



Sales and Use Tax on Aircraft Information for Dealers and Brokers

Who Must Register to Collect Tax?

Any person who sells, offers for sale, or imports aircraft into Florida for sale at retail must register with the Department as an aircraft dealer. Aircraft brokers offer aircraft for sale, but may not have the aircraft in their possession. Aircraft brokers are also required to register with the Department as an aircraft dealer.

You can register to collect and report tax through our website at www.floridarevenue.com. The site will guide you through an application interview that will help you determine your tax obligations. If you do not have Internet access, you can complete a paper *Florida Business Tax Application* (Form DR-1).

What is Taxable?

Sales and Use Tax

All aircraft sold, delivered, used, or stored in Florida are subject to Florida's sales and use tax, plus any applicable discretionary sales surtax, unless exempt. Florida aircraft dealers and brokers are required to collect tax from the purchaser at the time of sale or delivery.

Discretionary Sales Surtax

Most counties impose a local option discretionary sales surtax. The surtax is due when the aircraft is delivered by the dealer or broker to a location within a county that imposes a surtax or when the use of the aircraft occurs within a county imposing a surtax. Discretionary sales surtax applies to the first \$5,000 of the purchase price. Form DR-15DSS, *Discretionary Sales Surtax Information*, provides a list of Florida counties and their surtax rates. This form is available in the "Forms and Publications" section of the Department's website.

Trade-In Allowance

A registered aircraft dealer or broker may deduct a trade-in allowance from the purchase price of the aircraft when, in a single transaction, tangible personal property (not real property) is traded as part of the aircraft purchase.

When is Tax Due?

Returns and payments are due the first day of the month and late after the 20th of the month following each reporting period, whether you are filing monthly, quarterly, twice a year, or yearly. If the 20th falls on a Saturday, Sunday, or state or federal holiday, returns and payments will be timely if they are postmarked on the first business day after the 20th. **Florida law requires you to file a tax return even if you do not owe sales and use tax.**

Electronic Filing and Payment

We offer the use of our free and secure website to file and pay sales tax. You also have the option of buying software from a software vendor. For more information on electronic filing and payment options, visit our website.

You may voluntarily file and pay taxes electronically; however, if you pay \$20,000 or more in sales and use tax between July 1 and June 30 (the state fiscal year), you must use electronic funds transfer (EFT) for the next calendar year to pay your taxes.

If you make tax payments using electronic funds transfer (EFT), you must initiate electronic payments no later than 5:00 p.m., ET, on the business day before the 20th.

Alternative Method for Calculating Estimated Tax

Aircraft dealers and brokers may use an alternative method to calculate estimated sales tax. To qualify for the alternative method, you must have made at least one sale of an aircraft with a selling price of \$200,000 or more in the prior state fiscal year (July 1 – June 30). Dealers and brokers must apply before October 1 of **each** year and be approved by us to use this method. To apply, fill out and mail a *Boat, Motor Vehicle, or Aircraft Dealer Application for Special Estimation of Taxes* (Form DR-300400) to the Department.

For aircraft dealers and brokers who are approved to use the alternative method for calculating estimated tax, payment of tax on sales of aircraft with a sales price of \$200,000 or more is due on the date of the sale.

Penalty and Interest

Penalty - If you file your return or pay tax late, a late penalty of 10 percent of the amount of tax owed, but not less than \$50, may be charged. The \$50 minimum penalty applies even if no tax is due. Penalty will also be charged if your return is incomplete.

Interest - A floating rate of interest applies to underpayments and late payments of tax. Current and prior period interest rates are posted on our website.

Specific Exemptions

Aircraft Sold to Nonresidents – An aircraft sold by or through a registered dealer or broker to a purchaser who is a nonresident of Florida at the time of taking delivery of the aircraft in Florida is exempt.

The nonresident purchaser must meet the following requirements:

- The nonresident purchaser must sign an affidavit (Form GT-500002) stating that he or she has read the law and rules regarding the specific exemption claimed. When completing the affidavit, the nonresident purchaser must elect to:
 - Remove the aircraft from Florida within 10 days of the date of purchase;
 - Place the aircraft in a Florida registered repair facility; or
 - Allow the aircraft to remain in Florida exclusively for flight training, repairs, alterations, refitting, or modifications.
- Within 5 days of the date of sale, the dealer or broker must provide the Department with a copy of the invoice, bill of sale, and/or closing statement, and the original, signed, removal affidavit.
- Within 10 days of removal of the aircraft from Florida, the nonresident purchaser must provide the Department with documentation evidencing the removal of the aircraft from Florida. **Note:** Receipts for fuel, repairs, or tie-down or hangar charges from outside Florida must identify the aircraft.
- Within 30 days of removal of the aircraft from Florida, the nonresident purchaser must provide the Department with written documentation evidencing that registration of the aircraft outside Florida has occurred or documentation that the nonresident purchaser has submitted an application for registration to the Federal Aviation Administration.

This exemption does not apply to a Florida resident, an entity where the controlling person is a Florida resident, or a corporation where any officers or directors are Florida residents.

Documentation must be mailed to:

Florida Department of Revenue
Compliance Campaigns
PO Box 6417
Tallahassee FL 32314-6417

Aircraft Temporarily in Florida – An aircraft owned by a nonresident of Florida is exempt from use tax if the aircraft enters and remains in Florida for no more than a total of 20 days during the six-month period after the date of purchase.

An aircraft owned by a nonresident of Florida is exempt from use tax if the aircraft enters and remains in Florida exclusively for flight training, repairs, alterations, refitting, or modifications. The days the aircraft remains in Florida for these purposes are not included in the nonresident's 20-day period. See Tax Information Publication (TIP) 10A01-11 issued on June 29, 2010.

Repairs, Maintenance, Parts, and Labor – Replacement engines, parts, equipment, and labor used in or for the maintenance or repair of fixed wing or rotary wing aircraft (helicopters) with a certified maximum takeoff weight of more than 2,000 pounds are exempt from sales and use tax. Dealers who make tax-exempt charges for replacement engines, parts, equipment, and labor used in or for the maintenance or repair of aircraft over 2,000 pounds are required to document the Federal Aviation Administration registration number ("N-number") and the maximum certified takeoff weight of the eligible aircraft on the bill of sale, invoice, or other tangible evidence of sale.

Fixed Wing Aircraft Sales or Leases – The sale or lease of fixed wing aircraft having a maximum certified takeoff weight of more than 15,000 pounds and used by a "common carrier," as defined in Section 121 or 129 Federal Aviation Administration Regulations, is exempt from sales and use tax.

Reference Material

Tax Laws – Our online Revenue Law Library contains statutes, rules, legislative changes, opinions, court cases, and publications.

Brochures – Download these brochures from our "Forms and Publications" page:

- *Florida's Sales and Use Tax* (GT-800013)
- *Florida's Discretionary Sales Surtax* (GT-800019)
- *Sales and Use Tax on Aircraft Information for Owners and Purchasers* (GT-800008)

Information, forms, and tutorials are available on our website: **www.floridarevenue.com**

To speak with a Department representative, call Taxpayer Services at 800-352-3671, Monday through Friday, excluding holidays.

For written replies to tax questions, write to:

Taxpayer Services – MS 3-2000
Florida Department of Revenue
5050 W Tennessee St
Tallahassee FL 32399-0112

To find a **taxpayer service center** near you, go to: **www.floridarevenue.com/Pages/contact.aspx**

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