

1 A bill to be entitled
 2 An act relating to interchange fees on taxes; creating
 3 s. 655.969, F.S.; defining terms; requiring that
 4 certain taxes listed on evidences of sales must be
 5 excluded from the amount on which an interchange fee
 6 is charged for that electronic payment transaction;
 7 specifying requirements for payment card networks in
 8 deducting taxes or rebating amounts; specifying
 9 requirements for payment card networks if a merchant
 10 or seller is unable to capture and transmit tax
 11 amounts relevant to the sale at the time of sale;
 12 providing a penalty; providing an effective date.

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

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 16 Section 1. Section 655.969, Florida Statutes, is created
 17 to read:

18 655.969 Interchange fees on taxes prohibited.-

19 (1) As used in this section, the term:

20 (a) "Credit card" means a card, plate, coupon book, or
 21 other credit device existing for the purpose of obtaining money,
 22 property, labor, or services on credit.

23 (b) "Debit card":

24 1. Means a card, or other payment code or device, issued
 25 or approved for use through a payment card network to debit an

26 asset account, regardless of the purpose for which the account
27 is established, whether authorization is based on signature,
28 personal identification number, or other means;

29 2. Includes a general-use prepaid card as defined in 15
30 U.S.C. s. 16931-1; and

31 3. Excludes paper checks.

32 (c) "Electronic payment transaction" means a transaction
33 in which a person uses a debit card, credit card, or other
34 payment code or device, issued or approved through a payment
35 card network, to debit a deposit account or use a line of
36 credit, whether authorization is based on a signature, personal
37 identification number, or other means.

38 (d) "Interchange fee" means a fee established, charged, or
39 received by a payment card network for the purpose of
40 compensating the issuer for its involvement in an electronic
41 payment transaction.

42 (e) "Issuer" means a person, or the person's agent,
43 issuing a debit card or credit card.

44 (f) "Payment card network" means an entity that:

45 1. Directly or through licensed members, processors, or
46 agents, provides the proprietary services, infrastructure, and
47 software that routes information and data to conduct debit card
48 or credit card transaction authorization, clearance, and
49 settlement; and

50 2. A merchant or seller uses to accept as a form of

51 payment a brand of debit card, credit card, or other device that
52 may be used to carry out debit or credit transactions.

53 (g) "Settlement" means the transfer of funds from a
54 customer's account to a seller or merchant upon electronic
55 submission of finalized sales transactions to the payment card
56 network.

57 (h) "Tax" means all taxes and fees levied under chapters
58 125 and 212.

59 (2) The amount of tax listed separately on the payment
60 invoice, sales slip, or other evidence of sale must be excluded
61 from the amount on which an interchange fee is charged for that
62 electronic payment transaction.

63 (3) A payment card network shall either:

64 (a) Deduct the amount of tax imposed from the calculation
65 of interchange fees specific to each form or type of electronic
66 payment transaction; or

67 (b) Rebate an amount of interchange fees proportionate to
68 the amount attributable to the tax.

69 (4) The deduction or rebate must occur at the time of
70 settlement when the merchant or seller is able to capture and
71 transmit tax amounts relevant to the sale at the time of sale as
72 part of the transaction finalization.

73 (5) If a merchant or seller is unable to capture and
74 transmit tax amounts relevant to the sale at the time of sale,
75 the payment card network must accept proof of tax amounts

HB 677

2023

76 | collected on sales subject to an interchange fee upon the
77 | submission of sales data by the merchant or seller, and promptly
78 | credit the merchant or seller's settlement account.

79 | (6) A payment card network that violates this section is
80 | subject to a civil penalty of up to \$1,000 per violation and
81 | shall refund the surcharge to each merchant or seller.

82 | Section 2. This act shall take effect July 1, 2023.