

1 A bill to be entitled
 2 An act relating to the tax on sales, use, and other
 3 transactions; creating s. 213.758, F.S.; authorizing the
 4 department to contract to develop and implement the
 5 Internet Sales Tax Automated Revenue Tracking program as a
 6 system for collecting and administering sales and use
 7 taxes; providing program requirements, procedures, and
 8 criteria; subjecting such contracts to legislative
 9 approval before execution; requiring a report to the
 10 Governor and Legislature; providing for disclosure of
 11 information under the program; providing a penalty;
 12 providing for potential reduction in the rate of the state
 13 sales and use tax under certain revenue certification
 14 circumstances; providing an effective date.

15
 16 Be It Enacted by the Legislature of the State of Florida:

17
 18 Section 1. Section 213.758, Florida Statutes, is created
 19 to read:

20 213.758 System for sales and use tax collection and
 21 administration by private or public vendors.—

22 (1) The department may enter into contracts pursuant to
 23 the procedures established in chapter 287 with public or private
 24 vendors to develop and implement a system for sales and use tax
 25 collection and administration. The department shall retain
 26 ownership of all intellectual property rights for any programs,
 27 processes, methodologies, and algorithms, including, but not
 28 limited to, all specially designed computer software for the

CS/HB 1443

2010

29 purpose of sales and use tax collection and administration.
30 Collections by such means shall be referred to as the Internet
31 Sales Tax Automated Revenue Tracking program or iSTART. The
32 amount of compensation paid to such vendors shall be based upon
33 a percentage of the sales and use tax collections made under the
34 system, on a per-transaction basis, or upon other grounds
35 determined through the contracting process. The system at a
36 minimum must be capable of determining the taxability of a
37 transaction, the appropriate tax rate to be applied to the
38 taxable transaction including any applicable local sales tax
39 option adopted, and the total tax due on the transaction;
40 collecting the total tax due on the transaction; and providing a
41 method for reporting and paying the tax collected on the
42 transaction to the department.

43 (2) (a) Any contract negotiated pursuant to subsection (1)
44 shall be subject to approval by the Legislature before the
45 contract may be executed.

46 (b) If a contract is approved by the Legislature, on or
47 before January 1 each year, the department shall provide to the
48 Governor and Cabinet, the Speaker of the House of
49 Representatives, and the President of the Senate a report on any
50 sales and use tax collection and administration system developed
51 and implemented pursuant to this section. The report shall
52 include information on the number of vendors participating in
53 such system, the amount of sales and use tax collected by the
54 vendors, and the amount of compensation paid to such vendors.

55 (3) Disclosure of information under this section shall be
56 pursuant to a written agreement between the executive director

CS/HB 1443

2010

57 of the department and such vendors, and the department shall be
58 subject to the provisions of s. 213.053. Violation of such
59 agreement is a misdemeanor of the first degree, punishable as
60 provided in s. 775.082 or s. 775.083.

61 (4) When total sales and use tax collections by the
62 department using the software developed under iSTART are
63 certified by the director of the department to be at least \$5
64 billion, the Legislature shall consider reducing the applicable
65 sales and use tax rate by 1 percentage point.

66 Section 2. This act shall take effect July 1, 2010.