

Amendment No.

CHAMBER ACTION

Senate

House

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1 Representative Ambler offered the following:

2  
3 **Amendment (with title amendment)**

4 Between lines 285 and 286, insert:

5 Section 5. Section 212.0507, Florida Statutes, is created  
6 to read:

7 212.0507 Tax on sales or downloads of digital goods.--

8 (1) The tax imposed by this chapter applies to the sale or  
9 downloads of digital goods that occur on or after January 1,  
10 2011, when the digital good is received via electronic means on  
11 equipment located within this state.

12 (2) For purposes of this section, the term:

13 (a) "Digital goods" include, but are not limited to:

14 1. Digital audio works, including, but not limited to,  
15 digital music files, audio readings of books, or other written  
16 materials, ringtones, or other sound recordings.

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17 2. Digital audio-visual works, including, but not limited  
18 to, pictures, videos, and other data files that contain digital  
19 content created for viewing.

20 3. Digital books, including, but not limited to, e-books,  
21 newspapers, magazines, periodicals, or other written works.

22 (b) "Electronic means" includes any technology relating to  
23 electrical, digital, magnetic, wireless, optical,  
24 electromagnetic, or similar capabilities.

25 (3) Any duties imposed by this chapter upon dealers of  
26 tangible personal property with respect to collecting and  
27 remitting taxes; making returns; keeping books, records, and  
28 accounts; and complying with the rules and regulations of the  
29 department apply to all dealers, including any person subject to  
30 the tax imposed by this section.

31 (4) The department shall administer, collect, and enforce  
32 the tax imposed by this section pursuant to the same procedures  
33 used in the administration, collection, and enforcement of the  
34 taxes imposed under s. 212.05.

35 Section 6. Section 213.758, Florida Statutes, is created  
36 to read:

37 213.758 System for sales and use tax collection;  
38 administration by private or public vendors.--

39 (1) The department may enter into contracts pursuant to  
40 the procedures established in chapter 287 with public or private  
41 vendors to develop and implement a system for sales and use tax  
42 collection and administration. The department shall retain  
43 ownership of all intellectual property rights for any programs,  
44 processes, methodologies, and algorithms, including all

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45 pecially designed computer software for the purposes of sales  
46 and use tax collection and administration. The amount of  
47 compensation paid to such vendors shall be established by the  
48 executive director of the department and may be based upon a  
49 percentage of the sales and use tax collections made under the  
50 system, on a per-transaction basis, or upon other grounds  
51 determined through the contracting process. At a minimum, the  
52 system must be capable of:

53 (a) Determining the taxability of a transaction.

54 (b) Determining the appropriate tax rate to be applied to  
55 a taxable transaction and the total tax due on a transaction.

56 (c) Collecting the total tax due on a transaction.

57 (d) Providing a method for reporting and paying the tax  
58 collected to the department.

59 (2) Disclosure of information under this section shall be  
60 pursuant to a written agreement between the executive director  
61 of the department and such vendors. The vendors shall be bound  
62 by the same requirements of confidentiality as the department.  
63 Any breach of confidentiality is a misdemeanor of the first  
64 degree, punishable as provided in s. 775.082 or s. 775.083.

65 (3) On or before January 1 each year, the department shall  
66 provide to the Governor, Cabinet, the Speaker of the House of  
67 Representatives, and the President of the Senate a report on any  
68 sales and use tax collection and administration system developed  
69 and implemented pursuant to this section. This report shall  
70 include information on the number of vendors participating in  
71 such system, the amount of sales and use tax collected by the  
72 vendors, and the amount of compensation paid to such vendors.

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**T I T L E   A M E N D M E N T**

Remove line 16 and insert:

aircraft; creating s. 212.0507, F.S.; imposing the tax on sales or downloads of digital goods after a certain time; providing definitions; providing for application of certain duties to all dealers including persons subject to the tax on sales or downloads of digital goods; requiring the department to administer, collect, and enforce the tax on sales or downloads of digital goods; creating s. 213.758, F.S.; authorizing the department to contract with public or private vendors to develop and implement a system for sales and use tax collection and administration; providing for the department to retain certain ownership rights; requiring the executive director of the department to establish vendor compensation; providing criteria; specifying system requirements; requiring disclosure of information between the department and vendors to be pursuant to a written agreement; specifying application of certain confidentiality requirements; providing criminal penalties for breach of confidentiality; requiring the department to report to the Governor, Cabinet, and Legislature; providing report requirements; providing an effective date.