

# Senate Amendment 5524

## Amendment Text

PAG LIN

1 1 Amend [House File 2205](#), as amended, passed, and  
1 2 reprinted by the House, as follows:  
1 3 #1. Page 17, by inserting after line 28 the  
1 4 following:  
1 5 "Sec. 105. Section [421.60](#), subsection 2, Code  
1 6 1999, is amended by adding the following new  
1 7 paragraph:  
1 8 NEW PARAGRAPH. m. (1) The director may abate  
1 9 unpaid state sales and use taxes and local sales and  
1 10 services taxes owed by a retailer in the event that  
1 11 the retailer failed to collect tax from the purchaser  
1 12 as a result of erroneous written advice issued by the  
1 13 department that was specially directed to the retailer  
1 14 by the department and the retailer is unable to  
1 15 collect the tax, interest, or penalties from the  
1 16 purchaser. Before the tax, interest, and penalties  
1 17 shall be abated on the basis of erroneous written  
1 18 advice, the retailer must present a copy of the  
1 19 retailer's request for written advice to the  
1 20 department and a copy of the department's reply. The  
1 21 department shall not maintain a position against the  
1 22 retailer that is inconsistent with the erroneous  
1 23 written advice, except on the basis of subsequent  
1 24 written advice sent by the department to that  
1 25 retailer, or a change in state or federal law, a  
1 26 reported court case to the contrary, a contrary rule  
1 27 adopted by the department, a change in material facts  
1 28 or circumstances relating to the retailer, or the  
1 29 retailer's misrepresentation or incomplete or  
1 30 inadequate representation of material facts and  
1 31 circumstances in requesting the written advice.  
1 32 (2) The director shall abate the unpaid state  
1 33 sales and use taxes and any local sales and services  
1 34 taxes owed by a retailer where the retailer failed to  
1 35 collect the tax from the purchaser on the charges paid  
1 36 for access to on-line computer services as a result of  
1 37 erroneous written advice issued by the department  
1 38 regarding the taxability of charges paid for access to  
1 39 on-line computer services. To qualify for the  
1 40 abatement under this subparagraph, the erroneous  
1 41 written advice shall have been issued by the  
1 42 department prior to July 1, 1999, and shall have been  
1 43 specially directed to the retailer by the department.  
1 44 (3) The director shall prepare quarterly reports  
1 45 summarizing each case in which abatement of tax,  
1 46 interest, or penalties was made. However, the report  
1 47 shall not disclose the identity of the taxpayer. An  
1 48 abatement authorized by this paragraph to a retailer  
1 49 shall not preclude the department from proceeding to  
1 50 collect the liability from a purchaser.  
2 1 Sec. 106. Section [422.45](#), subsection 56, Code  
2 2 Supplement 1999, is amended to read as follows:  
2 3 56. The gross receipts from charges paid to a  
2 4 provider for access to on-line computer services. For  
2 5 purposes of this subsection, "on-line computer  
2 6 service" means a service that provides or enables  
2 7 computer access by multiple users to the internet or

2 8 to other information made available through a computer  
2 9 server."  
2 10 #2. Page 17, by inserting after line 29 the  
2 11 following:  
2 12 "Sec. \_\_\_\_ . EFFECTIVE DATE. Sections 105 and 106  
2 13 of this Act, being deemed of immediate importance,  
2 14 take effect upon enactment."  
2 15 #3. Title page, line 3, by inserting after the  
2 16 word "records" the following: ", relating to sales  
2 17 and use tax exemption for access to electronic  
2 18 commerce,".  
2 19  
2 20  
2 21 \_\_\_\_\_  
2 22 JoANN [JOHNSON](#)  
2 23 [HF 2205.708](#) 78  
2 24 mg/cls