

1                   A bill to be entitled  
 2           An act relating to taxation of communications services;  
 3           amending s. 202.16, F.S.; requiring tax amounts and  
 4           brackets made available to communications services dealers  
 5           by the Department of Revenue for computing the  
 6           communication services tax to be based on a rounding  
 7           algorithm; specifying mathematical criteria for the  
 8           rounding algorithm; authorizing a communications services  
 9           dealer to compute the tax on an item or an invoice basis;  
 10          requiring the department to allow application of the  
 11          rounding algorithm to certain aggregated state and local  
 12          taxes; directing the department to allow, but not require,  
 13          a dealer to collect taxes on communications services based  
 14          on a bracket system; providing construction; providing for  
 15          retroactive application; providing an effective date.

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

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 19           Section 1. Subsection (3) of section 202.16, Florida  
 20   Statutes, is amended to read:

21           202.16 Payment.—The taxes imposed or administered under  
 22   this chapter and chapter 203 shall be collected from all dealers  
 23   of taxable communications services on the sale at retail in this  
 24   state of communications services taxable under this chapter and  
 25   chapter 203. The full amount of the taxes on a credit sale,  
 26   installment sale, or sale made on any kind of deferred payment  
 27   plan is due at the moment of the transaction in the same manner  
 28   as a cash sale.

29           (3) (a) Notwithstanding the rate of tax on the sale of  
 30 communications services imposed pursuant to this chapter and  
 31 chapter 203, the department shall make available in an  
 32 electronic format or otherwise the tax amounts and brackets  
 33 applicable to each taxable sale based on a rounding algorithm  
 34 that meets the following criteria:

35           1. Tax computation must be carried to the third decimal  
 36 place.

37           2. The tax must be rounded to a whole cent using a method  
 38 that rounds up to the next cent whenever the third decimal place  
 39 is greater than four.

40           (b) A dealer may compute the tax due on a taxable sale on  
 41 an item or an invoice basis, and the department must allow  
 42 application of the rounding algorithm to the aggregated state  
 43 and local taxes imposed under this chapter and chapter 203. The  
 44 department must allow, but may not require, a dealer to collect  
 45 the tax based on a bracket system ~~such that the tax collected~~  
 46 ~~results in a tax rate no less than the tax rate imposed pursuant~~  
 47 ~~to this chapter and chapter 203.~~

48           Section 2. The amendments made by this act to section  
 49 202.16, Florida Statutes, are intended to be remedial in nature  
 50 and apply retroactively. The amendments do not provide a basis  
 51 for an assessment of any tax not paid, or create a right to a  
 52 refund of any tax paid, under section 202.16, Florida Statutes,  
 53 before July 1, 2011.

54           Section 3. This act shall take effect July 1, 2011.