



# TIP

## Tax Information Publication

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## 2022 Sales Tax Exemption Period on Children's Books – May 14, 2022 Through August 14, 2022

Florida's first sales tax exemption period on children's books begins Saturday, May 14, 2022, and ends Sunday, August 14, 2022. During the sales tax exemption period, tax is not due on the retail sale of children's books.

"Children's books" means any fiction or nonfiction book primarily intended for children ages 12 or younger, including any board book, picture book, beginning reader book, juvenile chapter book, middle grade book or audiobook on CD or tape. If a book is labeled with an age range that includes 12 years old and younger, then the book qualifies for the exemption.

The exemption does not apply to books that are primarily intended for or marketed to adults, even if the book is purchased for a child 12 years old or younger.

**Note:** Bibles, prayer books and school books are always exempt. School books include printed textbooks and workbooks containing printed instructional material, such as questions and answers, that are used in regularly prescribed courses of study in schools offering grades K through 12.

**References:** Section 48, Chapter 2022-97, Laws of Florida; Emergency Rule 12AER22-2, Florida Administrative Code

### Reporting Sales

Florida dealers should report the sales of children's books sold during the sales tax exemption period as exempt sales on their sales tax returns.

### Sets Having Exempt and Taxable Items

When tax-exempt items are normally sold together with taxable merchandise as a set or single unit, the sales price of the set or unit is subject to sales tax.

### Gift Cards

The sale of a gift card is not taxable. Eligible items purchased during the sales tax exemption period using a gift card qualify for the exemption, regardless of when the gift card was purchased. Eligible items purchased with a gift card after the sales tax exemption period are taxable, even if the gift card was purchased during the sales tax exemption period.

### Remote Sales

Eligible items purchased through a marketplace provider or from a remote seller are exempt from Florida sales tax when the order is accepted by the marketplace provider or remote seller during the sales tax exemption period for immediate shipment, even if delivery is made after the sales tax exemption period.

### Returns

When a customer returns an eligible item purchased during the sales tax exemption period and requests a refund or credit of tax:

- The customer must produce a receipt or invoice showing showing the purchase was made during the exemption period and Florida sales tax was charged and paid on the original purchase of the item; or
- The selling retailer must have sufficient documentation to show Florida sales tax was paid on the purchase of the item.

### Exchanging a Purchase After the Sales Tax Exemption Period

When a customer purchases an eligible item during the sales tax exemption period, then later exchanges the book for another tax-exempt item, no tax will be due even if the exchange is made after the sales tax exemption period.

When a customer purchases an eligible item during the sales tax exemption period, then later returns the item and receives credit toward the purchase of an item that did not qualify for the exemption, the new item purchased is subject to sales tax.

### **Rain Checks**

Eligible items purchased during the sales tax exemption period using a rain check qualify for the exemption regardless of when the rain check was issued. However, issuance of a rain check during the sales tax exemption period will not allow for an eligible item to be exempt if the item is purchased after the sales tax exemption period.

### **Layaway Sales**

A layaway sale is a transaction in which merchandise is set aside for future delivery to a customer who makes a deposit, agrees to pay the balance of the purchase price over a period of time and receives the merchandise at the end of the payment period.

Eligible items sold as layaway sales qualify for the exemption when the customer:

- Accepts delivery of the merchandise during the sales tax exemption period, or
- Puts an eligible item on layaway, even if final payment is made after the sales tax holiday period.

### **Shipping and Handling**

When separately stated shipping charges are part of the sales price and both taxable and exempt items are listed on a sales invoice or receipt, the shipping charges must be proportionately allocated to the charge for each item to determine the total sales price of the item. The charge for each item is divided by the total charge of all the items ordered to obtain the percentage of charge that each item bears to the total order. The amount of the shipping charge applicable to each item is calculated by multiplying the total shipping charge by the percentage of cost for each item. If the item sold is exempt, the associated shipping charge is also exempt.

### **Panama City and Panama City Beach Dealers Only:**

Panama City and Panama City Beach impose a 1% merchant's license fee or tax on retailers. The merchant's license fee is included in the sales price of each item. When the fee is separately stated, and both taxable and exempt items are listed on a sales invoice or receipt, the merchant's license fee must be allocated to the charge for each item on the invoice. If the item is exempt, the associated merchant's license fee is exempt.

### **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 the Department's website at [floridarevenue.com](http://floridarevenue.com) or call Taxpayer Services at 850-488-6800, Monday through Friday (excluding holidays).

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services MS 3-2000, 5050 West Tennessee Street, Tallahassee, FL 32399-0112.

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