



Pam Bondi Attorney General

Seniors vs Crime

A Special Project of the Florida Attorney General

SVC Case File AL00395

June 3, 2014

Shayla McNeill
Gainesville Regional Utilities
Utilities Attorney
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Dear GRU Attorney McNeill:

Thank you for your May 28, 2014 letter concerning application of GRU's 10% municipal tax (Public Service Tax) to the Electric Customer Charge and your offer for this office to submit additional questions.

Our complainant, Mr. Konish of Gainesville, FL, presents to this office that the Public Service Tax allowed by Florida statute 166.231(1)(a) relating to electricity is allowed only upon the purchase of electric power by a person who will consume it within the municipality. Research by this office finds the Public Service Tax to be a locally optional tax, allowable from 0.0% to 10.0%.

Additional research finds the Public Service Tax is and has been charged against residential electric fees that appear not to be the purchase of electric power; specifically, the Florida Gross Receipts Tax upon city residents and the Florida Gross Receipts Tax and Electric Surcharge (FL Admin. Code 25-9.0525) upon county residents. The concern raised by this office's research is whether the Florida Gross Receipts Tax and Electric Surcharge are the "purchase of electric power" or whether these items are non-consumption charges and thereby not subject to the Public Service Tax because they are not an actual purchase of electric power?

Tax is defined in Black's Law Dictionary as any contribution imposed by government.

Surcharge is defined in Florida's Consumer Protection law, in part, as any additional amount imposed at the time of a sale or lease transaction by the seller or lessor that increases the charge to the buyer or lessee for the privilege of....

This office would appreciate hearing from you by U.S. Mail regarding the above.

Thank you for your consideration.

Sincerely,

File COPY

John Caravella
SVC Office Manager

via U.S. First Class mail
email – A. Murnahan

PREVENTING VICTIMIZATION AND PROVIDING A WAY FOR SENIORS TO CONTRIBUTE TO THE SAFETY OF ALL FLORIDIANS