at which nonprofit religious services and activities  
4 are regularly conducted and carried on,is exempt from the  
5 taxes imposed or administered pursuant to ss. 202.12 and  
6 202.19. As used in this subsection, the term:

7 (a) "Religious institution" means an organization  
8 owning and operating an established physical place for worship  
9 at which nonprofit religious services and activities are  
10 regularly conducted. The term also includes:

11 1. Any nonprofit corporation the sole purpose of which  
12 is to provide free transportation services to religious  
13 institution members, their families, and other religious  
14 institution attendees.

15 2. Any nonprofit state, district, or other governing  
16 or administrative office the function of which is to assist or  
17 regulate the customary activities of religious institutions.

18 3. Any nonprofit corporation that owns and operates a  
19 television station in this state of which at least 90 percent  
20 of the programming consists of programs of a religious nature  
21 and the financial support for which, exclusive of receipts for  
22 broadcasting from other nonprofit organizations, is  
23 predominantly from contributions from the public.

24 4. Any nonprofit corporation the primary activity of  
25 which is making and distributing audio recordings of religious  
26 scriptures and teachings to blind or visually impaired persons  
27 at no charge.

28 5. Any nonprofit corporation the sole or primary  
29 purpose of which is to provide, upon invitation, nonprofit  
30 religious services, evangelistic services, religious  
31 education, administrative assistance, or missionary assistance

1 for a religious institution, or established physical place of  
2 worship at which nonprofit religious services and activities  
3 are regularly conducted.

4 (b) "Educational institution" includes:

5 1. Any state tax-supported, parochial, religious  
6 institution, and nonprofit private school, college, or  
7 university that conducts regular classes and courses of study  
8 required for accreditation by or membership in the Southern  
9 Association of Colleges and Schools, the Florida Council of  
10 Independent Schools, or the Florida Association of Christian  
11 Colleges and Schools, Inc.

12 2. Any nonprofit private school that conducts regular  
13 classes and courses of study which are accepted for continuing  
14 education credit by a board of the Division of Medical Quality  
15 Assurance of the Department of Health.

16 3. Any nonprofit library.

17 4. Any nonprofit art gallery.

18 5. Any nonprofit performing arts center that provides  
19 educational programs to school children, which programs  
20 involve performances or other educational activities at the  
21 performing arts center and serve a minimum of 50,000 school  
22 children a year.

23 6. Any nonprofit museum that is open to the public.

24 Section 2. Section 202.151, Florida Statutes, is  
25 created to read:

26 202.151 Use tax imposed on certain purchasers of  
27 communications services.--Any person who purchases  
28 communications services that are otherwise taxable under ss.  
29 202.12 and 202.19 at retail from a seller in another state,  
30 territory, the District of Columbia, or any foreign country  
31 shall report and remit to the department the taxes imposed by

1 or administered under this chapter on the communications  
2 services purchased and used, the same as if such  
3 communications services had been purchased at retail from a  
4 dealer in this state. This section does not apply if the  
5 out-of-state seller registers as a dealer in this state and  
6 collects from the purchaser the taxes imposed by or  
7 administered under this chapter. The department may adopt  
8 rules governing the reporting and remitting of communications  
9 services taxes by purchasers who purchase from out-of-state  
10 sellers who do not collect the taxes imposed by or  
11 administered under this chapter.

12 Section 3. Paragraph (b) of subsection (1) of section  
13 202.16, Florida Statutes, is amended to read:

14 202.16 Payment.--The taxes imposed or administered  
15 under this chapter and chapter 203 shall be collected from all  
16 dealers of taxable communications services on the sale at  
17 retail in this state of communications services taxable under  
18 this chapter and chapter 203. The full amount of the taxes on  
19 a credit sale, installment sale, or sale made on any kind of  
20 deferred payment plan is due at the moment of the transaction  
21 in the same manner as a cash sale.

22 (1)

23 (b) Each dealer of communications services selling  
24 communications services in this state shall collect the taxes  
25 imposed under this chapter and chapter 203 from the purchaser  
26 of such services, and such taxes must be stated separately  
27 from all other charges on the bill or invoice. Notwithstanding  
28 the requirement in this paragraph and in s. 202.35 to  
29 separately state such taxes, a public lodging establishment  
30 licensed under chapter 509 may notify purchasers of the taxes  
31 imposed under this chapter on a notice in a guest room posted

1 in a manner consistent with the requirements of s. 509.2015,  
2 rather than separately stating the taxes on the guest bill or  
3 invoice.

4 Section 4. Section 202.205, Florida Statutes, is  
5 created to read:

6 202.205 Transition rule for local  
7 rates.--Notwithstanding s. 202.21, the rate of the local  
8 communications services tax for a county or municipality that  
9 adopted a resolution or ordinance reducing the rate of tax  
10 effective October 1, 2002, and that notified the Department of  
11 Revenue of the reduced rate by mail postmarked by July 16,  
12 2001, shall be the adopted reduced rate beginning October 1,  
13 2002. However, the local governing body of the county or  
14 municipality may change the local rate effective January 1,  
15 2003, in the manner provided in this chapter.

16 Section 5. Paragraph (b) of subsection (2) and  
17 paragraphs (a) and (g) of subsection (3) of section 202.22,  
18 Florida Statutes, are amended to read:

19 202.22 Determination of local tax situs.--

20 (2)

21 (b)1. Each local taxing jurisdiction shall furnish to  
22 the department all information needed to create and update the  
23 electronic database, including changes in service addresses,  
24 annexations, incorporations, reorganizations, and any other  
25 changes in jurisdictional boundaries. The information  
26 furnished to the department must specify an effective date,  
27 which must be the next ensuing January 1 or July 1, and such  
28 information must be furnished to the department at least 120  
29 days prior to the effective date. However, the requirement  
30 that counties submit information pursuant to this paragraph  
31 shall be subject to appropriation.

1           2. The department shall update the electronic database  
2 in accordance with the information furnished by local taxing  
3 jurisdictions under subparagraph 1. Each update must specify  
4 the effective date as the next ensuing January 1 or July 1 and  
5 must be posted by the department on a website not less than 90  
6 days prior to the effective date. A substantially affected  
7 person may provide notice to the database administrator of an  
8 objection to information contained in the electronic database.  
9 If an objection is supported by competent evidence, the  
10 department shall forward the evidence to the affected local  
11 taxing jurisdictions and update the electronic database in  
12 accordance with the determination furnished by local taxing  
13 jurisdictions to the department. The department shall also  
14 furnish the update on magnetic or electronic media to any  
15 dealer of communications services or vendor who requests the  
16 update on such media. However, the department may collect a  
17 fee from the dealer of communications services which does not  
18 exceed the actual cost of furnishing the update on magnetic or  
19 electronic media. Information contained in the electronic  
20 database is conclusive for purposes of this chapter. The  
21 electronic database is not an order, a rule, or a policy of  
22 general applicability.

23           3. Each update must identify the additions, deletions,  
24 and other changes to the preceding version of the database.  
25 ~~Each dealer of communications services shall be required to~~  
26 ~~collect and remit local communications services taxes imposed~~  
27 ~~under this chapter only for those service addresses that are~~  
28 ~~contained in the database and for which all of the elements~~  
29 ~~required by this subsection are included in the database.~~

30  
31

1           (3) For purposes of this section, a database must be  
2 certified by the department pursuant to rules that implement  
3 the following criteria and procedures:

4           (a) The database must assign street addresses, address  
5 ranges, post office boxes, or post office box ranges to the  
6 proper jurisdiction with an overall accuracy rate of 95  
7 percent at a 95 percent level of confidence, as determined  
8 through a statistically reliable sample. The accuracy must be  
9 measured based on the entire geographic area within the state  
10 covered by such database ~~or, if the service area of the dealer~~  
11 ~~does not encompass the entire state, based on the dealer's~~  
12 ~~entire service area.~~

13           (g) Notwithstanding any provision of law to the  
14 contrary, if a dealer submits an application for certification  
15 on or before the later of October 1, 2001, or the date that  
16 ~~which~~ is 30 days after the date on which the applicable  
17 department rule becomes effective, the 180-day time limit set  
18 forth in paragraph (d) does not apply. During the time the  
19 application is under consideration by the department or, if  
20 the application is denied, until the denial is no longer  
21 subject to administrative or judicial review or until a later  
22 date fixed by order of the reviewing court ~~and such~~  
23 ~~application is neither approved nor denied within the time~~  
24 ~~period set forth in paragraph (d):~~

25           1. For purposes of computing the amount of the  
26 deduction to which such dealer is entitled under s. 202.28,  
27 the dealer shall be deemed to have used a certified database  
28 pursuant to paragraph (1)(b), ~~until such time as the~~  
29 ~~application for certification is denied.~~

30           2. In the event that such application is approved,  
31 such approval shall be deemed to have been effective on the



1 date of the application or October 1, 2001, whichever is  
2 later.

3 Section 6. Paragraph (j) of subsection (3) and  
4 subsection (6) of section 337.401, Florida Statutes, are  
5 amended to read:

6 337.401 Use of right-of-way for utilities subject to  
7 regulation; permit; fees.--

8 (3)

9 (j) Pursuant to this paragraph, any county or  
10 municipality may by ordinance change either its election made  
11 on or before July 16, 2001, under paragraph (c) or an election  
12 made under this paragraph.

13 1.a. If a municipality or charter county changes its  
14 election under this paragraph in order to exercise its  
15 authority to require and collect permit fees in accordance  
16 with this subsection, the rate of the local communications  
17 services tax imposed by such jurisdiction pursuant to ss.  
18 202.19 and 202.20 shall automatically be reduced by the sum of  
19 0.12 percent plus the percentage, if any, by which such rate  
20 was increased pursuant to sub-subparagraph (c)1.b.

21 b. If a municipality or charter county changes its  
22 election under this paragraph in order to discontinue  
23 requiring and collecting permit fees, the rate of the local  
24 communications services tax imposed by such jurisdiction  
25 pursuant to ss. 202.19 and 202.20 may be increased by  
26 ordinance or resolution by an amount not to exceed 0.24  
27 percent.

28 2.a. If a noncharter county changes its election under  
29 this paragraph in order to exercise its authority to require  
30 and collect permit fees in accordance with this subsection,  
31 the rate of the local communications services tax imposed by

1 such jurisdiction pursuant to ss. 202.19 and 202.20 shall  
2 automatically be reduced by the percentage, if any, by which  
3 such rate was increased pursuant to sub-subparagraph (c)2.b.

4         b. If a noncharter county changes its election under  
5 this paragraph in order to discontinue requiring and  
6 collecting permit fees, the rate of the local communications  
7 services tax imposed by such jurisdiction pursuant to ss.  
8 202.19 and 202.20 may be increased by ordinance or resolution  
9 by an amount not to exceed 0.24 percent.

10         3.a. Any change of election pursuant to this paragraph  
11 and any tax rate change resulting from such change of election  
12 shall be subject to the notice requirements of s. 202.21;  
13 however, no such change of election shall become effective  
14 prior to January 1, 2003.

15         b. Any county or municipality changing its election  
16 under this paragraph in order to exercise its authority to  
17 require and collect permit fees shall, in addition to  
18 complying with the notice requirements under s. 202.21,  
19 provide to all dealers providing communications services in  
20 such jurisdiction written notice of such change of election by  
21 September ~~July~~ 1 immediately preceding the January 1 on which  
22 such change of election becomes effective. For purposes of  
23 this sub-subparagraph, dealers providing communications  
24 services in such jurisdiction shall include every dealer  
25 reporting tax to such jurisdiction pursuant to s. 202.37 on  
26 the return required under s. 202.27 to be filed on or before  
27 the 20th day of May immediately preceding the January 1 on  
28 which such change of election becomes effective.

29         (6)(a) As used in this subsection, the following  
30 definitions apply:

31

1           1. A "pass-through provider" is any person who places  
2 or maintains a communications facility in the roads or  
3 rights-of-way or a municipality or county that levies a tax  
4 pursuant to chapter 202 and who does not remit taxes imposed  
5 by that municipality or county pursuant to chapter 202.

6           2. A "communications facility" is a facility that may  
7 be used to provide communications services. Multiple cables,  
8 conduits, strands, or fibers located within the same conduit  
9 shall be considered one communications facility for purposes  
10 of this subsection.

11           (b) A municipality that levies a tax pursuant to  
12 chapter 202 may charge a pass-through provider that places or  
13 maintains a communications facility in the municipality's  
14 roads or rights-of-way an annual amount not to exceed \$500 per  
15 linear mile or portion thereof. A municipality's roads or  
16 rights-of-way do not include roads or rights-of-way that  
17 extend in or through the municipality but are state, county,  
18 or another authority's roads or rights-of-way.

19           (c) A county that levies a tax pursuant to chapter 202  
20 may charge a pass-through provider that places or maintains a  
21 communications facility in the county's roads or  
22 rights-of-way, including county roads or rights-of-way within  
23 a municipality in the county, an annual amount not to exceed  
24 \$500 per linear mile or portion thereof. However, a county  
25 shall not impose a charge for any linear miles, or portions  
26 thereof, of county roads or rights-of-way where a  
27 communications facility is placed that extend through any  
28 municipality within the county to which the pass-through  
29 provider remits a tax imposed pursuant to chapter 202. A  
30 county's roads or rights-of-way do not include roads or  
31 rights-of-way that extend in or through the county but are

1 state, municipal, or another authority's roads or  
2 rights-of-way.

3 (d) The amounts charged pursuant to this subsection  
4 shall be based on the linear miles of roads or rights-of-way  
5 where a communications facility is placed, not based on a  
6 summation of the lengths of individual cables, conduits,  
7 strands, or fibers. The amounts referenced in this subsection  
8 may be charged only once annually and only to one person  
9 annually for any communications facility. A municipality or  
10 county shall discontinue charging such amounts to a person  
11 that has ceased to be a pass-through provider. Any annual  
12 amounts charged shall be reduced for a prorated portion of any  
13 12-month period during which the person remits taxes imposed  
14 by the municipality or county pursuant to chapter 202. Any  
15 excess amounts paid to a municipality or county shall be  
16 refunded to the person upon written notice of the excess to  
17 the municipality or county.

18 (e) This subsection does not alter any provision of  
19 this section or s. 202.24 relating to taxes, fees, or other  
20 charges or impositions by a municipality or county on a dealer  
21 of communications services or authorize that any charges be  
22 assessed on a dealer of communications services, except as  
23 specifically set forth herein. A municipality or county may  
24 not charge a pass-through provider any amounts other than the  
25 charges under this subsection as a condition to the placement  
26 or maintenance of a communications facility in the roads or  
27 rights-of-way of a municipality or county by a pass-through  
28 provider, except that a municipality or county may impose  
29 permit fees on a pass-through provider consistent with  
30 paragraph (3)(c) if the municipality or county elects to  
31

1 exercise its authority to collect permit fees under paragraph  
2 (3)(c).

3 (f) The charges under this subsection do not apply to  
4 communications facilities placed in a municipality's or  
5 county's rights-of-way prior to the effective date of this  
6 subsection with permission from the municipality or county, if  
7 any was required, except to the extent the facilities of a  
8 pass-through provider were subject to per linear foot or mile  
9 charges in effect as of October 1, 2001, in which case the  
10 municipality or county may only impose pass-through provider  
11 charges consistent with paragraph (b) or paragraph (c) for  
12 such facilities. Notwithstanding the foregoing, this  
13 subsection does not impair any written agreement between a  
14 pass-through provider and a municipality or county imposing  
15 per linear foot or mile charges for communications facilities  
16 placed in municipal or county roads or rights-of-way that is  
17 in effect prior to the effective date of this subsection.  
18 Upon the termination or expiration of any such written  
19 agreement, any charges imposed shall be consistent with  
20 paragraph (b) or paragraph (c). Notwithstanding the  
21 foregoing, until October 1, 2005, this subsection shall not  
22 affect a municipality or county continuing to impose charges  
23 in excess of the charges authorized in this subsection on  
24 facilities of a pass-through provider that is not a dealer of  
25 communications services in the state under chapter 202, but  
26 only to the extent such charges were imposed by municipal or  
27 county ordinance or resolution adopted prior to February 1,  
28 2002. Effective October 1, 2005, any charges imposed shall be  
29 consistent with paragraph (b) or paragraph (c).

30 (g) The charges authorized in this subsection shall  
31 not be applied with respect to any communications facility

1 that is used exclusively for the internal communications of an  
2 electric utility or other person in the business of  
3 transmitting or distributing electric energy. ~~If a~~  
4 ~~municipality or county imposes any amount on a person or~~  
5 ~~entity other than a provider of communications services in~~  
6 ~~connection with the placement or maintenance by such person or~~  
7 ~~entity of a communication facility in municipal or county~~  
8 ~~roads or rights-of-way, such amounts, if any, shall not exceed~~  
9 ~~the highest amount, if any, the municipality or county is~~  
10 ~~imposing in such context as of the date this act becomes a~~  
11 ~~law. If a municipality or county is not imposing any amount~~  
12 ~~in such context as of the date this act becomes a law, any~~  
13 ~~amount, if any, imposed thereafter, shall not be less than~~  
14 ~~\$500 per linear mile, payable annually, of any cable, fiber~~  
15 ~~optic, or other pathway that makes physical use of the~~  
16 ~~municipal or county right-of-way. Any excess of \$500 shall be~~  
17 ~~applied in a nondiscriminatory manner and shall not exceed the~~  
18 ~~sum of:~~  
19       ~~(a) Costs directly related to the inconvenience or~~  
20 ~~impairment solely caused by the disturbance to the municipal~~  
21 ~~or county right-of-way;~~  
22       ~~(b) The reasonable cost of the regulatory activity of~~  
23 ~~the municipality or county; and~~  
24       ~~(c) The proportionate share of cost of land for such~~  
25 ~~street, alley, or other public way attributable to utilization~~  
26 ~~of the right-of-way by a person or entity other than a~~  
27 ~~provider of communications services.~~  
28  
29 ~~For purposes of this subsection, the term communications~~  
30 ~~facility shall not include communications facilities owned,~~  
31 ~~operated, or used by electric utilities or regional~~

1 ~~transmission organizations exclusively for internal~~  
2 ~~communications purposes. Except as specifically provided~~  
3 ~~herein, municipalities and counties retain all existing~~  
4 ~~authority, if any, to collect fees relating to public roads~~  
5 ~~and rights-of-way from electric utilities or regional~~  
6 ~~transmission organizations, and nothing in this subsection~~  
7 ~~shall alter this authority.~~

8           Section 7. Effective with respect to bills issued by  
9 providers of mobile telecommunications services after August  
10 1, 2002, paragraph (a) of subsection (8) and subsection (9) of  
11 section 365.172, Florida Statutes, are amended to read:

12           365.172 Wireless emergency telephone number "E911."--

13           (8) WIRELESS E911 FEE.--

14           (a) Each home service provider shall collect a monthly  
15 fee imposed on each customer whose place of primary use is  
16 ~~service subscriber who has a service number that has a billing~~  
17 ~~address~~ within this state. The rate of the fee shall be 50  
18 cents per month per each service number, beginning August 1,  
19 1999. The fee shall apply uniformly and be imposed throughout  
20 the state.

21           (9) MANAGEMENT OF FUNDS.--

22           (a) Each provider, as a part of its monthly billing  
23 process, shall collect the fee imposed under subsection (8).  
24 The provider may list the fee as a separate entry on each  
25 bill, in which case the fee must be identified as a fee for  
26 E911 services. A provider shall remit the fee only if the fee  
27 is paid by the subscriber. If a provider receives a partial  
28 payment for a monthly bill from a subscriber, the amount  
29 received shall first be applied to the payment due the  
30 provider for the provision of telecommunications service.

31

1           (b) A provider is not obligated to take any legal  
2 action to enforce collection of the fees for which any  
3 subscriber is billed. The provider shall provide to the board  
4 each quarter a list of the names, addresses, and service  
5 numbers of all subscribers who have indicated to the provider  
6 their refusal to pay the fee.

7           (c) Each provider may retain 1 percent of the amount  
8 of the fees collected as reimbursement for the administrative  
9 costs incurred by the provider to bill, collect, and remit the  
10 fee. The remainder shall be delivered to the board and  
11 deposited in the fund. The board shall distribute the  
12 remainder pursuant to s. 365.173.

13           (d) Each provider shall deliver revenues from the fee  
14 to the board within 60 days after the end of the month in  
15 which the fee was billed, together with a monthly report of  
16 the number of ~~billing addresses~~ of wireless customers whose  
17 place of primary use is subscribers in each county. A provider  
18 may apply to the board for a refund of, or may take a credit  
19 for, any fees remitted to the board which are not collected by  
20 the provider within 6 months following the month in which the  
21 fees are charged off for federal income tax purposes as bad  
22 debt. The board may waive the requirement that the fees and  
23 number of customers whose place of primary use is in each  
24 county ~~billing addresses~~ be submitted to the board each month  
25 and authorize a provider to submit the fees and number of  
26 customers ~~billing addresses~~ quarterly if the provider  
27 demonstrates that such waiver is necessary and justified.

28           (e) For purposes of this section, the definitions  
29 contained in s. 202.11 and the provisions of s. 202.155 apply  
30 in the same manner and to the same extent as such definitions  
31



1 and provisions apply to the taxes levied pursuant to chapter  
2 202 on mobile communications services.

3 (f)~~(e)~~ As used in this subsection, the term "provider"  
4 includes any person or entity that resells wireless service  
5 and was not assessed the fee by its resale supplier.

6 Section 8. Subsection (4) of section 212.0501, Florida  
7 Statutes, is amended to read:

8 212.0501 Tax on diesel fuel for business purposes;  
9 purchase, storage, and use.--

10 (4) Except as otherwise provided in s.  
11 212.05(1)(k)~~(l)~~, a licensed sales tax dealer may elect to  
12 collect such tax pursuant to this chapter on all sales to each  
13 person who purchases diesel fuel for consumption, use, or  
14 storage by a trade or business. When the licensed sales tax  
15 dealer has not elected to collect such tax on all such sales,  
16 the purchaser or ultimate consumer shall be liable for the  
17 payment of tax directly to the state.

18 Section 9. Paragraph (v) of subsection (7) of section  
19 212.08, Florida Statutes, is amended to read:

20 212.08 Sales, rental, use, consumption, distribution,  
21 and storage tax; specified exemptions.--The sale at retail,  
22 the rental, the use, the consumption, the distribution, and  
23 the storage to be used or consumed in this state of the  
24 following are hereby specifically exempt from the tax imposed  
25 by this chapter.

26 (7) MISCELLANEOUS EXEMPTIONS.--

27 (v) Professional services.--

28 1. Also exempted are professional, insurance, or  
29 personal service transactions that involve sales as  
30 inconsequential elements for which no separate charges are  
31 made.

1           2. The personal service transactions exempted pursuant  
2 to subparagraph 1. do not exempt the sale of information  
3 services involving the furnishing of printed, mimeographed, or  
4 multigraphed matter, or matter duplicating written or printed  
5 matter in any other manner, other than professional services  
6 and services of employees, agents, or other persons acting in  
7 a representative or fiduciary capacity or information services  
8 furnished to newspapers and radio and television stations. As  
9 used in this subparagraph, the term "information services"  
10 includes the services of collecting, compiling, or analyzing  
11 information of any kind or nature and furnishing reports  
12 thereof to other persons.

13           3. This exemption does not apply to any service  
14 warranty transaction taxable under s. 212.0506.

15           4. This exemption does not apply to any service  
16 transaction taxable under s. 212.05(1)(i)~~(j)~~.

17  
18 Exemptions provided to any entity by this subsection shall not  
19 inure to any transaction otherwise taxable under this chapter  
20 when payment is made by a representative or employee of such  
21 entity by any means, including, but not limited to, cash,  
22 check, or credit card even when that representative or  
23 employee is subsequently reimbursed by such entity.

24           Section 10. Paragraph (c) of subsection (6) of section  
25 212.20, Florida Statutes, is amended to read:

26           212.20 Funds collected, disposition; additional powers  
27 of department; operational expense; refund of taxes  
28 adjudicated unconstitutionally collected.--

29           (6) Distribution of all proceeds under this chapter  
30 and s. 202.18(1)(b) and (2)(b) shall be as follows:

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1           (c) Proceeds from the fees imposed under ss.  
2 212.05(1)(h)~~(i)~~3. and 212.18(3) shall remain with the General  
3 Revenue Fund.

4           Section 11. Paragraph (f) of subsection (2) of section  
5 509.032, Florida Statutes, is amended to read:

6           509.032 Duties.--

7           (2) INSPECTION OF PREMISES.--

8           (f) In conducting inspections of establishments  
9 licensed under this chapter, the division shall determine if  
10 each coin-operated amusement machine that is operated on the  
11 premises of a licensed establishment is properly registered  
12 with the Department of Revenue. Each month the division shall  
13 report to the Department of Revenue the sales tax registration  
14 number of the operator of any licensed establishment that has  
15 on location a coin-operated amusement machine and that does  
16 not have an identifying certificate conspicuously displayed as  
17 required by s. 212.05(1)(h)~~(i)~~.

18           Section 12. Section 561.1105, Florida Statutes, is  
19 amended to read:

20           561.1105 Inspection of licensed premises;  
21 coin-operated amusement machines.--In conducting inspections  
22 of establishments licensed under the Beverage Law, the  
23 division shall determine if each coin-operated amusement  
24 machine that is operated on the licensed premises is properly  
25 registered with the Department of Revenue. Each month, the  
26 division shall report to the Department of Revenue the sales  
27 tax registration number of the operator of any licensed  
28 premises that has on location a coin-operated amusement  
29 machine and that does not have an identifying certificate  
30 conspicuously displayed as required by s. 212.05(1)(h)~~(i)~~.

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1           Section 13. The amendments to sections 202.125(4),  
2 202.22(2)(b) and (3)(a) and (g), and 212.05(1)(g), Florida  
3 Statutes, contained in this act are remedial in nature and  
4 intended to clarify the law in effect on the effective date of  
5 this act.

6           Section 14. By February 1, 2003, the Department of  
7 Revenue shall submit a report on the accuracy of the 2001  
8 revenue estimates of the state and local communications  
9 services taxes imposed, authorized, or administered pursuant  
10 to chapter 202, Florida Statutes, to the Governor, the  
11 President of the Senate, and the Speaker of the House of  
12 Representatives. The report shall include a comparison of the  
13 available collection data and updated estimates for the sales  
14 tax portion, the gross receipts tax portion, and each local  
15 government's local portion of the communications services tax.

16           Section 15. Paragraph (g) of subsection (1) of section  
17 212.05, Florida Statutes, as amended by section 38 of chapter  
18 2001-140, Laws of Florida, is repealed.

19           Section 16. Except as otherwise provided herein, this  
20 act shall take effect upon becoming a law.

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