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576-02819A-10

Proposed Committee Substitute by the Policy and Steering  
Committee on Ways and Means

A bill to be entitled

An act relating to the tax on communications and utility services; amending s. 202.12, F.S.; decreasing the rate at which the sales price of certain communications services are taxed; amending s. 202.125, F.S., relating to exemptions from the tax; inserting a cross-reference to conform to changes made by the act; amending s. 203.01, F.S.; imposing an additional tax on certain communications services at a specified rate; providing for an exemption to apply to such tax; requiring that the tax on communications services be included on bills dated on or after a specified date; amending s. 215.61, F.S.; requiring that the State Board of Education make specified adjustments to the figures used by the board in determining the amount of bond debt that can be serviced by revenues derived from the gross receipts tax on utility services; requiring that such adjustment be based on a specified assumption; deleting a provision requiring the deduction of amounts used for debt service when determining fiscal sufficiency; providing an effective date.

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

Section 1. Paragraph (a) of subsection (1) of section 202.12, Florida Statutes, is amended to read:



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28           202.12 Sales of communications services.—The Legislature  
29 finds that every person who engages in the business of selling  
30 communications services at retail in this state is exercising a  
31 taxable privilege. It is the intent of the Legislature that the  
32 tax imposed by chapter 203 be administered as provided in this  
33 chapter.

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

37           (a) Except as otherwise provided in this subsection, at a  
38 rate of 6.65 ~~6.8~~ percent applied to the sales price of the  
39 communications service which:

- 40           1. Originates and terminates in this state, or  
41           2. Originates or terminates in this state and is charged to  
42 a service address in this state,

43  
44 when sold at retail, computed on each taxable sale for the  
45 purpose of remitting the tax due. The gross receipts tax imposed  
46 by chapter 203 shall be collected on the same taxable  
47 transactions and remitted with the tax imposed by this  
48 paragraph. If no tax is imposed by this paragraph by reason of  
49 s. 202.125(1), the tax imposed by chapter 203 shall nevertheless  
50 be collected and remitted in the manner and at the time  
51 prescribed for tax collections and remittances under this  
52 chapter.

53           Section 2. Subsection (1) of section 202.125, Florida  
54 Statutes, is amended to read:

55           202.125 Sales of communications services; specified  
56 exemptions.—



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57 (1) The separately stated sales price of communications  
58 services sold to residential households is exempt from the tax  
59 imposed by s. 202.12 and s. 203.01(1)(b)3. This exemption shall  
60 not apply to any residence that constitutes all or part of a  
61 public lodging establishment as defined in chapter 509, any  
62 mobile communications service, any cable service, or any direct-  
63 to-home satellite service.

64 Section 3. Paragraph (b) of subsection (1) of section  
65 203.01, Florida Statutes, is amended to read:

66 203.01 Tax on gross receipts for utility and communications  
67 services.—

68 (1)

69 (b)1. The rate applied to utility services shall be 2.5  
70 percent.

71 2. The rate applied to communications services shall be  
72 2.37 percent.

73 3. There shall be an additional rate of 0.15 percent  
74 applied to communication services subject to the tax levied  
75 pursuant to s. 202.12(1)(a), (c), and (d). The exemption  
76 provided in s. 202.125(1) applies to the any tax levied pursuant  
77 to this subparagraph.

78 Section 4. Subsection (3) of section 215.61, Florida  
79 Statutes, is amended to read:

80 215.61 State system of public education capital outlay  
81 bonds.—

82 (3) No bonds authorized by s. 9(a)(2), Art. XII of the  
83 State Constitution shall be issued in an amount exceeding 90  
84 percent of the amount which the State Board of Education  
85 determines can be serviced by the revenues derived from the



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86 gross receipts tax levied and collected pursuant to chapter 203.  
87 In determining the amount which can be serviced by the gross  
88 receipts tax, the State Board of Education shall use ~~utilize~~ the  
89 average annual amount of revenue collected for the tax periods  
90 during the 24 months immediately preceding the most recent  
91 collection date before ~~prior to~~ the date of issuance of any such  
92 bonds, adjusted to reflect revenues that would have been  
93 collected had legislation enacted into law before the date of  
94 determination been in effect during the 24-month period. Such  
95 adjustment shall be based on the assumption that the provisions  
96 of the enacted legislation had become effective 24 months before  
97 the dates contemplated in the legislation. For purpose of the  
98 approval required by s. 215.73, official estimates of future  
99 collections furnished by the State Board of Education prior to  
100 the estimated date of issuance shall be used to determine fiscal  
101 sufficiency. ~~However, 100 percent of the amount required to~~  
102 ~~provide for the debt service for the current fiscal year of the~~  
103 ~~bonds issued prior to July 1, 1975, under the provisions of s.~~  
104 ~~9(a)(2), Art. XII of the State Constitution shall be deducted in~~  
105 ~~making the determination.~~

106 Section 5. This act shall take effect July 1, 2010, and  
107 sections 1 through 3 of this act apply to taxable services  
108 included on bills that are dated on or after that date.