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A bill to be entitled

An act relating to the tax on substitute communications systems; amending s. 202.11, F.S.; deleting certain definitions; amending s. 202.12, F.S.; deleting a provision relating to the manner in which the tax on gross receipts for communications services is applied to a substitute communications system; amending ss. 202.16, 202.17, and 202.18, F.S.; correcting cross references; amending s. 202.19, F.S.; deleting a provision authorizing the imposition of a local communications services tax on substitute communications systems; repealing s. 202.15, F.S., relating to special rules for users of substitute communications systems; providing an effective date.

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

Section 1. Subsections (2) through (15) of section 202.11, Florida Statutes, are renumbered as subsections (1) through (14), respectively, subsections (17) through (25) of said section are renumbered as subsections (15) through (23), respectively, and present subsections (1) and (16) of said section are amended to read:

202.11 Definitions.--As used in this chapter:

~~(1) "Actual cost of operating a substitute communications system" includes, but is not limited to, depreciation, interest, maintenance, repair, and other expenses directly attributable to the operation of such system. For purposes of this chapter, the depreciation expense included in actual cost is the depreciation expense claimed for federal income tax purposes. The total~~

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30 ~~amount of any payment required by a lease or rental contract or~~  
 31 ~~agreement must be included within the actual cost of operating~~  
 32 ~~the substitute communications system.~~

33 ~~(16) "Substitute communications system" means any~~  
 34 ~~telephone system, or other system capable of providing~~  
 35 ~~communications services, which a person purchases, installs,~~  
 36 ~~rents, or leases for his or her own use to provide himself or~~  
 37 ~~herself with services used as a substitute for any switched~~  
 38 ~~service or dedicated facility by which a dealer of~~  
 39 ~~communications services provides a communication path.~~

40 Section 2. Paragraphs (c), (d), and (e) of subsection (1)  
 41 of section 202.12, Florida Statutes, are redesignated as  
 42 paragraphs (b), (c), and (d), respectively, and present  
 43 paragraph (b) of subsection (1) of said section is amended to  
 44 read:

45 202.12 Sales of communications services.--The Legislature  
 46 finds that every person who engages in the business of selling  
 47 communications services at retail in this state is exercising a  
 48 taxable privilege. It is the intent of the Legislature that the  
 49 tax imposed by chapter 203 be administered as provided in this  
 50 chapter.

51 (1) For the exercise of such privilege, a tax is levied on  
 52 each taxable transaction, and the tax is due and payable as  
 53 follows:

54 ~~(b) At the rate set forth in paragraph (a) on the actual~~  
 55 ~~cost of operating a substitute communications system, to be paid~~  
 56 ~~in accordance with s. 202.15. This paragraph does not apply to~~  
 57 ~~the use by any dealer of his or her own communications system to~~  
 58 ~~conduct a business of providing communications services or any~~

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59 ~~communications system operated by a county, a municipality, the~~  
 60 ~~state, or any political subdivision of the state. The gross~~  
 61 ~~receipts tax imposed by chapter 203 shall be applied to the same~~  
 62 ~~costs, and remitted with the tax imposed by this paragraph.~~

63 Section 3. Paragraph (a) of subsection (1) of section  
 64 202.16, Florida Statutes, is amended to read:

65 202.16 Payment.--The taxes imposed or administered under  
 66 this chapter and chapter 203 shall be collected from all dealers  
 67 of taxable communications services on the sale at retail in this  
 68 state of communications services taxable under this chapter and  
 69 chapter 203. The full amount of the taxes on a credit sale,  
 70 installment sale, or sale made on any kind of deferred payment  
 71 plan is due at the moment of the transaction in the same manner  
 72 as a cash sale.

73 (1)(a) ~~Except as otherwise provided in ss. 202.12(1)(b)~~  
 74 ~~and 202.15,~~ The taxes collected under this chapter and chapter  
 75 203 shall be paid by the purchaser of the communications service  
 76 and shall be collected from such person by the dealer of  
 77 communications services.

78 Section 4. Subsection (6) of section 202.17, Florida  
 79 Statutes, is amended to read:

80 202.17 Registration.--

81 (6) In addition to the certificate of registration, the  
 82 department shall provide to each newly registered dealer an  
 83 initial resale certificate that is valid for the remainder of  
 84 the period of issuance. The department shall provide to each  
 85 active dealer, ~~except persons registered pursuant to s. 202.15,~~  
 86 an annual resale certificate. As used in this section, the term  
 87 "active dealer" means a person who is registered with the

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88 department and who is required to file a return at least once  
 89 during each applicable reporting period.

90 Section 5. Subsection (1) of section 202.18, Florida  
 91 Statutes, is amended to read:

92 202.18 Allocation and disposition of tax proceeds.--The  
 93 proceeds of the communications services taxes remitted under  
 94 this chapter shall be treated as follows:

95 (1) The proceeds of the taxes remitted under s.  
 96 202.12(1)(a) ~~and (b)~~ shall be divided as follows:

97 (a) The portion of such proceeds which constitutes gross  
 98 receipts taxes, imposed at the rate prescribed in chapter 203,  
 99 shall be deposited as provided by law and in accordance with s.  
 100 9, Art. XII of the State Constitution.

101 (b) The remaining portion shall be distributed according  
 102 to s. 212.20(6).

103 Section 6. Subsections (8) through (12) of section 202.19,  
 104 Florida Statutes, are renumbered as subsections (7) through  
 105 (11), respectively, and present subsection (7) of said section  
 106 is amended to read:

107 202.19 Authorization to impose local communications  
 108 services tax.--

109 ~~(7) Any tax imposed by a municipality, school board, or~~  
 110 ~~county under this section also applies to the actual cost of~~  
 111 ~~operating a substitute communications system, to be paid in~~  
 112 ~~accordance with s. 202.15. This subsection does not apply to the~~  
 113 ~~use by any provider of its own communications system to conduct~~  
 114 ~~a business of providing communications services or to the use of~~  
 115 ~~any communications system operated by a county, a municipality,~~  
 116 ~~the state, or any political subdivision of the state.~~

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117 Section 7. Section 202.15, Florida Statutes, is repealed.

118 Section 8. This act shall take effect upon becoming a law.