

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

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<http://dor.myflorida.com/dor/opengovt/meetings.html>

**MEMBERS**

Governor Rick Scott  
Attorney General Pam Bondi  
Chief Financial Officer Jeff Atwater  
Commissioner Adam H. Putnam

**November 19, 2013**

**Contacts:** Vincent Aldridge, Legislative and Cabinet  
Services Director, (850-617-8324)  
MaryAnn Murphy, Executive Asst. II  
(850-717-7138)

**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 the September 24, 2013, meeting.  <b>(ATTACHMENT 1)</b>	<b>RECOMMEND APPROVAL</b>
2.	Respectfully submit the Department of Revenue's Legislative Budget Request for FY 2014 – 2015.  <b>(ATTACHMENT 2)</b>	<b>RECOMMEND APPROVAL</b>
3.	Respectfully submit the Department of Revenue's 2014 proposed legislative concepts.  <b>(ATTACHMENT 3)</b>	<b>RECOMMEND APPROVAL</b>

# ATTACHMENT 1

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STATE OF FLORIDA

IN RE: MEETING OF THE GOVERNOR AND  
CABINET

\_\_\_\_\_ /

CABINET MEMBERS: GOVERNOR RICK SCOTT  
ATTORNEY GENERAL PAM BONDI  
CHIEF FINANCIAL OFFICER  
JEFF ATWATER  
COMMISSIONER OF AGRICULTURE  
ADAM PUTNAM

DATE: TUESDAY, SEPTEMBER 24, 2013

TIME: COMMENCED AT: 9:00 A.M.  
CONCLUDED AT: 1:00 P.M.

LOCATION: CABINET MEETING ROOM  
LOWER LEVEL, THE CAPITOL  
TALLAHASSEE, FLORIDA

REPORTED BY: NANCY S. METZKE, RPR, FPR  
COURT REPORTER

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\* \* \* \*

1 motion to approve?

2 CFO ATWATER: So move.

3 COMMISSIONER PUTNAM: Second.

4 GOVERNOR SCOTT: Any comments or objections?

5 (NO RESPONSE).

6 GOVERNOR SCOTT: Hearing none, the motion  
7 carries.

8 Thank you, Drew.

9 COMMISSIONER BREAKSPEAR: Thank you. Good  
10 afternoon.

11 GOVERNOR SCOTT: Next I'd like to recognize  
12 Marshall Stranburg, Executive Director of the  
13 Department of Revenue.

14 Good afternoon, Marshall.

15 DIRECTOR STRANBURG: Good afternoon, Governor,  
16 Members of the Cabinet.

17 Our first item, we respectfully request  
18 approval of the minutes of the June 25th, 2013,  
19 meeting.

20 GOVERNOR SCOTT: Is there a motion to approve?

21 CFO ATWATER: So move.

22 GOVERNOR SCOTT: Is there a second?

23 COMMISSIONER PUTNAM: Second.

24 GOVERNOR SCOTT: Any comments or objections?

25 (NO RESPONSE).

1           GOVERNOR SCOTT: Hearing none, the motion  
2 carries.

3           DIRECTOR STRANBURG: Thank you.

4           Our second item, we respectfully request  
5 adoption of and approval to file and certify with  
6 the Secretary of State amendments to clarify and  
7 update rules in the area of compromising  
8 settlement, consent agreements, and the  
9 administration of statutorily imposed waste fees on  
10 tires and lead acid batteries.

11          GOVERNOR SCOTT: Is there a motion to approve?

12          CFO ATWATER: So move.

13          GOVERNOR SCOTT: Is there a second?

14          COMMISSIONER PUTNAM: Second.

15          GOVERNOR SCOTT: Any comments or objections?

16          (NO RESPONSE).

17          GOVERNOR SCOTT: Hearing none, the motion  
18 carries.

19          DIRECTOR STRANBURG: Thank you.

20          Our third item, we respectfully request  
21 approval and authority to publish notice of  
22 proposed rule in the Florida Administrative  
23 Register for proposed Rule Amendments relating to  
24 general tax administration. These proposed Rule  
25 Amendments address the areas related to time

1 payment agreements, warrants, jeopardy, and  
2 post-warrant collections.

3 GOVERNOR SCOTT: Is there a motion to approve?

4 CFO ATWATER: So move.

5 GOVERNOR SCOTT: Is there a second?

6 COMMISSIONER PUTNAM: Second.

7 GOVERNOR SCOTT: Any comments or objections?

8 (NO RESPONSE).

9 GOVERNOR SCOTT: Hearing none, the motion  
10 carries.

11 DIRECTOR STRANBURG: Thank you.

12 Our fourth item, we respectfully request  
13 approval and authority to publish notices of  
14 proposed rule in the Florida Administrative  
15 Register for proposed Rule Amendments relating to  
16 general tax administration. These proposed  
17 amendments reflect 2013 law changes, update forms,  
18 and remove obsolete provisions.

19 GOVERNOR SCOTT: Is there a motion to approve?

20 COMMISSIONER PUTNAM: So move.

21 GOVERNOR SCOTT: Is there a second?

22 CFO ATWATER: Second.

23 GOVERNOR SCOTT: Any comments or objections?

24 (NO RESPONSE).

25 GOVERNOR SCOTT: Hearing none, the motion

1 carries.

2 DIRECTOR STRANBURG: Thank you.

3 And our fifth item, we respectfully request  
4 approval and authority to publish notices of  
5 proposed rule in the Florida Administrative  
6 Register for proposed Rule Amendments relating to  
7 our property tax oversight program. These proposed  
8 amendments reflect recent law changes, update  
9 forms, address an administrative hearing decision,  
10 and remove unnecessary provisions.

11 GOVERNOR SCOTT: Is there a motion to approve?

12 CFO ATWATER: So move.

13 GOVERNOR SCOTT: Is there a second?

14 COMMISSIONER PUTNAM: Second.

15 GOVERNOR SCOTT: Any comments or objections?

16 (NO RESPONSE).

17 GOVERNOR SCOTT: Hearing none, the motion  
18 carries.

19 Thanks, Marshall.

20 DIRECTOR STRANBURG: Thank you. Appreciate  
21 it.

22 GOVERNOR SCOTT: Now I'd like to recognize  
23 Director Ben Watkins with the Division of Bond  
24 Finance to brag about how much we pay down our  
25 State debt.

# ATTACHMENT 2

**DEPARTMENT OF REVENUE  
2014-2015 LEGISLATIVE BUDGET REQUEST**

The Department of Revenue's (Department) Fiscal Year 2014-2015 Legislative Budget Request totals \$538,017,929. Of this amount, \$536,213,070 is recurring. This represents an 8.85% increase in total recurring funding for all funds over the Fiscal Year 2013-14 recurring appropriation, which is primarily due to the requested \$32,500,000 in trust fund spending authority for Clerks of the Court deficit transfers, as required in Chapter 2013-044, Laws of Florida. The recurring General Revenue funding requested (\$185,434,519) is 3.35% more than the recurring General Revenue appropriated for FY 2013-14. The proposed General Revenue reductions that have been submitted for FY 2014-15 are not included in these calculations.

The Department's request issues by program are described below and numbered to correspond to the attached spreadsheet:

**General Tax Administration Program**

(1) The Department requests \$1,443,763 (\$837,150 in General Revenue and \$606,613 in Operating Trust Fund) in recurring funding for the operation and maintenance of the One-Stop Business Registration Portal. The \$837,150 requested in General Revenue is needed for system maintenance and annual warranty support. The \$606,613 in trust fund spending authority is entirely self-funding and will be used to pay credit card and gateway banking transaction fees from funds collected through the portal.

(2) The Department requests \$32,706 in non-recurring funding (Operating Trust Fund) to purchase an electric forklift to replace the current 23 year old propane gas powered forklift used in the DOR storage facility. The current forklift has required several repairs over the last year and meets DMS replacement guidelines. The new forklift will increase safety by reducing harmful emissions, reducing operating costs and providing the flexibility to be used in a climate controlled storage space.

(3) The Department requests \$680,389 in non-recurring funding (General Revenue) to cover costs associated with relocating General Tax Administration (GTA) and Property Tax Oversight (PTO) staff from privately owned office space in Maitland to state-owned space in the Orlando area (Hurston Building). This transition is being coordinated by DMS. Based on information provided by DMS, as well as prior relocation experiences, it is expected that the cost for some DOR-specific facility needs will require funding that may exceed the resources available to DMS. Once the final determination of DMS cost coverage for the project is completed, it is possible that DMS funding will be available for a number of the cost components included in this issue. If so, less funding for DOR will be necessary.

(4) The Department will realize a savings and commensurate recurring funding (General Revenue) reduction of \$173,350 associated with relocating from privately owned leased space in Maitland to the state-owned Hurston Building in the Orlando area. These savings are based on lower lease payments for the Hurston Building than the Department is currently paying for its private facility lease. This savings amount, calculated by the Department of Management Services, is based on a projected October 1, 2014, occupancy date (three quarters of the fiscal year).

(5) The Department requests \$25,282 in non-recurring funding (Operating Trust Fund) to purchase one replacement van for the General Tax Administration Program. The vehicle to be replaced is a cargo van used within Tallahassee primarily for daily mail and package delivery. It was purchased in 2003 and has been driven more than 140,000 miles, which meets DMS mileage guidelines for replacement. By spring of 2015, the van will also meet the 12 year age criteria for replacement, and is projected to have been driven more than 165,000 miles.

(6) The Department requests \$500,000 in recurring spending authority (Operating Trust Fund) to cover an anticipated increase in payments to collection agencies. The Department currently has a \$1,500,000 recurring appropriation for this purpose. A SUNTAX system enhancement for ranking the collectability of receivables has allowed quicker referrals of outstanding debts and delinquencies to collection agents. This

**DEPARTMENT OF REVENUE  
2014-2015 LEGISLATIVE BUDGET REQUEST**

change, coupled with upcoming system enhancements for Reemployment Tax bills and delinquencies, is expected to generate continued growth in collection agency referrals. During FY 2012-13, collection agents were paid approximately \$1.3 million and collected \$12.4 million in money owed to the state. All collection agency payments from this appropriation category are self-funded, since agents are paid from monies collected, and expenditures do not occur until collections have been received.

(7) The Department requests \$32,500,000 in recurring spending authority (Clerks of the Court Trust Fund) to distribute funds to county clerks as necessary to address funding deficits. The Clerks of the Court Trust Fund was transferred from the Department of Revenue (DOR) to the Justice Administration Commission (JAC) in FY 2009-10, where it remained through the end of FY 2012-13. During the 2013 Regular Legislative Session, Senate Bill 1512 (Chapter 2013-044 Laws of Florida [LOF]) was enacted, transferring the fund from the Justice Administration Commission back to DOR. Because Chapter 2013-044, LOF, was enacted after the conclusion of the 2013-14 legislative appropriations process, it was agreed that non-operating authority would be established for the purpose of making transfers to certified deficit counties during Fiscal Year 2013-2014. However, it has been determined that the transfers for all fiscal years after 2013-14 must be made through DOR's operating budget in order to conform to the intent of Chapter 2013-044, LOF. The amount requested is an estimate that will be reassessed later in Fiscal Year 2013-14 when additional months of deficit transfer data are available.

**Child Support Enforcement Program**

(8) The Department requests \$881,440 in recurring federal spending authority (Federal Grants Trust Fund) to reimburse the Miami-Dade State Attorney's Office for the federal share of indirect costs incurred in providing child support enforcement services in Miami-Dade County. The State Attorney's Office 11th Judicial Circuit (SAO) provides child support enforcement (CSE) services in Miami-Dade County pursuant to a cost-reimbursable contract with DOR. This request will allow the state to draw additional Federal Financial Participation (FFP) funds to which it is entitled consistent with the provisions of Section 216.103(2)(d), Florida Statutes.

(9) The Department requests \$812,681 in nonrecurring funding (\$337,032 General Revenue and \$475,649 Federal Grants Trust Fund) to cover building renovation costs associated with moving staff from two private leases in Vero Beach and Okeechobee to state-owned office space in Ft. Pierce. The relocations will generate lease cost savings, and the renovated state-owned space will provide more efficient service delivery for department customers. The renovations will include implementation of the new CSE walk-in service delivery model that has greatly reduced customer wait time in service centers where it has already been introduced. \$92,000 of the requested General Revenue will be used for modifications to ensure compliance with the Americans with Disabilities Act (ADA). Since a portion of the Ft. Pierce facility is also occupied by the GTA program, these funds will not solely benefit the CSE program, and are therefore not eligible for federal matching dollars.

(10) As required under section 216.043, Florida Statutes, the Department requests \$153,801 in non-recurring funding (General Revenue) for unamortized tenant improvements to a privately-owned lease that has been terminated by the Department of Revenue (DOR) prior to the expiration of its term. In September 2013, DOR relocated CSE and GTA program employees from a privately-owned facility in Clearwater to the state-owned Grizzle Building. Section 216.043 directs that an agency relocating from an active private lease executed after September 30, 2000, to a state-owned building must submit a budget request for the unamortized cost of tenant improvements due in the request year.

(11) The Department requests \$100,000 in nonrecurring federal spending authority (Federal Grants Trust Fund) for a Special Improvement Project (SIP) grant that has been awarded to the Child Support Enforcement Program. The project's goal is to develop court-approved parenting plans for 300 families who are seeking child support order establishment, and to aid in establishing accurate child support

**DEPARTMENT OF REVENUE  
2014-2015 LEGISLATIVE BUDGET REQUEST**

amounts in court orders. The project is administered by the Miami-Dade State Attorney's Office, under a cooperative agreement with the Department.

**Information Services Program**

(12) The Department requests \$2,450,280 in recurring funding (General Revenue) to address threats to information technology (IT) security. This will be accomplished through the services of a managed security service provider (MSSP) that will provide on-site consulting, remote perimeter management, managed security monitoring, system penetration and vulnerability testing, and compliance monitoring. The Department will coordinate its effort with the State of Florida's primary data centers in order to develop security management practices and strategies that will be transferable to other State of Florida agencies. The amount requested for this issue was developed through discussion with an analyst specializing in this area, and includes the costs required to monitor DOR systems and provide dedicated and certified security experts to operate and manage a 24/7/365 Security Operations Center on behalf of the Department.

**Executive Direction and Support Services Program**

(13) The Department requests \$117,583 in recurring funding (General Revenue) to cover cost increases in the Department of Revenue's annual contract with the Attorney General's Office (AG) for legal services related to the administration of state revenue laws. Pursuant to Section 20.21(4), F.S., the Department of Revenue annually enters into a contract with the AG for legal services, including litigation, that are needed for DOR's administration of state revenue laws, as authorized in Section 213.05, F.S. The AG has notified DOR that its operational costs will increase in Fiscal Year 2014-15 as a result of the legislatively authorized competitive pay adjustment and increases in the state's contributions for employee retirement and health insurance. The AG has advised DOR that there will be an \$117,583 increase in its Fiscal Year 2014-15 contract as a result of these changes.

**Department of Revenue**  
**FY 2014-2015**  
**Summary of Issues by Fund Type**  
**All Funds**

	FTE	Recurring General Revenue	Nonrecurring General Revenue	Recurring Trust	Nonrecurring Trust	TOTAL
<b>2013-2014 Approved Budget</b>	<b>5,133.0</b>	<b>\$179,429,341</b>	<b>\$25,112,408</b>	<b>\$313,203,604</b>	<b>\$6,480,840</b>	<b>\$524,226,193</b>
<b>Adjustments to 2013-2014 Approved Budget for 2014-2015</b>						
Nonrecurring Appropriations			(25,112,408)		(6,480,840)	(31,593,248)
Annualization of Administered Funds - State Health Insurance						
Adjustment/Pay Package		2,773,515		3,086,894		5,860,409
<b>Subtotal</b>	<b>5,133.0</b>	<b>182,202,856</b>	<b>0</b>	<b>316,290,498</b>	<b>0</b>	<b>498,493,354</b>
<b>Substantive Issues for Fiscal Year 2014-2015</b>						
<b>General Tax Administration (GTA)</b>						
(1) One Stop Registration		837,150		606,613		1,443,763
(2) Replacement Equipment					32,706	32,706
(3) Nonrecurring Costs Necessary to Consolidate into the Florida Facilities Pool (Hurston Building)			680,389			680,389
(4) Reduction Due to Consolidation into the Florida Facilities Pool (Hurston Building)		(173,350)				(173,350)
(5) Replacement of Motor Vehicles					25,282	25,282
(6) Increase Spending Authority for Collection Agencies				500,000		500,000
(7) Clerks of Court Deficit Transfer Authority				32,500,000		32,500,000
<b>Subtotal</b>	<b>0.0</b>	<b>663,800</b>	<b>680,389</b>	<b>33,606,613</b>	<b>57,988</b>	<b>35,008,790</b>
<b>Child Support Enforcement (CSE)</b>						
(8) Child Support Partner Agency Indirect Costs				881,440		881,440
(9) Fort Pierce Service Center Renovation Costs			337,032		475,649	812,681
(10) Unamortized Tenant Improvement Costs - Clearwater			153,801			153,801
(11) Child Support Program Special Improvement Grant Federal Spending Authority					100,000	100,000
<b>Subtotal</b>	<b>0.0</b>	<b>0</b>	<b>490,833</b>	<b>881,440</b>	<b>575,649</b>	<b>1,947,922</b>
<b>Information Services Program (ISP)</b>						
(12) Information Technology Security Management		2,450,280				2,450,280
<b>Subtotal</b>	<b>0.0</b>	<b>2,450,280</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,450,280</b>
<b>Executive Direction (EXE)</b>						
(13) Legal Services Contract - Attorney General's Office		117,583				117,583
<b>Subtotal</b>	<b>0.0</b>	<b>117,583</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>117,583</b>
<b>Substantive Issue Total</b>	<b>0.0</b>	<b>\$3,231,663</b>	<b>\$1,171,222</b>	<b>\$34,488,053</b>	<b>\$633,637</b>	<b>\$39,524,575</b>
<b>2014-2015 Legislative Budget Request</b>	<b>5,133.0</b>	<b>\$185,434,519</b>	<b>\$1,171,222</b>	<b>\$350,778,551</b>	<b>\$633,637</b>	<b>\$538,017,929</b>

# ATTACHMENT 3

**DEPARTMENT OF REVENUE  
2014 LEGISLATIVE CONCEPTS**

**ADMINISTRATIVE**

\*Confidentiality of Data Security Information..... 1

**GENERAL TAX ADMINISTRATION**

Corporate Income Tax "Piggyback" ..... 2  
Criminal Statute "Glitch" Language ..... 2  
Delinquent Taxpayers: Security Requirement for New Registrations ..... 3  
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**PROPERTY TAX OVERSIGHT**

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\*New Issue for 2014

# ADMINISTRATIVE

## CONFIDENTIALITY OF DATA SECURITY INFORMATION

**STATUTORY REFERENCE:** Section 282.318, Florida Statutes

**CURRENT SITUATION:** Current law provides that certain data security information such as internal policies and procedures, audits, risk analysis information, etc., is confidential and exempt from the public record requirements of s. 119.07(1), F.S. A recent public records request has revealed that other data security information does not have the same protection.

**PROPOSED CHANGE:** The proposal would make Information security documents and related technical information confidential and exempt from the provisions of s. 119.07(1), F.S.

# GENERAL TAX ADMINISTRATION

## CORPORATE INCOME TAX

### CORPORATE INCOME TAX “PIGGYBACK”

**STATUTORY REFERENCE:** Section 220.03, Florida Statutes

**CURRENT SITUATION:** Florida uses portions of the Internal Revenue Code as the starting point in calculating Florida corporate income tax. Each year, the Legislature decides what portions of the new code should be adopted by Florida.

**PROPOSED CHANGE:** The proposal would adopt the 2014 version of the Internal Revenue Code.

## SALES & USE TAX

### CRIMINAL STATUTE GLITCH LANGUAGE

**STATUTORY REFERENCE:** Sections 212.07, 212.12 and 212.18, Florida Statutes

**CURRENT SITUATION:** Recent amendments to the criminal penalties imposed on registration and collection violations do not specifically state the level of offense. Additionally, including the registration violation and the failure to collect violation with the violation for filing of false or fraudulent returns may be confusing.

**PROPOSED CHANGE:** The proposal would specify that a person who willfully fails to register after receiving notice commits a third degree felony and will establish graduated offense degrees for failure to collect taxes after notice. This proposal would clarify these penalties by moving the “failure to register after notice” provision to s. 212.18, F.S., and moving the “failure to collect” provision to s. 212.07, F.S., which are the respective provisions of the statutes that deal with these issues. No new penalties are being created by this proposal.

**DELINQUENT TAXPAYERS:  
SECURITY REQUIREMENTS FOR NEW REGISTRATIONS**

**STATUTORY REFERENCE:** Section 212.14, Florida Statutes

**CURRENT SITUATION:** Delinquent sales tax dealers are able to close down their business with tax liabilities, and to reopen under a new name. This allows the business operators who were in actual control of the business and responsible for non-payment to repeatedly fail to remit sales and use tax for successive businesses.

In these instances, Florida Statutes require businesses to provide a cash deposit, bond, or other security as a condition to register the new business. However, the current provision does not clearly apply to all of the individuals that were operating the prior business.

**PROPOSED CHANGE:** The proposed statutory revision would clearly authorize the Department to require security for individuals or entities that are responsible for prior delinquent tax accounts when they seek to register new businesses.

**REEMPLOYMENT TAX**

**FLOATING INTEREST RATE FOR REEMPLOYMENT TAX**

**STATUTORY REFERENCE:** Section 443.141, Florida Statutes

**CURRENT SITUATION:** Reemployment tax contributions or reimbursements that are unpaid on the due date bear an interest rate of one percent per month (an effective rate of 12 percent). Other taxes that are administered by the Department have an interest rate of prime plus four percent, not to exceed an effective rate of one percent per month. The interest rate is adjusted twice per year and is currently seven percent.

**PROPOSED CHANGE:** This proposal would reduce and make interest rate provisions for reemployment tax the same as other taxes administered by the Department.

## **EXTENSION OF EMPLOYER PROTEST PERIOD**

**STATUTORY REFERENCE:** Section 443.141, Florida Statutes

**CURRENT SITUATION:** In 1996, the protest periods for reemployment tax rate notices and bills for benefit reimbursements were increased to 20 days. However the protest period for reemployment tax assessments was not increased and remains at 15 days.

**PROPOSED CHANGE:** This proposal would increase to 20 days the protest period for reemployment tax assessments. This will align the assessment protest period with other reemployment tax actions.

## **STANDARD RATE FOR NON-COMPLIANCE WITH AUDIT RECORD REQUESTS**

**STATUTORY REFERENCE:** Section 443.131, Florida Statutes

**CURRENT SITUATION:** Florida law provides a standard reemployment tax (RT) rate. However, many businesses earn a lower, preferential rate if they are in compliance. When not in compliance, the law permits the rate to increase to the standard rate. However, this “non-compliance” treatment does not clearly apply to situations where the taxpayer is not complying with records requests during audits.

**PROPOSED CHANGE:** This proposal would permit employer’s rates to increase to the standard rate when the business fails to comply with audit records requests. Once the requested records are provided, the earned rate will be restored.

## **ADMINISTRATION**

### **“ZAPPERS”**

**STATUTORY REFERENCE:** Section 213.295, Florida Statutes

**CURRENT SITUATION:** Automated sales suppression devices or “zappers” are software programs that falsify the records of electronic cash registers and other point-of-sale systems. This technology allows dealers to fraudulently create a virtual second set of records in order to evade state and federal taxes. In the case of sales tax this results in the theft of taxes collected from citizens.

**PROPOSED CHANGE:** This proposal would make it illegal to sell, purchase, install, transfer or possess sales suppression software or devices.

## CLERKS OF THE COURT REMITTANCES – CONFORMING AMENDMENT

**STATUTORY REFERENCE:** Section 213.13, Florida Statutes

**CURRENT SITUATION:** In 2010, the Legislature changed the remittance date for funds collected by the Clerks of the Court from the 20<sup>th</sup> to the 10<sup>th</sup> day of the month immediately after the month in which the funds are collected. The provision in Section 213.13, Florida Statutes, regarding electronic remittance and distribution of funds by the Clerks of the Court was not updated in the legislation.

**PROPOSED CHANGE:** This proposal would amend Section 213.13, Florida Statutes, concerning electronic remittance and distribution of funds from the 20<sup>th</sup> to the 10<sup>th</sup>, to conform and be consistent with the 2010 legislation.

## INCREASE COMPROMISE AUTHORITY

**STATUTORY REFERENCE:** Section 213.21, Florida Statutes

**CURRENT SITUATION:** The current statute allows the Executive Director to enter into a closing agreement compromising tax if there is a “doubt as to liability” or “doubt as to collectability” of the tax assessed. The statute limits the Department’s compromise authority to reduce the tax by \$250,000 or less.

**PROPOSED CHANGE:** This proposal would amend Section 213.21, Florida Statutes, to allow the Executive Director to compromise tax up to \$500,000.

## **PROPERTY TAX OVERSIGHT**

### CLASSIFIED USE PROPERTIES – PROCEDURAL REVIEW

**STATUTORY REFERENCE:** Section 195.096, Florida Statutes

**CURRENT SITUATION:** The Department is required by law to study the level of assessment of all classifications of property that comprise at least five percent of the assessed value in each county. Currently, there are only 22 predominantly rural counties where classified use properties such as agricultural, historical or high-water recharge properties are reviewed because of the five percent threshold.

**PROPOSED CHANGE:** The proposal would replace the requirement for a level of assessment review on classified use properties with a procedural review of property appraiser practices to ensure equity and uniformity.