



Refund Sampling Methodology Application

for

Sales and Use Tax

General Instructions

- All of Part I is **required** and must be completed.
- Complete Part II or III, **not both**.
- Submit one *Refund Sampling Methodology Application* **per sample**.
- Provide an explanation if you are unable to answer any of the questions.
- An incomplete *Refund Sampling Methodology Application* may cause a delay in processing.
- Part IV must be signed, as appropriate.
- **Attach:**
 - ✓ a properly executed *Power of Attorney* (Form DR-835), if applicable.
 - ✓ audited financial statements, if applicable.
 - ✓ written responses to each of the questions.

If you have questions or need assistance completing this form, call:

850-488-8937

Mail completed form, attachments and documentation to:

**FLORIDA DEPARTMENT OF REVENUE
REFUNDS SUBPROCESS
PO BOX 6470
TALLAHASSEE FL 32314-6470**



Refund Sampling Methodology Application

FOR DOR USE ONLY Approval # _____ Approved (date) _____

PART I – all of Part I is REQUIRED and must be completed **Also reference Rule 12-26, F.A.C.**

The submission of this application will not toll the statute of non-claim. However, filing an *Application for Refund* (Form DR-26S) with the Department will toll the statute for refund. Complete Part 1 and Part II or Part III and attach appropriate documentation. Part IV must be completed and signed, as appropriate, or the form is not complete. Type or print clearly.

| QUESTIONS | INFORMATION/GUIDELINES | | | | | | | | | | | | | | |
|--|---|---|-------------------|------------------|--|--------------------------------------|-------------------|--|--|--|----------------------------|---|--|---|--|
| <p>A Provide the name, address and contact numbers of the applicant/ payee. Payee is the person (entity) that remitted tax payment to the Department. If the applicant is not the payee, an assignment of rights should be included with the refund documentation.</p> | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">Name of applicant/payee:</td> </tr> <tr> <td>Mailing address:</td> <td>City, State, ZIP:</td> </tr> <tr> <td>Location address (other than above):</td> <td>City, State, ZIP:</td> </tr> <tr> <td>Business telephone number (include area code): ()</td> <td>Home telephone number (include area code): ()</td> </tr> <tr> <td>Fax number including area code (optional): ()</td> <td>E-mail address (optional):</td> </tr> </table> | Name of applicant/payee: | | Mailing address: | City, State, ZIP: | Location address (other than above): | City, State, ZIP: | Business telephone number (include area code): () | Home telephone number (include area code): () | Fax number including area code (optional): () | E-mail address (optional): | | | | |
| Name of applicant/payee: | | | | | | | | | | | | | | | |
| Mailing address: | City, State, ZIP: | | | | | | | | | | | | | | |
| Location address (other than above): | City, State, ZIP: | | | | | | | | | | | | | | |
| Business telephone number (include area code): () | Home telephone number (include area code): () | | | | | | | | | | | | | | |
| Fax number including area code (optional): () | E-mail address (optional): | | | | | | | | | | | | | | |
| <p>B Provide the Sales Tax Registration Number for the applicant requesting the refund.</p> | <p>Sales tax registration number:</p> <table style="width: 100%; text-align: center;"> <tr> <td style="border: 1px solid black; width: 20px; height: 20px;"> </td> <td style="border: 1px solid black; width: 20px; height: 20px;"> </td> <td style="border: 1px solid black; width: 20px; height: 20px;">-</td> <td style="border: 1px solid black; width: 20px; height: 20px;"> </td> <td style="border: 1px solid black; width: 20px; height: 20px;"> </td> <td style="border: 1px solid black; width: 20px; height: 20px;">-</td> <td style="border: 1px solid black; width: 20px; height: 20px;"> </td> <td style="border: 1px solid black; width: 20px; height: 20px;"> </td> <td style="border: 1px solid black; width: 20px; height: 20px;"> </td> <td style="border: 1px solid black; width: 20px; height: 20px;">-</td> <td style="border: 1px solid black; width: 20px; height: 20px;"> </td> <td style="border: 1px solid black; width: 20px; height: 20px;"> </td> <td style="border: 1px solid black; width: 20px; height: 20px;">/</td> <td style="border: 1px solid black; width: 20px; height: 20px;"> </td> </tr> </table> | | | - | | | - | | | | - | | | / | |
| | | - | | | - | | | | - | | | / | | | |
| <p>C Indicate the collection period and date taxes were remitted to the Department.</p> | <p>(1) Collection Period: _____ Note: Do not include period(s) outside the statute of limitation for refund.</p> <p>(2) Date sales tax was paid to the Department _____</p> | | | | | | | | | | | | | | |
| <p>D Indicate which sampling approach you will be using by checking one of the boxes below:</p> <p><input type="checkbox"/> (1) Certified Audit Program</p> <p><input type="checkbox"/> (2) C. P. A. Attestation</p> <p><input type="checkbox"/> (3) Department of Revenue Approved Methodology</p> <p>Note: All sampling methods, whether statistical or non-statistical, will be performed in accordance with Rule 12-26.0041, F.A.C.</p> | <p>(1) Certified Audit Program: This option requires registration in the Certified Audit Program pursuant to s. 213.285, F.S. All required forms and documentation shall be provided through the qualified practitioner as provided in Rule 12-25.051, F.A.C. (Mail the <i>Refund Sampling Methodology Application</i> and other information directly to Certified Audit.)</p> <p style="text-align: center;">FLORIDA DEPARTMENT OF REVENUE CERTIFIED AUDIT SUBPROCESS SOUTHWOOD 3RD FL PO BOX 5139 TALLAHASSEE FL 32399</p> <p>(2) C. P. A. Attestation: All sampling methods under this option, whether statistical or non-statistical, will be performed in accordance with Rule 12-26.0041, F.A.C. Refund requests using a sampling method conducted through attestation by a certified public accountant pursuant to the authority of s 212.12(6)(c)3., F.S., are attestation engagements that are conducted under Statements on Standards for Attestation Engagements, #10 – Agreed Upon Procedures. Any non-statistical sampling method must be agreed upon and approved in writing by the Department. A taxpayer that elects to conduct the sample by attestation by a Certified Public Accountant should attach a properly executed <i>Power of Attorney</i> (Form DR-835).</p> <p>(3) Department of Revenue Approved Methodology: All methodology whether statistical or non-statistical under this option must be approved by the Department in writing prior to a refund being granted.</p> | | | | | | | | | | | | | | |
| <p>E If you have selected (2) or (3) in question D above, complete this step. Provide the name, title and telephone number of person(s) planning and/or conducting the sample including degrees earned.</p> | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Name of person(s) planning and/or conducting the sample</td> <td>Degree(s) earned:</td> </tr> <tr> <td>Title:</td> <td>Business telephone number (include area code):</td> </tr> </table> <p>Attach documentation of the source(s) of sampling training, course name(s), curriculum, date(s) of completion or attach a copy of the certificate of completion from the Department of Revenue sampling training course. A taxpayer that elects to conduct the sample through a representative should attach a properly executed <i>Power of Attorney</i> (Form DR-835). For more information about the Department of Revenue sampling training course, contact the Refunds Subprocess at 850-488-8937.</p> | Name of person(s) planning and/or conducting the sample | Degree(s) earned: | Title: | Business telephone number (include area code): | | | | | | | | | | |
| Name of person(s) planning and/or conducting the sample | Degree(s) earned: | | | | | | | | | | | | | | |
| Title: | Business telephone number (include area code): | | | | | | | | | | | | | | |
| <p>F Explain why you are sampling.</p> | <p>In your response, describe why the records you have chosen should be sampled instead of detailed. Describe the advantages of sampling these records.</p> | | | | | | | | | | | | | | |

| QUESTIONS | INFORMATION/GUIDELINES |
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| <p>G Describe the nature of your business operations.</p> | <p>In your response, describe the following items in detail and how they pertain to your business (if applicable):</p> <ul style="list-style-type: none"> • General nature of business / industry • Internal controls • Reliability of records • Seasonal and business cycle effects • Divisions/locations • Safeguards for records • Changes in any of the above during the refund period |
| <p>H Explain how your records are kept.</p> | <p>In your response, describe in detail how your records are kept; (i.e., alphabetical, numerical, date order, vendor, machine sensitive, microfiche/microfilm, hard copy, electronic record). This includes any software applications used in the production or storage of your records, (e.g., Quickbooks, Peachtree). Also provide a chart of accounts from the refund period, including a numbered chart of accounts and any other necessary descriptions. If the chart of accounts changed during the refund period, provide copies of all charts of accounts from the refund period. Be sure to include any changes in accounting or recordkeeping procedures or personnel during the refund period.</p> |
| <p>I Identify the following for the population to be sampled.</p> <ol style="list-style-type: none"> (1) Types of transactions (2) All items to be included (3) All items to be excluded (4) Total number of transactions (or invoices) (5) Total dollar value of the transactions <p>Note: Fixed assets cannot be sampled.</p> | <ol style="list-style-type: none"> (1) Identify the types of transactions in the population to be sampled. The population to be sampled is all accounts, invoices, vendors, or other records (i.e., non-taxable sales, use tax accrued in error, etc.) (2) Identify all accounts, invoices, vendors, or other records to be included in the population to be sampled. (3) Identify all accounts, invoices, vendors, or other items to be excluded from your population to be sampled. Provide an explanation for why items are excluded. (4) Provide the total number of invoices in the population to be sampled. Population to be sampled means the records from which the sample will be drawn. (5) Provide the dollar value of the invoices in the population to be sampled in (4) above. |
| <p>J Describe how the following items will be handled if found in the sample: extra-ordinary items, corrections, reclassifications, tax-only items, voids, duplicates, installments, and credits.</p> | <p>Describe how the items identified will be handled.</p> <p>Note: The completed sample will include both underpayments and overpayments of tax in projecting the refund amount. Missing records selected in the random sample that cannot be located will be taxable.</p> |
| <p>K Identify which sampling method you will be using by checking one of the boxes below:</p> <p style="text-align: center;"> <input type="checkbox"/> Non-statistical Sampling Complete Part II ONLY </p> <p style="text-align: center;"> <input type="checkbox"/> Statistical Sampling Complete Part III ONLY </p> | |

PART II – Non-statistical Sampling

Complete either Part II or Part III, not both.

| | | | | | | | | | | | | |
|--|---|---|--|------------------------------------|--------------------|---|---------------------------------|----------------|--|--|---|---|
| <p>A Identify the sample selection method you will be using.</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <input type="checkbox"/> Simple random sample <input type="checkbox"/> Without stratification <input type="checkbox"/> With stratification <input type="checkbox"/> Other, please explain </div> <div style="width: 30%;"> <input type="checkbox"/> Systematic random sample <input type="checkbox"/> Without stratification <input type="checkbox"/> With stratification <input type="checkbox"/> Other, please explain </div> <div style="width: 30%;"> <input type="checkbox"/> Cluster, please explain </div> </div> | | | | | | | | | | | | |
| <p>B Describe the advantages of the chosen method. Attach a detailed description.</p> | | | | | | | | | | | | |
| <p>C Explain your sampling plan in detail noting the following items.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">1. Type of sample (imaging, journals, time periods, microfiche, etc.)</td> <td style="width: 33%;">4. Number of ranges</td> <td style="width: 33%;">8. Method of establishing correspondence</td> </tr> <tr> <td>2. Beginning number for each range</td> <td>5. Population size</td> <td>9. Method of selecting and using spares</td> </tr> <tr> <td>3. Ending number for each range</td> <td>6. Sample size</td> <td>10. The estimator used (difference or ratio)</td> </tr> <tr> <td></td> <td>7. Method used to determine sample size</td> <td>11. Other pertinent sampling plan information</td> </tr> </table> | 1. Type of sample (imaging, journals, time periods, microfiche, etc.) | 4. Number of ranges | 8. Method of establishing correspondence | 2. Beginning number for each range | 5. Population size | 9. Method of selecting and using spares | 3. Ending number for each range | 6. Sample size | 10. The estimator used (difference or ratio) | | 7. Method used to determine sample size | 11. Other pertinent sampling plan information |
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| | 7. Method used to determine sample size | 11. Other pertinent sampling plan information | | | | | | | | | | |

NOTE: Submit one Refund Sampling Methodology Application per sample.

PART III – Statistical Sampling **Complete either Part II or Part III, not both.**

A Identify the sample **selection** method you will be using.

| | | |
|---|---|--|
| <input type="checkbox"/> Simple random sample | <input type="checkbox"/> Systematic random sample | <input type="checkbox"/> Cluster, please explain |
| <input type="checkbox"/> Without stratification | <input type="checkbox"/> Without stratification | |
| <input type="checkbox"/> With stratification | <input type="checkbox"/> With stratification | |
| <input type="checkbox"/> Other, please explain | <input type="checkbox"/> Other, please explain | |

B Describe the advantages of the chosen method. Attach a detailed description.

C Explain your sampling plan in detail noting the following items.

| | | |
|--|---|---|
| 1. Population size 2. Sample size 3. Method used to determine sample size 4. Method of selecting and using spares 5. Method of calculating precision | 6. If stratification is used: a) Method of determining stratum boundaries b) Number of strata c) Detail threshold amount | 7. For sample analysis: a) Precision amount b) Confidence level c) Method used to calculate precision 8. The estimator used (difference or ratio) 9. Other pertinent sampling plan information |
|--|---|---|

PART IV – Certification **Part IV must be completed.**

A Under penalties of perjury, I declare that I have read the foregoing *Refund Sampling Methodology Application* and all documents attached to it and that to the best of my information and belief the records referred to in them concerning the refund request for the period _____ through _____ are adequate and voluminous, as provided in s. 212.12(6)(c), F.S., and in Rule 12-3.0012(3) and (4), F.A.C., for the entire period for which a refund is requested.

| | |
|----------------------|-----------------------------------|
| Name (Print or Type) | Federal Tax Identification Number |
| Signature and Title | Date |

B If the sampling will be conducted through either the Certified Audit Program or by C.P.A. attestation, selection (1) or (2) in Question D of Part I of this form, Section B of Part IV must be completed and signed. If you have selected (3) in Question D of Part I of this form, Section B of Part IV must be completed and signed **or** submit a complete set of audited financial statements, with an unqualified opinion, for each fiscal year included in the refund period. For an incomplete current fiscal year, you may submit unaudited financial statements.

I, _____, certify that the above statement concerning the financial records of _____ in regards to the refund request filed with the Department of Revenue under section 212.12(6)(c)3., F.S., is an accurate representation of such records as provided in s. 212.12(6)(c), F.S., and in Rule 12-3.0012(3) and (4), F.A.C.

| | |
|----------------------|-------------------------|
| Name (Print or Type) | CPA license number |
| Signature | Date |
| CPA Firm Name | CPA Firm license number |