
HOUSE SUMMARY

Revises various provisions of chapter 87-6, Laws of Florida, relating to the sales and use tax on services. Revises provisions relating to computation, collection, and remittance of the tax and registration of dealers as service providers. Requires multistate purchasers that self-accrue the tax to file an annual supplementary tax return. Revises provisions relating to apportionment of interstate or international transportation services. Requires applicants for specified environment-related permits to attest that applicable use taxes have been paid. Revises rules of construction relating to inclusion of a proportion of the sales or cost price under certain circumstances, transactions involving both taxable and exempt services, and determining where the benefit of a service is enjoyed. Provides legislative intent regarding exemptions from the tax. Revises exemptions and conditions applicable thereto and provides additional exemptions. Revises provisions relating to administration of the exemption for services sold in this state for use outside this state, to revise provisions relating to exempt purchase permits and revise the time period for maintenance of dealers' monthly logs and a penalty applicable thereto. Specifies inapplicability of certain refund provisions. Revises special provisions applicable to the tax on construction services. Revises special provisions applicable to the tax on advertising. Provides special resale rules for construction support services and advertising agency support services.

Specifies conditions under which certain air carriers may elect to be subject to the tax on services and tangible personal property. Provides basis of the tax applicable to such air carriers. Specifies application of such tax to air carriers who do not so elect. Revises definitions applicable to chapter 212, F.S. Revises an exemption from the tax on rental, lease, or granting a license for use of real property for certain property leased to persons providing food and drink concessionaire services. Exempts admissions to certain athletic or other events sponsored by schools and other institutions or by governmental entities and certain admissions paid by students to places of sport or recreation. Provides an exception. Specifies application of a definition of “telecommunication service.” Specifies application of the tax on sales, use and other transactions to sale of newspapers and magazines. Provides an additional medical exemption from said tax. Revises the exemptions for sales to political subdivisions and educational institutions, film rentals, and vehicles engaged in interstate or foreign commerce.

Removes a prohibition against dealers assisting in preparation of tax refund claims. Revises provisions which authorize quarterly returns for certain dealers remitting the tax solely for the provision of services. Revises the effective date of an amendment relating to application of the dealer's credit to persons who remit taxes or fees reported on the same documents utilized for sales and use tax. Renames the State Infrastructure Trust Fund as the State Infrastructure Fund and establishes the State Infrastructure Fund within the State Treasury. Revises an exemption from the tax on services for certain improvements to real property. Revises provisions relating to certain conditions applicable to self-accrual. Specifies administrative provisions applicable to

department rules implementing said chapter and this act. Amends provisions relating to waiver of penalties and interest with respect to the tax on services for a specified period. Revises provisions relating to application of the tax to certain prepaid services. Revises provisions relating to construction of said chapter with respect to certain client confidentiality. Imposes a tax on persons selling certain special fuel held in inventory on July 1, 1987, on which the additional tax on such fuel levied under chapter 87-6, Laws of Florida, has not been paid. Provides penalties. Provides for rules and notice. Provides for distribution of the proceeds. Revises provisions relating to appointment of a panel to be hearing officer in certain administrative taxpayer contest proceedings. Revises a date for a department study of taxable services. Revises provisions relating to application of a tax amnesty program. Revises provisions which establish limitations on actions to collect certain taxes. Removes an amendment relating to delinquency penalties and penalties for substantial underpayment of tax on severance of solid minerals. Revises the effective date of the repeal of provisions relating to limitations on assessment of sales tax and on notices of deficiency of designated nonproperty taxes. Repeals portions of chapter 87-6, Laws of Florida, which provide increased penalties for certain tax crimes. Provides an appropriation to the Division of Administrative Hearings.

Creates the Fairness in Retail Sales Taxation Act. Provides findings and intent. Provides application of tax on sales, use and other transactions to mail order sales. Specifies conditions under which dealers making such sales are subject to said tax. Provides duties of such dealers. Provides for enforcement in other jurisdictions. Includes such persons within the definition of "dealer." Provides for levy of tax on sales of tangible personal property to be transported to a cooperating state. Specifies requirements applicable to cooperating states. Provides for

payment of taxes collected to cooperating states. Provides duties of dealers selling tangible personal property for delivery in another state. Provides for refund of certain taxes adjudicated unconstitutionally levied or collected. Includes mail order sales as a taxable privilege. Excludes dealers making mail order sales from the dealer's credit. Authorizes the executive director of the Department of Revenue to negotiate a collection allowance with such dealers. Provides for audits and inspections. Excludes the business of making mail order sales from registration fees. Provides an appropriation to the Department of Revenue.