

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; requiring
9 merchants and sellers to provide to payment card
10 networks proof of certain tax amounts or sales data
11 within a specified timeframe under certain
12 circumstances; specifying requirements for payment
13 card networks if a merchant or seller is unable to
14 capture and transmit tax amounts relevant to the sale
15 at the time of sale; providing a penalty; providing an
16 effective date.

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

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20 Section 1. Section 655.969, Florida Statutes, is created
21 to read:

22 655.969 Interchange fees on taxes prohibited.-

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

24 (a) "Credit card" means a card, plate, coupon book, or
25 other credit device existing for the purpose of obtaining money,

26 property, labor, or services on credit.

27 (b) "Debit card":

28 1. Means a card, or other payment code or device, issued
29 or approved for use through a payment card network to debit an
30 asset account, regardless of the purpose for which the account
31 is established, whether authorization is based on signature,
32 personal identification number, or other means;

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

35 3. Excludes paper checks.

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

42 (d) "Interchange fee" means a fee established, charged, or
43 received by a payment card network for the purpose of
44 compensating the issuer for its involvement in an electronic
45 payment transaction.

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

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

49 1. Directly or through licensed members, processors, or
50 agents, provides the proprietary services, infrastructure, and

51 software that routes information and data to conduct electronic
52 payment transaction authorization, clearance, and settlement;
53 and

54 2. A merchant or seller uses to accept as a form of
55 payment a brand of debit card, credit card, or other device that
56 may be used to carry out electronic payment transactions.

57 (g) "Settlement" means the transfer of funds from a
58 customer's account to a seller or merchant upon electronic
59 submission of finalized sales transactions to the payment card
60 network.

61 (h) "Tax" means all taxes and fees levied under s.
62 125.0104 and chapter 212.

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

67 (3) A payment card network shall either:

68 (a) Deduct the amount of tax imposed from the calculation
69 of interchange fees specific to each form or type of electronic
70 payment transaction; or

71 (b) Rebate an amount of interchange fee proportionate to
72 the amount attributable to the tax.

73 (4) The deduction or rebate must occur at the time of
74 settlement when the merchant or seller is able to capture and
75 transmit tax amounts relevant to the sale at the time of sale as

76 part of the transaction finalization.

77 (5) If a merchant or seller is unable to capture and
78 transmit tax amounts relevant to the sale at the time of sale,
79 the merchant or seller shall have 180 days to submit proof of
80 tax amounts or sales data to the payment card network. Such
81 proof may include tax returns filed with the Department of
82 Revenue or local taxing authorities. The payment card network
83 shall proportionally rebate the amount of interchange fee to the
84 merchant or seller or credit the merchant's or seller's
85 settlement account within 30 days.

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

89 Section 2. This act shall take effect October 1, 2023.