HB 281 — Communications Services Taxes

by Rep. Schultz and others (SB 344 by Senator Altman)

This bill amends s. 202.29, F.S., by allowing dealers to “net” the credit on the Communications Services Tax allowed by s. 202.29, F.S., against the amount of tax due to the state or to a local jurisdiction for reporting purposes. This “netting” may not reduce the amount due to the state or to any local jurisdiction below zero. This bill allows dealers to use a “proportionate allocation method” to determine the credit for bad debt attributable to the state or to a local jurisdiction, rather than specifically identify the jurisdiction in which the bad debt originated. The allocation method must be based upon current gross taxes due, rather than requiring dealers to identify the specific time period of the sales associated with the bad debt. In addition, the bill allows dealers to use other reasonable allocation methods approved by DOR.

This bill provides for retroactive operation to July 1, 2000, as a remedial measure. However, the bill specifies that the retroactive operation of its provisions does not create a right to a refund or require a refund by any governmental entity of any tax, penalty, or interest remitted to DOR before July 1, 2010.

If approved by the Governor, these provisions take effect July 1, 2010.
Vote: Senate 34-0; House 116-0