

By the Committee on Regulated Industries

580-1056A-05

1                                   A bill to be entitled

2           An act relating to the tax on cigarettes;

3           amending s. 210.021, F.S.; directing the

4           Secretary of Business and Professional

5           Regulation to require certain dealers and

6           agents to remit the tax on cigarettes by

7           electronic funds transfer; requiring the

8           Division of Alcoholic Beverages and Tobacco of

9           the Department of Business and Professional

10          Regulation to adopt rules governing the payment

11          of taxes by electronic funds transfer; amending

12          s. 210.08, F.S.; revising the amount of the

13          surety bond, certificate of deposit, or

14          irrevocable letter of credit required by the

15          division as surety for the payment of cigarette

16          taxes; providing for exceptions; amending s.

17          210.18, F.S.; requiring that the seizure of

18          unstamped cigarettes be reported to the

19          division; requiring the division to keep

20          records concerning seized unstamped cigarettes;

21          providing an effective date.

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

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25           Section 1. Section 210.021, Florida Statutes, is

26 amended to read:

27           210.021 Payment of taxes by electronic funds

28 transfer.--

29           (1) The Secretary of Business and Professional

30 Regulation may require a dealer who sells cigarettes within

31 the state to remit by electronic funds transfer any tax

1 ~~imposed under s. 210.02 if the taxpayer is subject to the tax~~  
2 ~~and if the total of such taxes he or she paid in the prior~~  
3 ~~year amounted to \$50,000 or more.~~

4 (2) The Secretary of Business and Professional  
5 Regulation shall require for a period not to exceed 12 months  
6 that a dealer or agent, during the dealer's or agent's initial  
7 period of licensure or appointment, remit by electronic funds  
8 transfer any tax imposed under s. 210.02.

9 (3) The division shall adopt rules pursuant to ss.  
10 120.536(1) and 120.54 to administer this section.

11 Section 2. Section 210.08, Florida Statutes, is  
12 amended to read:

13 210.08 Bond for payment of taxes.--Each dealer, agent,  
14 or distributing agent shall file with the division a surety  
15 bond, certificate of deposit, or irrevocable letter of credit  
16 acceptable to the division in an amount of 110 percent of the  
17 estimated tax liability for 30 days, but not less than \$2,000.  
18 ~~the sum of \$10,000 as surety for the payment of all taxes;~~  
19 ~~provided, however, that where in the discretion of the~~  
20 ~~division the amount of business done by the dealer, agent, or~~  
21 ~~distributing agent is of such volume that a bond, certificate~~  
22 ~~of deposit, or irrevocable letter of credit of less than~~  
23 ~~\$10,000 will be adequate to secure the payment of all taxes~~  
24 ~~assessed as authorized by the cigarette tax law, the division~~  
25 ~~may accept a bond, certificate of deposit, or irrevocable~~  
26 ~~letter of credit in a lesser sum than \$10,000, but in no event~~  
27 ~~shall it accept a bond, certificate of deposit, or irrevocable~~  
28 ~~letter of credit of less than \$1,000, and it may at any time~~  
29 ~~in its discretion require any bond, certificate of deposit, or~~  
30 ~~irrevocable letter of credit in an amount less than \$10,000 to~~  
31 ~~be increased not to exceed \$10,000.~~

1 Section 3. Section 210.18, Florida Statutes, is  
2 amended to read:

3 210.18 Penalties for tax evasion; reports by  
4 sheriffs.--

5 (7) Any sheriff, deputy sheriff, ~~or~~ police officer, or  
6 state law enforcement officer, upon the seizure of any  
7 unstamped cigarettes under this section, shall promptly report  
8 such seizure to the division or its representative, together  
9 with a description of all such unstamped cigarettes seized, so  
10 that the state may be kept informed as to the size and  
11 magnitude of the illicit cigarette business. The division  
12 shall keep records showing the number of seizures and seized  
13 cigarettes reported to, or seized by, the division.

14 Section 4. This act shall take effect July 1, 2005.

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17 SENATE SUMMARY

18 Requires that a dealer or agent remit the cigarette tax  
19 by electronic funds transfer during his or her initial  
20 period of licensure or appointment. Requires the Division  
21 of Alcoholic Beverages and Tobacco of the Department of  
22 Business and Professional Regulation to adopt rules  
23 governing the payment of cigarette taxes by electronic  
24 funds transfer. Revises the amount of the amount of the  
25 surety bond, certificate of deposit, or irrevocable  
26 letter of credit required by the division as surety for  
27 the payment of cigarette taxes. Requires that the  
28 division keep records concerning seized cigarettes.  
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