By the Committee on Regulated Industries

## 580-1694-05

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	certified check or electronic funds transfer;
8	requiring the Division of Alcoholic Beverages
9	and Tobacco of the Department of Business and
10	Professional Regulation to adopt rules
11	governing the payment of taxes by certified
12	check or electronic funds transfer; amending s.
13	210.08, F.S.; revising the amount of the surety
14	bond, certificate of deposit, or irrevocable
15	letter of credit required by the division as
16	surety for the payment of cigarette taxes;
17	providing for exceptions; amending s. 210.18,
18	F.S.; requiring that the seizure of unstamped
19	cigarettes be reported to the division;
20	requiring the division to keep records
21	concerning seized unstamped cigarettes;
22	providing an effective date.
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24	Be It Enacted by the Legislature of the State of Florida:
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26	Section 1. Section 210.021, Florida Statutes, is
27	amended to read:
28	210.021 Payment of taxes by certified check or
29	electronic funds transfer
30	(1) The Secretary of Business and Professional
31	Regulation may require a dealer who sells cigarettes within

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the state to remit by <u>certified check or</u> electronic funds transfer any tax imposed under s. 210.02 <del>if the taxpayer is subject to the tax and if the total of such taxes he or she paid in the prior year amounted to \$50,000 or more</del>.

- (2) The Secretary of Business and Professional

  Regulation shall require for a period not to exceed 12 months

  that a dealer or agent, during the dealer's or agent's initial

  period of licensure or appointment, remit by certified check

  or electronic funds transfer any tax imposed under s. 210.02.
- (3) The division shall adopt rules pursuant to ss. 120.536(1) and 120.54 to administer this section.

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

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

1	irrevocable letter of credit in an amount less than \$10,000 to
2	be increased not to exceed \$10,000.
3	Section 3. Section 210.18, Florida Statutes, is
4	amended to read:
5	210.18 Penalties for tax evasion; reports by
6	sheriffs
7	(7) Any sheriff, deputy sheriff, <del>or</del> police officer, <u>or</u>
8	state law enforcement officer, upon the seizure of any
9	unstamped cigarettes under this section, shall promptly report
10	such seizure to the division or its representative, together
11	with a description of all such unstamped cigarettes seized, so
12	that the state may be kept informed as to the size and
13	magnitude of the illicit cigarette business. The division
14	shall keep records showing the number of seizures and seized
15	cigarettes reported to, or seized by, the division.
16	Section 4. This act shall take effect October 1, 2005.
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18	STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR
19	Senate Bill 1310
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21	The committee substitute permits the division to require any dealer to remit any tax imposed under s. 210.02, F.S., by
22	certified check. It provides for payment of excise taxes by certified check during a dealer or agent's first twelve months
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24	2003.
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