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CS/CS/CS/HB 887

2011 Legislature

1 A bill to be entitled
2 An act relating to communications services tax; amending
3 s. 202.16, F.S.; requiring that a dealer compute the
4 communications services tax based on a rounding algorithm;
5 providing criteria; providing for application of the tax;
6 providing options to the dealer for applying the rounding
7 algorithm; authorizing a dealer to apply the rounding
8 algorithm to the aggregate tax amount under certain
9 conditions; providing that a dealer is not required to
10 collect the tax based on a bracket system; removing the
11 provision requiring the Department of Revenue to make
12 available tax amounts and applicable brackets; providing
13 that the provisions of the act are remedial in nature and
14 apply retroactively; providing that the act does not
15 provide a basis for assessment of any tax not paid or
16 create a right to certain refunds or credits; providing an
17 effective date.

18
19 Be It Enacted by the Legislature of the State of Florida:

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

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

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29 | plan is due at the moment of the transaction in the same manner
30 | as a cash sale.

31 | (3) (a) A dealer must compute the tax due on the sale of
32 | communications services imposed pursuant to this chapter and
33 | chapter 203 based on a rounding algorithm that meets the
34 | following criteria:

35 | 1. The computation of the tax must be carried to the third
36 | decimal 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) The rounding algorithm must be applied to the local
41 | communications services tax imposed pursuant to this chapter
42 | separately from its application to the communications services
43 | taxes imposed pursuant to s. 202.12 and the gross receipts taxes
44 | imposed pursuant to s. 203.01.

45 | (c) A dealer may apply the rounding algorithm to the taxes
46 | imposed pursuant to ss. 202.12 and 203.01 in one of the
47 | following ways:

48 | 1. Apply the rounding algorithm to the combined taxes
49 | imposed pursuant to ss. 202.12 and 203.01.

50 | 2. Apply the rounding algorithm to the communications
51 | services taxes imposed pursuant to s. 202.12(1) and apply the
52 | rounding algorithm separately to the combined gross receipts
53 | taxes imposed pursuant to s. 203.01(1)(b)2. and 3.

54 | 3. Apply the rounding algorithm to the combined taxes
55 | imposed pursuant to ss. 202.12(1)(a) and 203.01(1)(b)3., as
56 | allowed by ss. 202.12001 and 203.001, and apply the rounding

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57 algorithm separately to the gross receipts tax imposed pursuant
 58 to s. 203.01(1)(b)2.

59 (d) Under paragraph (b) or paragraph (c), a dealer may
 60 apply the rounding algorithm to the aggregate tax amount that is
 61 computed on all taxable items on an invoice or to each tax
 62 amount that is computed on one or more, but fewer than all,
 63 taxable items on an invoice. The aggregate tax amount for all
 64 items on the invoice must equal at least the result that would
 65 have been obtained if the rounding algorithm had been applied to
 66 the aggregate tax amount computed on all taxable items on the
 67 invoice. A dealer may satisfy this requirement by setting a
 68 minimum tax amount of not less than 1 cent with respect to each
 69 item, or group of items, to which the rounding algorithm is
 70 applied.

71 (e) The department may not require a dealer to collect the
 72 tax based on a bracket system. Notwithstanding the rate of tax
 73 on the sale of communications services imposed pursuant to this
 74 chapter and chapter 203, the department shall make available in
 75 an electronic format or otherwise the tax amounts and brackets
 76 applicable to each taxable sale such that the tax collected
 77 results in a tax rate no less than the tax rate imposed pursuant
 78 to this chapter and chapter 203.

79 Section 2. This act is intended to be remedial in nature
 80 and applies retroactively. This act does not provide a basis for
 81 an assessment of any tax not paid or create a right to a refund
 82 or credit of any tax paid under s. 202.16, Florida Statutes,
 83 before July 1, 2011.

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