

**Florida Department of Revenue
Tax Information Publication**

**TIP 05A19-03
Date: July 25, 2005**

**Communications Services Tax
Internet Access Service Charges May Be Excluded from Tax
in Certain Circumstances**

Prior to July 1, 2005, when Internet access service was sold with taxable items or services for a single price, the entire charge was subject to tax. However, in the 2005 session, the Florida Legislature amended the applicable law to comply with federal requirements.

As of July 1, 2005, when the charge for Internet access service is not separately itemized on a customer's bill and the selling dealer can reasonably identify the charge for Internet access from its books and records kept in the regular course of business, the dealer is not required to collect tax on that charge. Books and records include, but are not limited to: general ledgers, price lists, cost records, customer billings, billing system reports, tariffs, and other regulatory filings and rules of regulatory authorities. The dealer may support the allocation of charges with books and records kept in the regular course of business covering the dealer's entire service area, including areas outside the State of Florida.

The Department intends to initiate rulemaking regarding the books and records that must be made available during an audit and examples of methods for determining the reasonableness of allocations made by a dealer. Persons interested in electronically receiving Notices of Rule Development Workshops may register to receive e-mail notification of updates to the Department's Proposed Rules page. To sign up to receive e-mail notification of updates, visit <http://www.myflorida.com/dor/rules/> and use the hyperlink at the bottom of the webpage to register.

References: Chapter 2005-187, Laws of Florida

FOR MORE INFORMATION

This document is intended to alert you to the requirements contained in Florida laws and administrative rules. It does not by its own effect create rights or require compliance.

For forms and other information, visit our Internet site at www.myflorida.com/dor. Or call Taxpayer Services, 8:00 a.m., to 7:00 p.m., ET, Monday through Friday, excluding holidays, at 800-352-3671 or 850-488-6800.

Hearing- or speech-impaired persons should call our TDD at 800-367-8331 or 850-922-1115.

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services, 1379

Blountstown Highway, Tallahassee, FL 32304-2716.