

**AGENDA**  
**FLORIDA DEPARTMENT OF REVENUE**

Meeting Material Available on the web at:  
<http://dor.myflorida.com/dor/opengovt/meetings.html>

**MEMBERS**

Governor Charlie Crist  
Attorney General Bill McCollum  
Chief Financial Officer Alex Sink  
Commissioner Charles Bronson

**May 11, 2010**

**Contact: Robert Babin**  
**(850- 487-1453)**

9:00 A.M.  
LL-03, The Capitol  
Tallahassee, Florida

<b>ITEM</b>	<b>SUBJECT</b>	<b>RECOMMENDATION</b>
-------------	----------------	-----------------------

- |    |   |                           |
|----|---|---------------------------|
| 1. | Respectfully request approval of the minutes of March 23, 2010.   |                           |
|    | <b>(ATTACHMENT 1)</b>   | <b>RECOMMEND APPROVAL</b> |
| 2. | Respectfully request adoption and approval to file and certify with the Secretary of State under Chapter 120, Florida Statutes, proposed rule provisions concerning the statutory requirement that the Department establish procedures a person can use to file a written challenge to a notice the Department issued the person concerning the failure to register a business for sales and use tax purposes. [ <i>Rule 12A-1.060(5), Florida Administrative Code/F.A.C.</i> ] |                           |
|    | <b>(ATTACHMENT 2)</b>   | <b>RECOMMEND APPROVAL</b> |
| 3. | Respectfully request approval and authority to publish Notices of Proposed Rule in the Florida Administrative Weekly (F.A.W.)   |                           |

Delegation of Authority

Settlements or Compromises: proposed rule amendments to update the delegations of authority to positions authorized by the Executive Director of the Department to settle or compromise a taxpayer's assessment; these updates reflect the current organizational structure of the Department and simplify the rule by providing these delegations in a chart form for ease of reading. [*Rule 12-13.004, Florida Administrative Code/F.A.C.*]

Consent Agreements: proposed rule amendments to update the delegations of authority to positions authorized by the Executive Director of the Department to enter into consent agreements with taxpayers; these updates reflect the current organizational structure of the Department and simplify the language used in the rule. [*Rule 12-16.004, F.A.C.*]

Payment Scheduling Agreements: proposed rule amendments to update the delegations of authority to positions authorized by the Executive Director of the Department to enter into agreements for scheduling payments of tax liabilities; these updates reflect the current organizational structure of the Department and simplify the language used in the rule. [*Rule 12-17.004, F.A.C.*]

### Communications Services Tax

Tax Brackets: proposed new rule concerning an automated Internet function taxpayers can use to calculate the tax amounts and brackets applicable to each taxable sale of communications services and to provide that when the tax due results in a fraction of a cent, the amount must be rounded up to the next whole cent. *[Rule 12A-19.021, F.A.C.]*

**(ATTACHMENT 3)**

**RECOMMEND APPROVAL**

**MEETING OF THE GOVERNOR AND CABINET  
AS HEAD OF THE DEPARTMENT OF REVENUE**

**March 23, 2010**

**MINUTES**

With Governor Crist presiding and all members present, the Department of Revenue was convened in LL-03, The Capitol.

The following official actions were taken.

- ITEM 1.** Approved the minutes of February 24, 2010.
- ITEM 2.** Approved and granted authority to publish Notices of Proposed Rule in the Florida Administrative Weekly (F.A.W.)

Tax Administration Issues

Large Currency Transactions: proposed rule amendments to clarify that the information contained on federal form 8300 (Report of Cash Payments Over \$10,000 Received in a Trade or Business) is confidential.

*[Rule 12-19.005, Florida Administrative Code/F.A.C.]*

Consent Agreements: proposed rule amendments to eliminate potential taxpayer confusion about the procedures for signing consent agreements with the Department that extend the period in which the Department can issue an assessment or in which a taxpayer can claim a refund.

*[Rule 12-16.005, F.A.C.]*

Electronic Reporting—Unemployment Compensation Tax: proposed amendments to clarify the electronic reporting requirements for unemployment tax agents who prepare and report unemployment tax for 100 or more employers. *[Rule 12-24.003, F.A.C.]*

Use of Social Security Numbers for Tax Administration Purposes: proposed amendments to update information regarding the collection of social security numbers as unique identifiers in limited tax administration purposes, after review of each specific use of an SSN to determine if an alternate “unique identifier” could be used. *[Rules in Rule Chapters 12-6, 12-18, 12-24, 12A-1, 12A-19, 12B-4, 12B-5, 12C-1, and 12C-3, F.A.C.]*

**ATTACHMENT # 1**

#### Address/Jurisdiction Databases

Communications Services Tax (CST) and Insurance Premium Tax (IPT): proposed amendments to adopt, by reference, updates to Form DR-7000012 and to the Guide for Address Change Requests necessary to update codes used to determine the physical location of customers (CST) or policy holders (IPT). [*CST: Rules 12A-19.071 & 12A-19.100, F.A.C.; IPT: Rule 12B-8.0016, F.A.C.*]

#### Sales and Use Tax

Security to Get or Hold a Registration Certificate: proposed rule amendments to comply with a stipulation from an administrative challenge regarding the requirement for certain taxpayers to provide security to the state before being issued a sales tax registration certificate. [*Rule 12A-1.060, F.A.C.*]

Drugs and Medical Issues: proposed new and amended/consolidated rules to consolidate, update, and simplify provisions administratively implementing current statutory provisions regarding medical products, items, and services. [*Rules 12A-1.002, 12A-1.015, 12A-1.020, 12A-1.021, 12A-1.0215, and 12A-1.097, F.A.C.*]

#### Corporate Income Tax—Bonus Depreciation

Proposed amendments to: a) update the provisions for adjustments to federal income for Florida income tax purposes; b) to establish procedures for reporting the additions and claiming the subtractions required by Section 220.13(1)(e), F.S.; and, c) provide procedures for filing amended Florida corporate income tax returns for the 2007 and 2008 tax years. [*Rule 12C-1.013, F.A.C.*]

**ITEM 3.** Approved and granted authority to adopt, file and certify with the Secretary of State under Chapter 120, Florida Statutes, the following new and amended rules:

#### Delegation of Authority—Rulemaking

Proposed amendments to provide that, in accordance with recent changes to the Administrative Procedure Act, the Governor and Cabinet acting as the agency head of the Department must consider, during a public meeting, the following rule actions: a) publication of a notice of proposed rule; and, b) filing and certification of approved rules with the Department of State. [*Rule 12-3.007, Florida Administrative Code/F.A.C.*]

#### Delegation of Authority—Collection of Taxes

Proposed rules to require written agreements when the amount of an assessment of tax, penalty, or interest that is compromised exceeds \$30,000. [*Rule 12-13.009, F.A.C.*]

### Sales and Use Tax

Proposed rules to: a) remove provisions concerning an exemption for admission to certain events based on expiration of the statutory provision for the exemption; and, b) conform to a streamlined, on-line application process established by the Office of Film and Entertainment for production film companies to qualify for sales and use tax exemptions. [*Rules 12A-1.005, 12A-1.085, and 12A-1.097, F.A.C.*]

### Insurance Premium Tax and Corporate Income Tax—Credits For Contributions to Nonprofit Scholarship Funding Organizations

Proposed rules to administratively implement recent statute changes regarding the tax credits for: a) Florida Alternative Minimum Tax; and, b) Contributions to Nonprofit Scholarship Funding Organizations. [*Rules 12B-8.001, 12C-1.0186, 12C-1.0187, and 12C-1.051, F.A.C.*]

### Corporate Income Tax—Renewable Energy

Proposed rules to provide taxpayers information on how to apply for and receive the following tax credits, and to administratively implement procedures for transferring these credits to another taxpayer: a) Capital Investment tax credit; b) Renewable Energy Technologies tax credit; and, c) Renewable Energy Production tax credit. [*Rules 12C-1.0191, 12C-1.0192, 12C-1.0193, and 12C-1.051, F.A.C.*]

### Corporate Income Tax—Signing and Verification

Proposed rule amendments to establish how a tax return preparer will make the required statutory declaration that they have prepared the return using all information of which they have knowledge, in cases where the return is submitted electronically. [*Rule 12C-1.0221, F.A.C.*]

May 5, 2010  
(Revised)

**MEMORANDUM**

**TO:** The Honorable Charlie Crist, Governor  
Attention: Pat Gleason, Director of Cabinet Affairs

The Honorable Bill McCollum, Attorney General  
Attention: Rob Johnson, Cabinet Affairs

The Honorable Alex Sink, Chief Financial Officer  
Attention: Robert Tornillo, Chief Cabinet Aide  
Amber Hughes, Cabinet Aide

The Honorable Charles Bronson, Agriculture Commissioner  
Attention: Jim Boxold, Chief Cabinet Aide  
Cathy Giordano, Cabinet Aide

**FROM:** Robert Babin, Director of Legislative and Cabinet Services

**SUBJECT:** Rulemaking – Proposed State and Local Tax Issues

---

**What is the Department Requesting?** Final adoption of this proposed new rule and approval to file and certify with the Secretary of State under Chapter 120, Florida Statutes.

**Why is This Proposed Rule Necessary?** To administratively implement a state statute that requires the Department to establish procedures a person can use to challenge a notice the Department has issued concerning the failure to register a business for sales and use tax.  
*[Rule 12A-1.060(5), Florida Administrative Code/F.A.C.]*

**What Does This Proposed Rule Do?** This proposed rule establishes procedures a person can use to challenge a notice from the Department concerning a failure to register, including:

- A requirement that the person's written challenge must be filed with the Department within 30 days of the date of the notice;
- What information must be included in the person's written challenge;
- How the Department will grant a 15-day extension in which to submit a challenge;
- Provisions under which a person waives their right to challenge the notice, based on a failure to timely submit a challenge or to request an extension of time in which it can be submitted;

**ATTACHMENT #2**

- The Department's responsibility to issue a written response to a timely filed, complete challenge; and
- What penalties are imposed by law for failure to register after the person has waived their right to challenge the notice, or, a final determination regarding the challenge is made.

**Were Comments Received from External Parties?** The Department published a Notice of Proposed Rule Development in the Florida Administrative Weekly on November 13, 2009. This notice stated that, if requested, the Department would hold a rule development workshop on December 1, 2009. No request for a workshop was received, and no written comments have been submitted. The Department published a Notice of Proposed Rule in the Florida Administrative Weekly on March 12, 2010. This notice stated that if requested, the Department would hold a rule hearing on April 6, 2010. No request for a hearing was received, and no written comments have been submitted.

Attached are copies of:

- Summary of the proposed rule
- Statements of facts and circumstances justifying the rule
- Federal relation statement
- Summary of meetings, workshops, and hearings
- Proposed rule text with notices of change incorporated

STATE OF FLORIDA  
DEPARTMENT OF REVENUE  
CHAPTER 12A-1, FLORIDA ADMINISTRATIVE CODE  
SALES AND USE TAX  
AMENDING RULE 12A-1.060

SUMMARY OF PROPOSED RULE

The proposed amendments to Rule 12A-1.060, F.A.C. (Registration): (1) provide that when a person conducting business in Florida fails or refuses to register, the Department will issue a written notice to alert that person of the requirement to register; (2) provide that to challenge the notice issued by the Department, a written challenge must be filed within 30 days of the date of the notice; (3) specify the criteria for what must be contained within a written challenge and how to file the challenge with the Department; (4) provide when the Department will authorize an extension period of 15 calendar days within which to file a written challenge to the notice; (5) provide that any person who fails to timely request an extension of time to file a challenge to the Department's notices, or who fails to timely file a challenge, will result in forfeiture of the person's right to challenge the notice issued by the Department; (6) provide that the Department will issue a response to a timely-filed written challenge to the notice; (7) provide that a \$100 registration fee will be imposed upon any person who waives the right to file a written challenge to the notice, who fails to timely file a written challenge to the notice, or who fails or refuses to register after the Department has issued a response to a challenge determining that the person is required to register; and (8) provide that these procedures are for investigative purposes, as provided in section 120.57(5), F.S.

## FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULE

Section 212.12(2)(d), F.S., as amended by section 25, Chapter 2007-106, L.O.F., provides that any person who, after written notice issued by the Department, intentionally fails to register the business with the Department, is liable for a specific penalty of 100 percent of any unreported or any uncollected tax or fee. The person who has received such written notice may file a written challenge to the notice in accordance with the procedures established by the Department. The purpose of this rulemaking is to provide for issuance of a notice alerting a person of the requirement to register his or her business and the procedures by which that person may timely file a written challenge to such notice. The effect of this rulemaking is to inform taxpayers of the Department's procedures for imposing the penalties for failure to register after written notice has been issued by the Department and the procedures for timely filing a written challenge to such written notice.

## FEDERAL COMPARISON STATEMENT

The provisions contained in this rule do not conflict with comparable federal laws, policies, or standards.

## SUMMARY OF RULE DEVELOPMENT WORKSHOP

### HELD ON DECEMBER 1, 2009

A Notice of Proposed Rule Development was published in the Florida Administrative Weekly on November 13, 2009 (Vol. 35, No. 45, p. 5777), to advise the public of the development of changes to Rule 12A-1.060, F.A.C. (Registration), and to provide that, if requested in writing, a rule development workshop would be held on December 1, 2009. No

request was received by the Department. No written comments have been received by the Department.

SUMMARY OF RULE HEARING

HELD ON FEBRUARY 24, 2010

The Governor and Cabinet, sitting as head of the Department of Revenue, met on February 24, 2010, and approved the publication of the Notice of Proposed Rule for changes to Rule 12A-1.060, F.A.C. (Registration). A notice for the public hearing was published in the Florida Administrative Weekly on February 12, 2010 (Vol. 36, No. 6, p. 737).

SUMMARY OF RULE HEARING

SCHEDULED ON APRIL 6, 2010

The proposed amendments to Rule 12A-1.060, F.A.C. (Registration), was published in the Florida Administrative Weekly on March 12, 2010 (Vol. 36, No. 10, pp. 1128-1130), and provided that, if requested in writing, a rule hearing would be held on April 6, 2010. No request was received by the Department. No written comments have been received by the Department.

STATE OF FLORIDA  
DEPARTMENT OF REVENUE  
CHAPTER 12A-1, FLORIDA ADMINISTRATIVE CODE  
SALES AND USE TAX  
AMENDING RULE 12A-1.060

12A-1.060 Registration.

(1) through (4) No change.

(5) PENALTIES FOR FAILURE OR REFUSAL TO REGISTER.

(a) No person shall be issued any license from any authority within the State of Florida to engage in any business activity required to be registered with the Department until such person is the holder of a valid certificate of registration.

(b) The Department is authorized to impose a \$100 registration fee for each place of business for the failure or refusal of any person to register with the Department prior to engaging in or conducting business in this state as a dealer. Persons who have failed or refused to register are those that the Department seeks to register as a result of information supplied by an informant under Section 213.30, F.S., or as a result of enforcement programs administered by the Department. In making the determination whether the \$100 registration fee shall be imposed, the Executive Director or the Executive Director's designee in the responsible process shall consider and be guided by:

1. The prior history, if any, of the applicant's compliance or noncompliance with the revenue laws administered by the Department pursuant to Section 213.05, F.S.;
2. The applicant's ability to demonstrate the exercise of ordinary care and prudence

through presenting to the Department facts and circumstances indicating that a diligent attempt to meet the registration requirements of the law was made. An applicant with limited business knowledge, limited education, or limited experience with Florida tax matters may establish a basis for the existence of reasonable cause when there is reasonable doubt whether the applicant is required to register;

3. Reliance upon the erroneous advice of a competent advisor that the applicant did not meet the registration requirements. To establish a reasonable cause for noncompliance with the registration requirements, the applicant must demonstrate that advice was sought in a timely manner from the competent advisor, that all necessary information was provided to the competent advisor, and that the applicant acted in good faith on the information received from the competent advisor;

4. The applicant's ability to demonstrate reliance upon another person to comply with the registration requirements on behalf of the applicant;

5. Whether the applicant, the applicant's agent, or the applicant's employee can demonstrate that the applicant exercised ordinary care and prudence in meeting the registration requirements once the applicant had actual or constructive knowledge of the requirements.

(c)1. When a person conducting business in this state fails or refuses to register his or her business, a written notice will be issued by the Department to that person alerting the person of the requirement to register. Delivery of the written notice is by certified mail or by the use of another method that is documented by the Department as being necessary and reasonable under the circumstances. Within 30 consecutive calendar days from the date of the notice, the person who has failed or refused to register must:

a. Register the person's business by submitting an Application to Collect and/or Report

Tax in Florida (Form DR-1) to the Department; or

b. File a written challenge to the notice.

2. A person who has received a written notice alerting the person of the requirement to register with the Department may file a written challenge to the notice. The written challenge must be mailed, faxed, or hand delivered within 30 consecutive calendar days of the notice. A written challenge must be made directly to the office designated in the notice and must include:

a. The person's name, address, and telephone number;

b. A statement of facts disputing the requirement to register and a description of any additional information not previously available that supports the dispute;

c. A statement explaining the law or other authority on which the taxpayer's position is based;

d. A statement whether oral presentation and argument are requested; and

e. A copy of the notice alerting the person of the requirement to register with the Department.

3. An extension of time in which to submit a written challenge may be secured by mailing, hand delivering, or faxing a written request to the office address or fax number provided in the notice. The written request for an extension to file a written challenge to the notice must be postmarked, faxed, or received by hand delivery within 30 consecutive calendars from the date of the notice. The Department will grant an extension period of 15 consecutive calendar days within which to file a written challenge to the notice.

4. If the written challenge does not contain the required information, the person will be notified in writing by the office issuing the notice that the required information must be postmarked, hand delivered, or faxed to the Department within 15 consecutive calendar days.

Failure to timely submit the required information will result in forfeiture of the person's right to challenge the notice.

5. Written challenges postmarked, faxed, or received by hand delivery after 30 consecutive calendar days from the date of the notice, or after any extension period granted by the Department to file a written challenge, will be deemed late filed, and the person will be considered to have waived their right to file a written challenge to the Department's notice.

6. If the person receiving a notice issued by the Department notifying the person of the requirement to register fails to timely file a written challenge, or fails to timely request an extension of time to file a written challenge, the person will be considered to have waived their right to file a written challenge to the Department's notice.

7. Upon receipt of a timely-filed written challenge containing the required information, the Department will issue a response.

8. Any person who fails or refuses to register a place of business after failing to file, or waiving their right to file, a written challenge to the Department's notice, or after receiving the Department's response to a written challenge to the Department's notice that determines that the person should register his or her business, will become subject to the penalties imposed under Section 212.12(2)(d), F.S., and a \$100 registration fee will be imposed upon registration with the Department.

9. Procedures outlined in this paragraph shall be for investigative purposes, as specified in Section 120.57(5), F.S.

(6) No change.

Rulemaking Authority 212.12(2)(d), 212.17(6), 212.18(2), 213.06(1) FS. Law Implemented 212.03(1), (2), 212.04(4), 212.0596(1), (2), 212.06(2), 212.12(2), (5), (6), 212.14(4), 212.16(1),

(2), 212.18(3) FS. History—Revised 10-7-68, 1-7-70, 6-16-72, Amended 3-21-77, 5-10-77, 10-18-78, Formerly 12A-1.60, Amended 6-10-87, 1-2-89, 11-12-90, 3-17-94, 1-2-95, 3-20-96, 11-30-97, 4-2-00, 6-19-01, 10-2-01(1), 10-2-01(1), 8-1-02, 4-17-03, 6-12-03, 6-4-08, 9-1-09,\_\_\_\_\_.

April 29, 2010

**MEMORANDUM**

**TO:** The Honorable Charlie Crist, Governor  
Attention: Pat Gleason, Director of Cabinet Affairs

The Honorable Bill McCollum, Attorney General  
Attention: Rob Johnson, Cabinet Affairs

The Honorable Alex Sink, Chief Financial Officer  
Attention: Robert Tornillo, Chief Cabinet Aide  
Amber Hughes, Cabinet Aide

The Honorable Charles Bronson, Agriculture Commissioner  
Attention: Jim Boxold, Chief Cabinet Aide  
Cathy Giordano, Cabinet Aide

**FROM:** Robert Babin, Director of Legislative and Cabinet Services

**SUBJECT:** Requesting Approval to Hold Public Hearings on Proposed Rules

---

**What is the Department Requesting?** Approval to publish Notices of Proposed Rule to schedule public hearings for the next stage of rulemaking on several rule packages for proposed state and local tax issues.

**Why are These Proposed Rules Necessary?**

Delegation of Authority

To update rules that delegate authority to the Executive Director to engage in specific actions on behalf of the Department. The revisions are necessary to reflect the current organizational structure of the Department and simplify the language used in the rules. These updates apply to:

- Settlements or Compromises of tax, penalty, or interest assessed. [Rule 12-13.004, Florida Administrative Code/F.A.C.]
- Consent Agreements extending the period for audit. [Rule 12-16.004, F.A.C.]
- Payment Scheduling Agreements. [Rule 12-17.004, F.A.C.]

**ATTACHMENT #3**

### Communications Services Tax

*Tax Brackets:* To administratively implement a state statute that requires the Department to make available in an electronic format, the tax amounts and brackets applicable to each taxable sale and administer the requirement that the tax collected results in a tax rate no less than the tax rate imposed. [Rule 12A-19.021, F.A.C.]

### **What Do These Proposed Rules Do?**

#### Delegation of Authority

The proposed amendments update and clarify the delegation of authority to the Executive Director, and the Director's designees, to perform the following functions. These updates reflect changes to the organizational structure of the Department:

- *Settlements or Compromises:* Current law authorizes the Department to designate positions within the Department that may enter into consent agreements with a taxpayer to settle or compromise the taxpayer's liability for any tax, interest, or penalty assessed.
- *Consent Agreements:* Current law authorizes the Department to designate positions within the Department that may enter into consent agreements with a taxpayer to extend the period during which an assessment may be issued or a claim for refund may be filed.
- *Payment Scheduling Agreements:* Current law authorizes the Department to enter into agreements for scheduling payments of taxes, interest, and penalties. The Executive Director of the Department has delegated positions within the Department that are authorized to enter into such agreements.

### Communications Services Tax

*Tax Brackets:* Provides an automated Internet function taxpayers can use to calculate the tax amounts and brackets for each taxable sale of communication services. Provides notice to communications dealers that when the tax due results in a fraction of a cent, the amount must be rounded up to the next whole cent.

**Were Comments Received from External Parties?** For the delegation of authority rules, a rule development workshop was held on October 13, 2009. No comments were received at or after the workshops were held.

Memorandum  
April 29, 2010  
Page Three

For the proposed rule on communications services tax, a Notice of Proposed Rule Development was published. The notice stated that if requested, the Department would hold a rule development workshop on January 15, 2009. No request for a workshop was received, and no written comments have been submitted.

**Are There Significant Administrative Issues in These Rules?** No.

Attached are copies of:

- Summaries of the proposed rules
- Statements of facts and circumstances justifying the rules
- Federal relation statements
- Summaries of workshop
- Proposed Notices of Proposed Rule with proposed rule text

STATE OF FLORIDA  
DEPARTMENT OF REVENUE  
CHAPTER 12-13, FLORIDA ADMINISTRATIVE CODE  
COMPROMISE AND SETTLEMENT  
AMENDING RULE 12-13.004

SUMMARY OF PROPOSED RULE

The proposed amendments to Rule 12-13.004, F.A.C. (Delegation of Authority to Determine Settlements or Compromises): (1) update the delegations of authority authorized by the Executive Director of the Department to settle or compromise a taxpayer's assessment to reflect the current organizational structure of the General Tax Administration Program and Technical Assistance and Dispute Resolution; and (2) simplify the rule by providing these delegations of authority in a chart form for ease of reading.

FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULE

Section 213.21(2), F.S., authorizes the Executive Director of the Department to designate positions within the Department that may enter into agreements with a taxpayer to settle or compromise the taxpayer's liability for any tax, interest, or penalty assessed. The agreement must be in writing when the amount of tax, interest, or penalty compromised exceeds \$30,000. The purpose of the amendments to Rule 12-13.004, F.A.C. (Delegation of Authority to Determine Settlements or Compromises), is to update the rule to reflect the positions within the Department to settle or compromise a taxpayer's assessment.

FEDERAL COMPARISON STATEMENT

The provisions contained in this rule do not conflict with comparable federal laws, policies, or standards.

SUMMARY OF RULE DEVELOPMENT WORKSHOP

HELD ON OCTOBER 13, 2009

A Notice of Proposed Rule Development was published in the Florida Administrative Weekly on September 25, 2009 (Vol. 35, No. 38, pp. 4635-4636), to advise the public of the development of changes to Rule 12-13.004, F.A.C. (Delegation of Authority to Determine Settlements or Compromises), and that a rule development workshop would be held on October 13, 2009. A rule development workshop was held on October 13, 2009, in Room 118, Carlton Building, 501 S. Calhoun Street, Tallahassee, FL, to allow members of the public to ask questions and make comments concerning the proposed rule amendments.

**PARTIES ATTENDING**

For the Department of Revenue	LARRY GREEN, Workshop Moderator ROBERT DUCASSE, Revenue Program Administrator I BEN JABLOW, Assistant General Counsel JANET YOUNG, Tax Law Specialist
From the Public	JIM ERVIN, representing Mosaic Phosphates GARY LANDRY, Florida Insurance Council RALPH SCHWARZ, Colodny, Faas, Talenfeld, P.A.

No comments were received at this rule development workshop.

## NOTICE OF PROPOSED RULE

DEPARTMENT OF REVENUE

COMPROMISE AND SETTLEMENT

RULE NO:   RULE TITLE:

12-13.004    Delegation of Authority to Determine Settlements or Compromises

PURPOSE AND EFFECT: Section 213.21(2), F.S., authorizes the Executive Director of the Department to designate positions within the Department that may enter into agreements with a taxpayer to settle or compromise the taxpayer's liability for any tax, interest, or penalty assessed. The agreement must be in writing when the amount of tax, interest, or penalty compromised exceeds \$30,000. The purpose of the proposed amendments to Rule 12-13.004, F.A.C.

(Delegation of Authority to Determine Settlements or Compromises), is to update the rule to reflect the positions within the Department to settle or compromise a taxpayer's assessment.

SUMMARY: The proposed amendments to Rule 12-13.004, F.A.C. (Delegation of Authority to Determine Settlements or Compromises): (1) update the positions authorized by the Executive Director of the Department to settle or compromise a taxpayer's assessment to reflect the current organizational structure of the General Tax Administration Program and Technical Assistance and Dispute Resolution; and (2) simplify the rule by providing these delegations of authority in a chart, for ease of reference.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS: A statement of estimated regulatory costs has not been prepared by the agency. Any person who wishes to provide information regarding the statement of estimated regulatory costs, or to provide a proposal for a lower-cost regulatory alternative, must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 213.06(1), 213.21(5) FS.

LAW IMPLEMENTED: 213.05, 213.21 FS.

A HEARING WILL BE HELD AT THE DATE, TIME, AND PLACE SHOWN BELOW:

DATE AND TIME: [To be determined]

PLACE: Room 118, Carlton Building, 501 S. Calhoun Street, Tallahassee, Florida.

NOTICE UNDER THE AMERICANS WITH DISABILITIES ACT: Any person requiring special accommodations to participate in any rulemaking proceeding before Technical Assistance and Dispute Resolution is asked to advise the Department at least 48 hours before such proceeding by contacting Larry Green at (850)922-4830. Persons with hearing or speech impairments may contact the Department by using the Florida Relay Service, which can be reached at (800)955-8770 (Voice) and (800)955-8771 (TDD).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Janet L. Young, Tax Law Specialist, Technical Assistance and Dispute Resolution, Department of Revenue, P.O. Box 7443, Tallahassee, Florida 32314-7443, telephone (850)922-9407.

THE FULL TEXT OF THE PROPOSED RULE IS:

STATE OF FLORIDA  
DEPARTMENT OF REVENUE  
CHAPTER 12-13, FLORIDA ADMINISTRATIVE CODE  
COMPROMISE AND SETTLEMENT  
AMENDING RULE 12-13.004

12-13.004 Delegation of Authority to Determine Settlements or Compromises.

(1) through (2) No change.

(3) Cases in Protest. In cases involving a tax matter in protest ~~in Technical Assistance and Dispute Resolution~~, authority to settle and compromise is delegated as follows:

(a) through (b) No change.

(c) For compromise of the following amounts of tax, ~~or interest, or of \$125,000 each or less and of penalty in any amount,~~ to the Office Director of Technical Assistance and Dispute Resolution; and the ~~Program Director and Deputy Program Director within the~~ General Tax Administration Program:-

<b><u>POSITIONS</u></b>	<b><u>TAX</u></b>	<b><u>INTEREST</u></b>	<b><u>PENALTY</u></b>
<b><u>Technical Assistance and Dispute Resolution</u></b>			
<u>Director</u>	<u>\$125,000</u>	<u>\$125,000</u>	<u>Any Amount</u>
<u>Deputy Director</u>	<u>\$125,000</u>	<u>\$125,000</u>	<u>Any Amount</u>
<u>Revenue Program Administrators I and II</u>	<u>\$ 62,500</u>	<u>\$ 62,500</u>	<u>\$250,000</u>
<u>Senior Attorneys</u>	<u>\$ 12,500</u>	<u>\$ 12,500</u>	<u>\$ 75,000</u>
<u>Attorneys</u>	<u>\$ 12,500</u>	<u>\$ 12,500</u>	<u>\$ 75,000</u>
<u>Tax Law Specialists</u>	<u>\$ 12,500</u>	<u>\$ 12,500</u>	<u>\$ 75,000</u>
<u>Senior Tax Specialists</u>	<u>\$ 12,500</u>	<u>\$ 12,500</u>	<u>\$ 75,000</u>
<b><u>General Tax Administration Program</u></b>			
<u>Program Director</u>	<u>\$125,000</u>	<u>\$125,000</u>	<u>Any Amount</u>
<u>Deputy Program Director</u>	<u>\$125,000</u>	<u>\$125,000</u>	<u>Any Amount</u>
<u>Regional Managers</u>	<u>\$ 62,500</u>	<u>\$ 62,500</u>	<u>\$250,000</u>
<u>Service Center Managers</u>	<u>\$ 1,250</u>	<u>\$ 1,250</u>	<u>\$ 75,000</u>
<u>Tax Audit Supervisors</u>	<u>-0-</u>	<u>-0-</u>	<u>\$ 37,500</u>

<u>Tax Specialists</u>	<u>-0-</u>	<u>-0-</u>	<u>\$ 3,750</u>
<u>Revenue Specialist</u>	<u>-0-</u>	<u>-0-</u>	<u>\$ 3,750</u>
<b><u>Taxpayer Services Process</u></b>			
<u>Process Manager</u>	<u>\$ 62,500</u>	<u>\$ 62,500</u>	<u>\$250,000</u>
<u>Revenue Program Administrators</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 75,000</u>
<u>Tax Specialist Administrators</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 75,000</u>
<u>Revenue Administrators</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 75,000</u>
<u>Revenue Managers</u>	<u>\$ 1,250</u>	<u>\$ 1,250</u>	<u>\$ 12,500</u>
<b><u>Compliance Support Process</u></b>			
<u>Process Manager</u>	<u>\$ 62,500</u>	<u>\$ 62,500</u>	<u>\$250,000</u>
<u>Revenue Program Administrators</u>	<u>\$ 12,500</u>	<u>\$ 12,500</u>	<u>\$ 75,000</u>
<u>Tax Law Specialists</u>	<u>\$ 12,500</u>	<u>\$ 12,500</u>	<u>\$ 75,000</u>
<u>Senior Tax Specialists</u>	<u>\$ 12,500</u>	<u>\$ 12,500</u>	<u>\$ 75,000</u>
<u>Government Analysts II</u>	<u>\$ 12,500</u>	<u>\$ 12,500</u>	<u>\$ 75,000</u>

(d) ~~For compromise of amounts of tax or interest of \$62,500 each or less and penalty of \$250,000 or less, to the Revenue Program Administrators I and II Technical Assistance and Dispute Resolution, and the Process Managers of the Taxpayer Services, Compliance Enforcement, and Compliance Support Processes.~~

(e) ~~For compromise of amounts of tax or interest of \$12,500 each or less and of penalty of \$125,000 or less, to all Regional Managers of the Compliance Enforcement.~~

(f) ~~For compromise of amounts of tax or interest of \$12,500 each or less and of penalty of \$75,000 or less, to the Senior Attorneys, Attorneys, Tax Law Specialists, and Senior Tax Specialists of Technical Assistance and Dispute Resolution, and the Revenue Program Administrators, Tax Law Specialists, Senior Tax Specialists and Government Analysts IIs of the Compliance Support Process.~~

(g) ~~For compromise of amounts of tax or interest of \$2,500 each or less and of penalty of \$75,000 or less, to the Revenue Program Administrators II and Revenue Administrators III of the Taxpayer Services Process.~~

~~(h) For compromise of amounts of tax or interest of \$1,250 each or less and of penalty of \$75,000 or less, to the Service Center Managers of the Compliance Enforcement Process.~~

~~(i) For compromise of amounts of tax or interest of \$1,250 each or less and of penalty of \$12,500 or less, to the Tax Specialists I and II, the Revenue Managers of the Taxpayer Services Process, and the Revenue Managers of the Compliance Enforcement Process.~~

~~(j) For compromise of amounts of tax or interest of \$625 each or less and penalty of \$3,750 or less, to the Revenue Specialists I, II, and III of the Taxpayer Services Process.~~

~~(k) For compromise of penalty of \$75,000 or less, to the Revenue Program Administrators I and II of the Compliance Enforcement Process.~~

~~(l) For compromise of penalty of \$37,500 or less, to the Process Group Managers or Tax Audit Supervisor positions in the Compliance Enforcement Process.~~

~~(m) For compromise of penalty of \$12,500 or less, to the Tax Specialist Administrators of the Compliance Support Process.~~

~~(n) For compromise of penalty of \$12,500 or less, to the Tax Specialist II of the Program Director's Office within the General Tax Administration Program.~~

~~(o) For compromise of penalty of \$3,750 or less, to the Revenue Specialists I, II, and III of the Compliance Enforcement Process.~~

(4) Collection Cases. In cases involving a tax matter related to billings or assessments that which have been issued by or referred for collection to the Taxpayer Services Process, authority to settle and compromise is delegated as follows:

(a) through (b) No change.

(c) For compromise of the following amounts of tax, or interest, or of \$125,000 each or less and penalty in any amount, to the Program Director and Deputy Program Director of the

General Tax Administration Program:-

<u>POSITIONS</u>	<u>TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>
<b><u>General Tax Administration Program</u></b>			
<u>Program Director</u>	<u>\$125,000</u>	<u>\$125,000</u>	<u>Any Amount</u>
<u>Deputy Program Director</u>	<u>\$125,000</u>	<u>\$125,000</u>	<u>Any Amount</u>
<u>Regional Managers</u>	<u>\$ 62,500</u>	<u>\$ 62,500</u>	<u>\$250,000</u>
<u>Service Center Managers</u>	<u>\$ 1,250</u>	<u>\$ 1,250</u>	<u>\$ 75,000</u>
<u>Revenue Administrators</u>	<u>\$ 1,250</u>	<u>\$ 1,250</u>	<u>\$ 12,500</u>
<u>Tax Specialists</u>	<u>\$ 1,250</u>	<u>\$ 1,250</u>	<u>\$ 12,500</u>
<u>Tax Audit Supervisors</u>	<u>-0-</u>	<u>-0-</u>	<u>\$ 37,500</u>
<u>Revenue Specialists</u>	<u>-0-</u>	<u>-0-</u>	<u>\$ 3,750</u>
<b><u>Taxpayer Services Process</u></b>			
<u>Process Manager</u>	<u>\$ 62,500</u>	<u>\$ 62,500</u>	<u>\$250,000</u>
<u>Revenue Program Administrators</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 75,000</u>
<u>Revenue Administrators</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 75,000</u>
<u>Tax Specialist Administrators</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 75,000</u>
<u>Revenue Managers</u>	<u>\$ 1,250</u>	<u>\$ 1,250</u>	<u>\$ 12,500</u>
<u>Tax Specialists</u>	<u>-0-</u>	<u>-0-</u>	<u>\$ 12,500</u>
<u>Revenue Specialists</u>	<u>-0-</u>	<u>-0-</u>	<u>\$ 3,750</u>
<b><u>Compliance Support Process</u></b>			
<u>Process Manager</u>	<u>\$ 62,500</u>	<u>\$ 62,500</u>	<u>\$250,000</u>
<u>Revenue Program Administrators</u>	<u>\$ 12,500</u>	<u>\$ 12,500</u>	<u>\$ 75,000</u>
<b><u>Returns and Revenue Process</u></b>			
<u>Process Manager</u>	<u>\$ 62,500</u>	<u>\$ 62,500</u>	<u>\$250,000</u>
<u>Tax Specialist Administrators</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 75,000</u>
<u>Revenue Manager</u>	<u>\$ 1,250</u>	<u>\$ 1,250</u>	<u>\$ 12,500</u>
<u>Revenue Specialists</u>	<u>-0-</u>	<u>-0-</u>	<u>\$ 3,750</u>

(d) ~~For compromise of amounts of tax or interest of \$62,500 each or less and penalty of \$250,000 or less, to the Process Managers of the Taxpayer Services, Compliance Enforcement, and Compliance Support Processes.~~

(e) ~~For compromise of amounts of tax or interest of \$12,500 each or less and penalty of \$125,000 or less, to the Regional Managers of the Compliance Enforcement Process.~~

~~(f) For compromise of amounts of tax or interest of \$12,500 each or less and penalty of \$75,000 or less, to the Revenue Program Administrators I and II of the Compliance Support Process.~~

~~(g) For compromise of amounts of tax or interest of \$2,500 each or less and penalty of \$75,000 or less, to the Revenue Program Administrators II, Revenue Administrators III, and Tax Specialist Administrators of the Taxpayer Services Process.~~

~~(h) For compromise of amounts of tax or interest of \$1,250 each or less and penalty of \$75,000 or less, to the Service Center Managers of the Compliance Enforcement Process.~~

~~(i) For compromise of amounts of tax or interest of \$1,250 each or less and penalty of \$12,500 or less, to the Revenue Managers and Tax Specialists I and II of the Taxpayer Services Process and Revenue Managers of the Compliance Enforcement Process.~~

~~(j) For compromise of amounts of tax or interest of \$625 each or less and penalty of \$3,750 or less, to the Revenue Specialists I, II, and III of the Taxpayer Services Process.~~

~~(k) For compromise of penalty in amounts of \$75,000 or less, to all Revenue Program Administrators I and II of the Compliance Enforcement Process.~~

~~(l) For compromise of penalty in amounts of \$37,500 or less, to all the Process Group Managers of the Compliance Enforcement Process.~~

~~(m) For compromise of penalty in amounts of \$12,500 or less, to all Tax Specialist Administrators, Tax Audit Support Services Supervisors, Senior Tax Specialists (Case Processing and Contract Audits) of the Compliance Support Process.~~

~~(n) For compromise of penalty of \$12,500 or less, to the Tax Specialist II of the Program Director's Office within the General Tax Administration Program.~~

~~(o) For compromise of penalty in amounts of \$3,750 or less, to all Revenue Specialists I, II, and III of the Compliance Enforcement Process.~~

~~(p) Once an audit assessment has become final, the authority to compromise delegated pursuant to paragraphs (c) through (o) shall be limited to compromises based on doubt as to collectibility or reasonable cause based upon doubt as to collectibility.~~

(5) Audit Cases. In cases involving an audit of the taxpayer, or an audit conducted pursuant to a refund request, prior to initiation of litigation pursuant to Section 72.011, F.S., or expiration of the period for initiating same, or upon initial receipt of a protest involving penalty issues only, authority to settle and compromise is delegated as follows:

(a) through (b) No change.

(c) For compromise of the following amounts of tax, ~~or interest, or of \$62,500 each or less and penalty of \$250,000 or less,~~ to the General Tax Administration Program Process Managers of the Taxpayer Services, Compliance Enforcement, and Compliance Support Processes:-

<b><u>POSITIONS</u></b>	<b><u>TAX</u></b>	<b><u>INTEREST</u></b>	<b><u>PENALTY</u></b>
<b><u>General Tax Administration Program</u></b>			
<u>Program Director</u>	<u>\$125,000</u>	<u>\$125,000</u>	<u>Any Amount</u>
<u>Deputy Program Director</u>	<u>\$125,000</u>	<u>\$125,000</u>	<u>Any Amount</u>
<u>Regional Managers</u>	<u>\$ 62,500</u>	<u>\$ 62,500</u>	<u>\$250,000</u>
<u>Service Center Managers</u>	<u>\$ 1,250</u>	<u>\$ 1,250</u>	<u>\$ 75,000</u>
<u>Revenue Administrators</u>	<u>\$ 1,250</u>	<u>\$ 1,250</u>	<u>\$ 12,500</u>
<u>Tax Audit Supervisors</u>	<u>-0-</u>	<u>-0-</u>	<u>\$ 37,500</u>
<u>Tax Specialists</u>	<u>-0-</u>	<u>-0-</u>	<u>\$ 3,750</u>
<u>Revenue Specialist</u>	<u>-0-</u>	<u>-0-</u>	<u>\$ 3,750</u>
<b><u>Taxpayer Services Process</u></b>			
<u>Process Manager</u>	<u>\$ 62,500</u>	<u>\$ 62,500</u>	<u>\$250,000</u>

<u>Compliance Support Process</u>			
<u>Process Manager</u>	<u>\$ 62,500</u>	<u>\$ 62,500</u>	<u>\$250,000</u>
<u>Revenue Program Administrators</u>	<u>\$ 12,500</u>	<u>\$ 12,500</u>	<u>\$ 75,000</u>
<u>Tax Law Specialists</u>	<u>\$ 1,250</u>	<u>\$ 1,250</u>	<u>\$ 37,500</u>
<u>Senior Tax Specialists</u>	<u>\$ 1,250</u>	<u>\$ 1,250</u>	<u>\$ 37,500</u>
<u>Government Analysts II</u>	<u>\$ 1,250</u>	<u>\$ 1,250</u>	<u>\$ 37,500</u>

~~(d) For compromise of amounts of tax or interest of \$12,500 each or less and penalty of \$125,000 or less, to the Regional Managers of the Compliance Enforcement Process.~~

~~(e) For compromise of amounts of tax or interest of \$12,500 each or less and penalty of \$75,000 or less, to the Revenue Program Administrators I and II of the Compliance Support Process.~~

~~(f) For compromise of amounts of tax or interest of \$1,250 each or less and penalty of \$75,000 or less, to the Service Center Managers of the Compliance Enforcement Process.~~

~~(g) For compromise of amounts of tax or interest of \$1,250 each or less and penalty of \$12,500 or less, to the Revenue Managers of the Compliance Enforcement Process.~~

~~(h) For compromise of amounts of penalty of \$75,000 or less, to all Revenue Program Administrators I and II of the Compliance Enforcement Process.~~

~~(i) For compromise of penalty in amounts of \$37,500 or less, to all Process Group Managers or Tax Audit Supervisor positions in the Compliance Enforcement Process.~~

~~(j) For compromise of amounts of tax or interest of \$1,250 each or less, and penalty in amounts of \$37,500 or less, to all Tax Specialist Administrators, Tax Law Specialists, Senior Tax Specialists, and Government Analysts II of the Compliance Support Process and Tax Specialists II within the General Tax Administration Program.~~

~~(k) For compromise of amounts of penalty of \$3,750 or less, to all Revenue Specialists I, II, and III of the Compliance Enforcement Process.~~

(6) Refund Cases. In cases involving refund requests that have not been referred for audit, prior to initiation of litigation pursuant to Section 72.011, F.S., or prior to expiration of the period for initiating same, authority to settle and compromise is delegated as follows to the Office of General Counsel and to the General Tax Administration Program:

<b><u>POSITIONS</u></b>	<b><u>TAX</u></b>	<b><u>INTEREST</u></b>	<b><u>PENALTY</u></b>
<b><u>Office of General Counsel</u></b>			
<u>General Counsel</u>	<u>\$250,000</u>	<u>Any Amount</u>	<u>Any Amount</u>
<u>Deputy General Counsel</u>	<u>\$250,000</u>	<u>Any Amount</u>	<u>Any Amount</u>
<b><u>General Tax Administration Program</u></b>			
<u>Program Director</u>	<u>-0-</u>	<u>-0-</u>	<u>Any Amount</u>
<u>Deputy Program Director</u>	<u>-0-</u>	<u>-0-</u>	<u>Any Amount</u>
<b><u>Refunds and Revenue Distribution Process</u></b>			
<u>Process Manager</u>	<u>-0-</u>	<u>-0-</u>	<u>\$100,000</u>
<u>Senior Tax Audit Administrator</u>	<u>-0-</u>	<u>-0-</u>	<u>\$ 30,000</u>
<u>Tax Audit Supervisors</u>	<u>-0-</u>	<u>-0-</u>	<u>\$ 15,000</u>

~~(a) For compromise of amounts of penalty of \$100,000 or less, to the Process Manager of the Refunds and Revenue Distribution Process.~~

~~(b) For compromise of amounts of penalty of \$30,000 or less, to the Senior Tax Audit Administrator in the Refunds and Revenue Distribution Process.~~

~~(c) For compromise of amounts of penalty of \$15,000 or less, to the Tax Audit Supervisors in the Refunds and Revenue Distribution Process.~~

(7) In all other circumstances not previously described in this rule, authority to settle and compromise tax in amounts of \$250,000 or less and interest and penalty in any amount is delegated to the Deputy Executive Directors, the General Counsel, and the Deputy General Counsel.

(8)(a) ~~When the~~ The Executive Director delegates ~~also shall have discretionary authority to delegate~~ authority to settle and compromise to specific employees or positions that are not provided in this rule, the delegation will be in writing, signed by the Executive Director, and will be on a temporary basis pursuant to the following circumstances:

1. The issue assigned to the employee exceeds the monetary amount the employee is currently authorized to settle or compromise pursuant to this rule ~~chapter~~; or

2. The employee has assumed the duties of another employee who has authority, or a higher authority, to settle or compromise tax, interest, and penalty, and refund requests.

(b) A temporary delegation of authority to any employee or position will ~~beyond that described herein shall be in writing, signed by the Executive Director, and shall~~ be for a specified time period of no more than 2 years.

(c) Such delegations cannot grant authority to compromise tax in excess of \$250,000.

(d) Copies of ~~any such~~ written delegations of authority are ~~shall be~~ maintained on file with the agency clerk in the Office of General Counsel.

Rulemaking Specific Authority 213.06(1), 213.21(5) FS. Law Implemented 213.05, 213.21 FS.

History—New 5-23-89, Amended 8-10-92, 10-24-96, 10-2-01, 10-4-04,\_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULE: Janet Young, Tax Law Specialist,  
Technical Assistance and Dispute Resolution, Department of Revenue, P.O. Box 7443,  
Tallahassee, Florida 32314-7443, telephone (850)922-9407.

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: [To be determined.]

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: [To be determined]

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: A Notice of  
Proposed Rule Development Workshop was published in the Florida Administrative Weekly on  
September 25, 2009 (Vol. 35, No. 38, pp. 4635-4636). A rule development workshop was  
conducted on October 13, 2009. No comments were received by the Department.

STATE OF FLORIDA  
DEPARTMENT OF REVENUE  
CHAPTER 12-16, FLORIDA ADMINISTRATIVE CODE  
CONSENT AGREEMENTS  
AMENDING RULE 12-16.004

SUMMARY OF PROPOSED RULE

The proposed amendments to Rule 12-16.004, F.A.C. (Delegation of Authority): (1) update the positions authorized by the Executive Director of the Department to enter into consent agreements with taxpayers to reflect the current organizational structure of the General Tax Administration Program and Technical Assistance and Dispute Resolution; and (2) simplify the language used in the rule.

FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULE

Section 213.23, F.S., authorizes the Executive Director of the Department to designate those positions within the Department that may enter into consent agreements with a taxpayer to extend the period during which an assessment may be issued or a claim for refund may be filed. The proposed amendments to Rule 12-16.004, F.A.C., are necessary to update the positions within the Department that are authorized to enter into consent agreements.

FEDERAL COMPARISON STATEMENT

The provisions contained in this rule do not conflict with comparable federal laws, policies, or standards.

SUMMARY OF RULE DEVELOPMENT WORKSHOP

HELD ON OCTOBER 13, 2009

A Notice of Proposed Rule Development was published in the Florida Administrative Weekly on September 25, 2009 (Vol. 35, No. 38, p. 4636), to advise the public of the development of changes to Rule 12-16.004, F.A.C. (Delegation of Authority), and that a rule development workshop would be held on October 13, 2009. A rule development workshop was held on October 13, 2009, in Room 118, Carlton Building, 501 S. Calhoun Street, Tallahassee, FL, to allow members of the public to ask questions and make comments concerning the proposed rule amendments.

**PARTIES ATTENDING**

For the Department of  
Revenue

LARRY GREEN, Workshop Moderator  
ROBERT DUCASSE, Revenue Program Administrator I  
BEN JABLOW, Assistant General Counsel  
JANET YOUNG, Tax Law Specialist

From the Public

JIM ERVIN, representing Mosaic Phosphates  
GARY LANDRY, Florida Insurance Council  
RALPH SCHWARZ, Colodny, Faas, Talenfeld, P.A.

No comments were received at this rule development workshop.

## NOTICE OF PROPOSED RULE

DEPARTMENT OF REVENUE

CONSENT AGREEMENTS

RULE NO:   RULE TITLE:

12-16.004    Delegation of Authority

PURPOSE AND EFFECT: Section 213.23, F.S., authorizes the Executive Director of the Department to designate those positions within the Department that may enter into consent agreements with a taxpayer to extend the period during which an assessment may be issued or a claim for refund may be filed. The purpose of the proposed amendments to Rule 12-16.004, F.A.C., is to update the positions within the Department that are authorized to enter into consent agreements.

SUMMARY: The proposed amendments to Rule 12-16.004, F.A.C. (Delegation of Authority): (1) update the positions authorized by the Executive Director of the Department to enter into consent agreements with taxpayers to reflect the current organizational structure of the General Tax Administration Program and Technical Assistance and Dispute Resolution; and (2) simplify the language used in the rule.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS: A statement of estimated regulatory costs has not been prepared by the agency. Any person who wishes to provide information regarding the statement of estimated regulatory costs, or to provide a proposal for a lower-cost regulatory alternative, must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 213.06(1) F.S.

LAW IMPLEMENTED: 213.23 F.S.

A HEARING WILL BE HELD AT THE DATE, TIME, AND PLACE SHOWN BELOW:

DATE AND TIME: [To be determined]

PLACE: Room 118, Carlton Building, 501 S. Calhoun Street, Tallahassee, Florida.

NOTICE UNDER THE AMERICANS WITH DISABILITIES ACT: Any person requiring special accommodations to participate in any rulemaking proceeding before the Technical Assistance and Dispute Resolution Office is asked to advise the Department at least 48 hours before such proceeding by contacting Larry Green at (850)922-4830. Persons with hearing or speech impairments may contact the Department by using the Florida Relay Service, which can be reached at (800)955-8770 (Voice) and (800)955-8771 (TDD).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Janet L. Young, Tax Law Specialist, Technical Assistance and Dispute Resolution, Department of Revenue, P.O. Box 7443, Tallahassee, Florida 32314-7443, telephone (850)922-9407.

THE FULL TEXT OF THE PROPOSED RULE IS:

STATE OF FLORIDA  
DEPARTMENT OF REVENUE  
CHAPTER 12-16, FLORIDA ADMINISTRATIVE CODE  
CONSENT AGREEMENTS  
AMENDING RULE 12-16.004

12-16.004 Delegation of Authority.

(1) In addition to the statutory authority granted by Section 213.23, F.S., the Executive Director of the Department has authority to enter into consent agreements or extensions of consent agreements with taxpayers under authority granted by the Governor and Cabinet acting as the head of the Department. Cross Reference: Rule 12-3.007, F.A.C.

(2) The Executive Director of the Department hereby delegates authority to enter into consent agreements and extensions of consent agreements with taxpayers under Section 213.23, F.S., to the following designated positions in the Department:

(a) The Deputy Executive Director, the General Counsel, the Deputy General Counsel, and ~~the~~ all Assistant General Counsels.

(b) Within ~~the Office of~~ Technical Assistance and Dispute Resolution:

1. The Director and Deputy Director of Technical Assistance and Dispute Resolution;  
and

2. All Revenue Program Administrators, Senior Attorneys, Attorneys, Tax Law Specialists, and Senior Tax Specialists in ~~the Office of~~ Technical Assistance and Dispute Resolution;

(c) Within the General Tax Administration (~~GTA~~) Program:

~~1. The GTA Program Director and the Deputy Program Director in the Office of the Program Director.~~

~~1.2. Director's Office - The Program Director, Deputy Program Director Process Manager of the Compliance Enforcement Process, and all Revenue Program Administrators, Regional Managers, Service Center Managers, Senior Revenue Consultants, Revenue Administrators II, Tax Audit Supervisors, Revenue Administrators, Senior Tax Specialists, Tax Law Specialists, Tax Audit Supervisors, Tax Auditors, Tax Specialists, and Revenue Specialists II and III.~~

~~2.3. Compliance Support Process - The Process Manager, and all Revenue Program Administrators, Tax Specialist Administrators, Tax Law Specialists, Government Analysts II, and Senior Tax Specialists, and Government Analysts II in the Compliance Support Process.~~

~~3.4. Taxpayer Services Process - The Process Manager, of the Taxpayer Services Process and all Revenue Program Administrators, Revenue Administrators, Revenue Managers and Tax Specialist Administrators, Revenue Managers, and Revenue Specialists in the Taxpayer Services Process.~~

~~4.5. Refunds and Distribution Process - The Process Manager of the Refunds and Distribution Process and all Revenue Program Administrators, and all Senior Tax Audit Administrators, Senior Tax Specialists, Tax Audit Supervisors, and Tax Auditors in the Refunds and Distribution Process.~~

~~5.6. When the The Executive Director delegates has discretionary authority to delegate authority to enter into consent agreements to specific employees or positions that ~~which~~ are not provided ~~enumerated in this rule, the~~ these rules. However, a delegation of authority will ~~to an~~ employee or position beyond those described herein shall be in writing, signed by the Executive Director, and will ~~shall~~ be for a specified time period. The renewal of such ~~Such~~ delegations will~~

also may be renewed in writing, signed by the Executive Director. Copies of ~~any such~~ written delegations of authority are ~~shall be~~ maintained on file with the agency clerk in the Office of General Counsel.

Rulemaking Specific Authority 213.06(1) FS. Law Implemented 213.23 FS. History—New 12-28-88, Amended 3-16-93, 12-2-03,\_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULE: Janet Young, Tax Law Specialist,  
Technical Assistance and Dispute Resolution, Department of Revenue, P.O. Box 7443,  
Tallahassee, Florida 32314-7443, telephone (850)922-9407.

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: [To be determined.]

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: [To be determined]

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: A Notice of  
Proposed Rule Development Workshop was published in the Florida Administrative Weekly on  
September 25, 2009 (Vol. 35, No. 38, p. 4636). A rule development workshop was conducted on  
October 13, 2009. No comments were received by the Department.

STATE OF FLORIDA  
DEPARTMENT OF REVENUE  
CHAPTER 12-17, FLORIDA ADMINISTRATIVE CODE  
AGREEMENTS FOR SCHEDULING PAYMENTS OF LIABILITIES  
AMENDING RULE 12-17.004

SUMMARY OF PROPOSED RULE

The proposed amendments to Rule 12-17.004, F.A.C. (Delegation of Authority): (1) update the positions authorized by the Executive Director of the Department to enter into agreements for scheduling payments of liabilities to reflect the current organizational structure of the General Tax Administration Program and Technical Assistance and Dispute Resolution; and (2) simplify the language used in the rule.

FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULE

Section 213.21(4), F.S., authorizes the Department to enter into agreements for scheduling payments of taxes, interest, and penalties. The Executive Director of the Department has designated positions within the Department that are delegated the authority to enter into such agreements in Rule 12-17.004, F.A.C. (Delegation of Authority). The proposed amendments to Rule 12-17.004, F.A.C., are necessary to update the rule to reflect the positions within the Department authorized to enter into agreements for scheduling payments of liabilities.

## FEDERAL COMPARISON STATEMENT

The provisions contained in this rule do not conflict with comparable federal laws, policies, or standards.

## SUMMARY OF RULE DEVELOPMENT WORKSHOP

HELD ON OCTOBER 13, 2009

A Notice of Proposed Rule Development was published in the Florida Administrative Weekly on September 25, 2009 (Vol. 35, No. 38, pp. 4636-4637), to advise the public of the development of changes to Rule 12-17.004, F.A.C. (Delegation of Authority), and that a rule development workshop would be held on October 13, 2009. A rule development workshop was held on October 13, 2009, in Room 118, Carlton Building, 501 S. Calhoun Street, Tallahassee, FL, to allow members of the public to ask questions and make comments concerning the proposed rule amendments.

### **PARTIES ATTENDING**

For the Department of  
Revenue

LARRY GREEN, Workshop Moderator  
ROBERT DUCASSE, Revenue Program Administrator I  
BEN JABLOW, Assistant General Counsel  
JANET YOUNG, Tax Law Specialist

From the Public

JIM ERVIN, representing Mosaic Phosphates  
GARY LANDRY, Florida Insurance Council  
RALPH SCHWARZ, Colodny, Faas, Talenfeld, P.A.

No comments were received at this rule development workshop.

## NOTICE OF PROPOSED RULE

DEPARTMENT OF REVENUE

AGREEMENTS FOR SCHEDULING PAYMENTS OF LIABILITIES

RULE NO:   RULE TITLE:

12-17.004    Delegation of Authority

**PURPOSE AND EFFECT:** Section 213.21(4), F.S., authorizes the Department to enter into agreements for scheduling payments of taxes, interest, and penalties. The Executive Director of the Department has designated positions within the Department that are delegated the authority to enter into such agreements in Rule 12-17.004, F.A.C. (Delegation of Authority). The purpose of the proposed amendments to Rule 12-17.004, F.A.C., is to update the rule to reflect the positions within the Department authorized to enter into agreements for scheduling payments of liabilities.

**SUMMARY:** The proposed amendments to Rule 12-17.004, F.A.C. (Delegation of Authority):

- (1) update the positions authorized by the Executive Director of the Department to enter into agreements for scheduling payments of liabilities to reflect the current organizational structure of the General Tax Administration Program and Technical Assistance and Dispute Resolution; and
- (2) simplify the language used in the rule.

**SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS:** A statement of estimated regulatory costs has not been prepared by the agency. Any person who wishes to provide information regarding the statement of estimated regulatory costs, or to provide a proposal for a lower-cost regulatory alternative, must do so in writing within 21 days of this notice.

**RULEMAKING AUTHORITY:** 20.05(1)(e), 213.06(1), 213.21(5), F.S.

LAW IMPLEMENTED: 213.21(4) F.S.

A HEARING WILL BE HELD AT THE DATE, TIME, AND PLACE SHOWN BELOW:

DATE AND TIME: [To be determined]

PLACE: Room 118, Carlton Building, 501 S. Calhoun Street, Tallahassee, Florida.

NOTICE UNDER THE AMERICANS WITH DISABILITIES ACT: Any person requiring special accommodations to participate in any rulemaking proceeding before the Technical Assistance and Dispute Resolution Office is asked to advise the Department at least 48 hours before such proceeding by contacting Larry Green at (850)922-4830. Persons with hearing or speech impairments may contact the Department by using the Florida Relay Service, which can be reached at (800)955-8770 (Voice) and (800)955-8771 (TDD).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Janet L. Young, Tax Law Specialist, Technical Assistance and Dispute Resolution, Department of Revenue, P.O. Box 7443, Tallahassee, Florida 32314-7443, telephone (850)922-9407.

THE FULL TEXT OF THE PROPOSED RULE IS:

STATE OF FLORIDA  
DEPARTMENT OF REVENUE  
CHAPTER 12-17, FLORIDA ADMINISTRATIVE CODE  
AGREEMENTS FOR SCHEDULING PAYMENT OF LIABILITIES  
AMENDING RULE 12-17.004

12-17.004 Delegation of Authority.

(1) In addition to the statutory authority granted by Section 213.21(4), F.S., the Executive Director of the Department has authority to enter into agreements with taxpayers for scheduling payments of taxes, interest, ~~and penalties, and fees~~ under authority granted by the Governor and Cabinet as the head of the Department.

~~Cross Reference: Rule 12-3.007, F.A.C.~~

(2) The Executive Director of the Department hereby delegates authority to enter into stipulated time payment agreements with taxpayers under Section 213.21(4), F.S., to the Deputy Executive Director, the General Counsel, and the Deputy General Counsel, the Program Director, ~~and the Deputy Program Director, the Regional Managers, and the Service Center Managers~~ of the General Tax Administration Program of the Department, and:

(a) In cases where a tax matter is in litigation or in protest pursuant to Rule Chapter 12-6, F.A.C., to:

1. The Assistant General Counsels ~~of the Department~~;
2. The Director, the Deputy Director, and Revenue Program Administrators in Technical Assistance and Dispute Resolution;
3. The Process Manager, ~~Regional Managers, Service Center Managers~~, and Revenue

Program Administrators in the ~~Compliance Enforcement~~, Compliance Support Process and Taxpayer Services Processes, and any additional positions designated in writing by the Executive Director or his or her designee.

4. The Process Manager, Revenue Program Administrators, and Revenue Administrators in the Taxpayer Services Process.

(b) In cases involving amounts assessed pursuant to an audit of the taxpayer, prior to initiation of litigation pursuant to Section 72.011, F.S., or expiration of the period for initiating same, to:

1. The ~~Process Manager, Regional Managers, Service Center Managers, Revenue Program Administrators~~, Tax Audit Supervisors, Revenue Administrators, and Senior Revenue Administrators, Revenue Administrators in the Director's Office of the General Tax Administration Program, and ~~Revenue Managers of the Compliance Enforcement Process~~, and any additional positions designated in writing by the Executive Director or his or her designee; and

2. The Process Manager, Revenue Program Administrators, ~~Tax Specialist Administrators~~, Tax Law Specialists, Government Senior Management Analysts II, and Senior Tax Specialists in the Compliance Support Process and any additional positions designated in writing by the Executive Director or his or her designee.

(c) In cases involving a billing or assessment issued by the General Tax Administration Program, to:

1. The ~~Process Manager, Regional Managers, Service Center Managers~~, Revenue Program Administrators, Tax Audit Supervisors, Senior Revenue Administrators, and Revenue Administrators in the Director's Office and ~~Revenue Managers in the Compliance Enforcement~~

~~Process, and any additional positions designated in writing by the Executive Director or his or her designee; and~~

2. The Process Manager, Revenue Program Administrators, Tax Specialist Administrator, Revenue Administrators, Revenue Managers, and Revenue Specialists ~~Specialist IIIs, and Tax Specialist Administrators~~ in the Taxpayer Services Process, ~~or any additional positions designated in writing by the Executive Director or his or her designee;~~

(d) ~~When the~~ The Executive Director delegates ~~has discretionary authority to delegate~~ authority to sign stipulated time payment agreements to specific employees or positions that ~~which~~ are not provided ~~enumerated in this rule, the~~ these rules. ~~However,~~ a delegation of authority will ~~to an employee or position beyond those described herein shall~~ be in writing, signed by the Executive Director, and will ~~and shall~~ be for a specified time period. The renewal of such ~~Such~~ delegations will also ~~may~~ be renewed ~~renewed~~ in writing, signed by the Executive Director. Copies of ~~any such~~ written delegations of authority are ~~shall~~ be maintained on file with the agency clerk in the Office of General Counsel.

Rulemaking Specific Authority 20.05(1)(e), 213.06(1), 213.21(5) FS. Law Implemented 213.21(4) FS. History—New 10-4-89, Amended 10-5-92, 8-17-94, 4-29-03, \_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULE: Janet Young, Tax Law Specialist,  
Technical Assistance and Dispute Resolution, Department of Revenue, P.O. Box 7443,  
Tallahassee, Florida 32314-7443, telephone (850)922-9407.

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: [To be determined]

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: [To be determined]

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: A Notice of  
Proposed Rule Development Workshop was published in the Florida Administrative Weekly on  
September 25, 2009 (Vol. 35, No. 38, pp. 4636-4637). A rule development workshop was  
conducted on October 13, 2009. No comments were received by the Department.

STATE OF FLORIDA  
DEPARTMENT OF REVENUE  
CHAPTER 12A-19, FLORIDA ADMINISTRATIVE CODE  
COMMUNICATIONS SERVICES TAX  
CREATING RULE 12A-19.021

SUMMARY OF PROPOSED RULE

The proposed creation of Rule 12A-19.021, F.A.C. (Communications Services Tax Brackets), provides that: (1) a Communications Services Tax Due Calculator is available on the Department's website to make available the tax amounts and brackets applicable to each taxable sales of communications services; and (2) when the amount of tax due results in a fraction of a cent, the tax due must be rounded up to the next whole cent.

FACTS AND CIRCUMSTANCES JUSTIFYING PROPOSED RULE

The proposed creation of Rule 12A-19.021, F.A.C. (Communications Services Tax Brackets), is necessary to: (1) make available the tax amounts and brackets applicable to each taxable sale of communications services, as provided in Section 202.16(3), F.S.; and (2) provide that when the amount of tax due results in a fraction of a cent, the tax due must be rounded up to the next whole cent.

FEDERAL COMPARISON STATEMENT

The provisions contained in this rule do not conflict with comparable federal laws, policies, or standards.

SUMMARY OF RULE DEVELOPMENT WORKSHOP

SCHEDULED ON JANUARY 15, 2009

A Notice of Proposed Rule Development Workshop was published in the Florida Administrative Weekly on December 24, 2008 (Vol. 34, No. 52, pp. 6753-6754), regarding the proposed creation of Rule 12A-19.021, F.A.C. (Communications Services Tax Brackets). This notice advised the public that, if requested, a rule development workshop would be conducted on January 15, 2009. No request was received by the Department. No person appeared to ask questions or make comment regarding these proposed amendments.

## NOTICE OF PROPOSED RULEMAKING

DEPARTMENT OF REVENUE

COMMUNICATIONS SERVICES TAX

RULE NO:   RULE TITLE:

12A-19.021   Communications Services Tax Brackets

PURPOSE AND EFFECT: The purpose of the creation of Rule 12A-19.021, F.A.C.

(Communications Services Tax Brackets), is to: (1) make available the tax amounts and brackets applicable to each taxable sale of communications services, as provided in Section 202.16(3), F.S.; and (2) provide that when the amount of tax due results in a fraction of a cent, the tax due must be rounded up to the next whole cent.

SUMMARY: The proposed creation of Rule 12A-19.021, F.A.C. (Communications Services Tax Brackets), provides that: (1) a Communications Services Tax Due Calculator is available on the Department's website to make available the tax amounts and brackets applicable to each taxable sales of communications services; and (2) when the amount of tax due results in a fraction of a cent, the tax due must be rounded up to the next whole cent.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS: A statement of estimated regulatory costs has not been prepared by the agency. Any person who wishes to provide information regarding the statement of estimated regulatory costs, or to provide a proposal for a lower-cost regulatory alternative, must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 202.26(3)(a) FS.

LAW IMPLEMENTED: 202.16(3) FS.

A HEARING WILL BE HELD AT THE TIME, DATE, AND PLACE SHOWN BELOW:

DATE AND TIME: [To be determined upon approval.]

PLACE: Room 118, Carlton Building, 501 South Calhoun Street, Tallahassee, Florida.

NOTICE UNDER THE AMERICANS WITH DISABILITIES ACT: Any person requiring special accommodations to participate in any rulemaking proceeding before the Technical Assistance and Dispute Resolution Office is asked to advise the Department at least 48 hours before such proceeding by contacting Larry Green at (850)922-4830. Persons with hearing or speech impairments may contact the Department by using the Florida Relay Service, which can be reached at (800)955-8770 (Voice) and (800)955-8771 (TDD).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: French Brown, Deputy Director, Technical Assistance and Dispute Resolution, Department of Revenue, P.O. Box 7443, Tallahassee, Florida 32314-7443, telephone (850)922-4746.

THE FULL TEXT OF THE PROPOSED RULE IS:

STATE OF FLORIDA  
DEPARTMENT OF REVENUE  
CHAPTER 12A-19, FLORIDA ADMINISTRATIVE CODE  
COMMUNICATIONS SERVICES TAX  
CREATING RULE 12A-19.021

12A-19.021 Communications Services Tax Brackets. The Department has prepared, for public use, a Communications Services Tax Due Calculator that makes available the tax amounts and brackets applicable to each taxable sale such that the tax collected results in a tax rate no less than the rate imposed under Chapters 202 and 203, F.S. (the Florida communications services tax and the local communications services tax). When the amount of tax due results in a fraction of a cent, the tax due must be rounded up to the next whole cent. The Communications Services Tax Due Calculator may be found on the Department's Internet site at [www.myflorida.com/dor/taxes/cst.html](http://www.myflorida.com/dor/taxes/cst.html). For additional assistance, contact Taxpayer Services at (800)352-3671. Persons with hearing or speech impairments may call the Department's TDD at (800)367-8331 or (850)922-1115.

Rulemaking Authority 202.26(3)(a) FS. Law Implemented 202.16(3) FS. History—New \_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULE: French Brown, Deputy Director,  
Technical Assistance and Dispute Resolution, Department of Revenue, P.O. Box 7443,  
Tallahassee, Florida 32314-7443, telephone (850)922-4746.

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: [To be  
inserted upon approval by the Governor and Cabinet of Florida.]

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: [To be determined upon  
approval.]

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: A Notice of  
Proposed Rule Development Workshop was published in the Florida Administrative Weekly on  
December 24, 2008 (Vol. 34, No. 52, pp. 6753-6754), regarding the proposed creation of Rule  
12A-19.021, F.A.C. (Communications Services Tax Brackets). This notice advised the public  
that, if requested, a rule development workshop would be conducted on January 15, 2009. No  
request was received by the Department. No person appeared to ask questions or make comment  
regarding these proposed amendments.