

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: SPB 2514

INTRODUCER: For consideration by Appropriations Committee

SUBJECT: Electronic Filing of Tax

DATE: February 8, 2022

REVISED: _____

ANALYST

STAFF DIRECTOR

REFERENCE

ACTION

Blizzard

Sadberry

Pre-meeting

I. Summary:

SPB 2514 amends sections 202.30 and 213.75, Florida Statutes, authorizing the Executive Director of the Department of Revenue (department) to reduce the electronic filing threshold for taxpayers remitting and filing taxes, from \$20,000 to \$5,000.

The bill conforms statutes to the funding decisions in the Senate Proposed General Appropriations Act for Fiscal Year 2022-2023. Lowering the electronic filing and payment threshold will result in efficiencies in the department's General Tax Administration Program of \$329,572 in recurring general revenue.

The bill takes effect on January 1, 2023.

II. Present Situation:

The department collects and processes over 30 taxes and fees, including sales tax, corporate income tax, communication services tax, reemployment tax, and fuel tax. The department is responsible for registering taxpayers, processing tax returns and payments, and distributing funds to state accounts and local governments.

Currently, a dealer of communications services tax is required to remit taxes to the department by electronic funds transfer, when the amount paid by the dealer in the previous state year was \$20,000 or more, as provided by s. 202.30, F.S.¹

Section 213.755(1), F.S., authorizes the executive director of the department to require a taxpayer to file returns and remit payments by electronic means when the amount of tax paid by the taxpayer in the previous state fiscal year was \$20,000 or more.²

¹ Section 202.30(1), F.S.

² Section 213.755(1), F.S.

III. Effect of Proposed Changes:

The bill amends s. 202.30, F.S., and s. 213.755, F.S., authorizing the executive director of the department to reduce the threshold for electronic filing of tax returns and payments from \$20,000 to \$5,000.

The bill takes effect January 1, 2023.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

In Fiscal Year 2020-2021, the population of paper filers that paid taxes between the amounts of \$5,000 and \$20,000 was 29,193. The provisions in the bill will require these taxpayers to file electronically.³

C. Government Sector Impact:

Lowering the electronic filing and payment threshold will allow the department to reduce eight positions and \$329,572 in recurring general revenue funding. This cost savings will result from less paper returns and checks received by the department. Per the department,

³ Department of Revenue, *Governor's Conforming Bill E-Filing Analysis* (Jan. 24, 2022) (on file with Committee on Appropriations).

there will be operational impacts relating to taxpayer, education and communication services, and modifications to the department's System for Unified Tax (SUNTAX), which will be absorbed within existing resources.⁴

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill amends the following sections of the Florida Statutes: 202.30 and 213.755

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

⁴ *Id.*