

By Senator Altman

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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
4 the department to contract to develop and implement
5 the Internet Sales Tax Automated Revenue Tracking
6 program as a system for collecting and administering
7 sales and use taxes; providing program requirements,
8 procedures, and criteria; requiring a report to the
9 Governor and Legislature; providing for disclosure of
10 information under the program; providing a penalty;
11 providing for reducing the rate of the state sales and
12 use tax under certain revenue certification
13 circumstances; providing an effective date.

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

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

19 213.758 System for sales and use tax collection and
20 administration by private or public vendors.—

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

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

42 (2) On or before January 1 each year, the department shall
43 provide to the Governor and Cabinet, the Speaker of the House of
44 Representatives, and the President of the Senate a report on any
45 sales and use tax collection and administration system developed
46 and implemented pursuant to this section. The report shall
47 include information on the number of vendors participating in
48 such system, the amount of sales and use tax collected by the
49 vendors, and the amount of compensation paid to such vendors.

50 (3) Disclosure of information under this section shall be
51 pursuant to a written agreement between the executive director
52 of the department and such vendors, and the department shall be
53 subject to the provisions of s. 213.053. Violation of such
54 agreement is a misdemeanor of the first degree, punishable as
55 provided in s. 775.082 or s. 775.083.

56 (4) When total sales and use tax collections by the
57 department using the software developed under iSTART are
58 certified by the director of the department to be at least \$5

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59 billion, the state sales and use tax rate shall be rolled back
60 by reducing the applicable rate by 1 percent, notwithstanding
61 the rate specified in chapter 212, and the rollback shall remain
62 in effect for each year that iSTART collections are certified to
63 be at least \$5 billion.

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