



# Florida Sales and Use Tax

## Sales Tax

Each sale, admission, purchase, storage, or rental in Florida is taxable, unless the transaction is exempt. Florida imposes a general state sales tax rate of 6% on sales and purchases of items, services, and transient rentals, and the following state tax rates:

- 4% on amusement machine receipts;
- 5.8% on leases and licenses of commercial real property; and
- 6.95% on electricity.

## Discretionary Sales Surtax

In addition to the state sales tax rate, many Florida counties have a discretionary sales surtax that applies to most transactions subject to sales and use tax. The county surtax rate applies to a taxable item or service delivered into a county imposing a surtax. The surtax rate for motor vehicles and mobile homes is determined by the home address of the purchaser. For certain transactions, only the first \$5,000 of a taxable sale or purchase is subject to the discretionary sales surtax.

Discretionary sales surtax rates vary by county. The rates range from 0.5% to 2%; however, there are some counties that do not impose a surtax. The *Discretionary Sales Surtax Information* (Form DR-15DSS), updated yearly in November, provides the surtax rates for each Florida county.

## Transient Rental Taxes

In addition to state sales and use tax and discretionary sales surtax, Florida law allows counties to impose local option transient rental taxes on rentals or leases of accommodations in hotels, motels, apartments, rooming houses, mobile home parks, RV parks, condominiums, or timeshare resorts for a term of six months or less.

In many counties, the local transient rental taxes are reported and remitted directly to the local government; however, sales tax and discretionary sales surtax on transient rentals are always reported and remitted to the Department. The *County Local Option Transient Rental Tax Rates* (Form DR-15TDT) provides the transient rental tax rate for each Florida county.

## Florida's Bracket System

Florida uses a bracket system for calculating sales tax and surtax on each transaction when the transaction falls between two whole dollar amounts. Multiply the whole dollar amount by the tax rate (state tax rate plus the county discretionary sales surtax rate) and use the bracket system to calculate the tax on amounts less than one dollar. The *Common Sales Tax Brackets* (Form DR-2X) includes brackets for the combined state rate and various discretionary sales surtax rates.

## Taxable Purchases - Use Tax

Use tax is due on the use or consumption of taxable goods or services when Florida sales tax was not paid at the time of purchase. For example:

- If you buy a taxable item in Florida and did not pay sales tax, you owe use tax.
- If you buy an item tax-exempt intending to resell it, and then use the item in your business or for personal use, you owe use tax.
- If you buy a taxable item outside Florida and bring it into (or have it delivered into) Florida, and you did not pay sales tax on the item, you owe use tax.

## Who Must Register to Collect Tax?

If your business will sell taxable goods or services, you must register to collect, report, and remit sales and use tax **before you begin conducting business in Florida**. Each of your Florida business locations must be registered. Examples of business transactions subject to Florida sales and use tax are:

- Sales of retail goods (new and used).
- Sales of prepared foods and meals.
- Sales of service warranties.
- Sales of taxable services (e.g., investigative and crime protection services, interior nonresidential cleaning services, and nonresidential pest control services).
- Rental or lease of personal property (e.g., vehicles, machinery, equipment, or other goods).
- Repairs or alterations of items.
- Charges for renting, leasing, or licensing the use of real property (e.g., commercial office or retail space, self-storage units, or mini-warehouses).
- Charges for renting, leasing, or licensing living, sleeping or housekeeping accommodations for rental periods of six months or less (e.g., “transient rental accommodations” such as hotel and motel rooms, condominium units, timeshare resort units, beach or vacation houses, campground sites, or trailer or RV parks).
- Charges for admission to any place of amusement, sport, or recreation.
- Operating membership clubs that provide recreational or physical fitness facilities.
- Operating vending machines or amusement machines.

## How Do I Register to Collect Sales Tax?

You can register to collect, report and pay sales tax and discretionary sales surtax online at [floridarevenue.com/taxes/registration](http://floridarevenue.com/taxes/registration). The online system will guide you through a series of questions to help determine your tax obligations. If you do not have internet access, you can complete a paper *Florida Business Tax Application* (Form DR-1).

As a registered sales and use tax dealer, a *Certificate of Registration* (Form DR-11) and a *Florida Annual Resale Certificate for Sales Tax* (Form DR-13) will be mailed to you. If you are not filing electronically, paper tax returns will be mailed to you. The *Certificate of Registration* must be displayed in a clearly visible place at your business location. The *Florida Annual Resale Certificate for Sales Tax* is used for tax-exempt purchases you intend to resell. If the goods bought for resale are later used (not resold), you must report and pay use tax and surtax on those items. Florida law provides for criminal and civil penalties for fraudulent use of a *Florida Annual Resale Certificate for Sales Tax*.

## Filing and Paying Tax

You can file returns and pay sales and use tax, plus any applicable surtax, using the Department’s online file and pay website at [floridarevenue.com/taxes/filepay](http://floridarevenue.com/taxes/filepay) or you may purchase software from a software vendor. A list of software vendors is available on the Department’s website at [floridarevenue.com/taxes/eservices](http://floridarevenue.com/taxes/eservices).

Returns and payments are due on the 1st and late after the 20th day 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 are timely if filed electronically, postmarked or hand-delivered 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.**

When you electronically pay only or you electronically file and pay at the same time, you must initiate your electronic payment and receive a confirmation number no later than 5:00 p.m., ET, on the business day prior to the 20th. Keep the confirmation number in your records. The *Florida e-Services*

*Calendar of Due Dates* (Form DR-659) provides a list of deadlines for initiating electronic payments on time and is available on the Department's website at [floridarevenue.com/forms](http://floridarevenue.com/forms).

If you file your return or pay tax late, a late penalty of 10% of the amount of tax owed, but not less than \$50, may be charged. The \$50 minimum penalty applies also to businesses that file a late return even if no tax is due. Penalty will also be charged if your return is incomplete. A floating rate of interest applies to underpayments and late payments of tax. Interest rates are available on the Department's website at [floridarevenue.com/taxes/rates](http://floridarevenue.com/taxes/rates).

## Updating Your Business Information

The quickest way to notify the Department of changes to your account, such as updates to your name, address or location, or when you temporarily suspend or resume business operations, is online at [floridarevenue.com/taxes/updateaccount](http://floridarevenue.com/taxes/updateaccount).

If you close or sell your business, **you must file a final return and pay all taxes due within 15 days** after closing or selling the business. Your final return must cover the period from your most recent return filing to the closing date.

## Resources for Business Success: Partnership with SCORE

The Department is proud to partner with SCORE to provide tools and resources to help businesses succeed. SCORE is a nonprofit association of volunteer business counselors supported by the U.S. Small Business Administration. In partnership with SCORE, the Department presents webinars on topics that provide important information for your business. Webinars are available through the Department's website at [floridarevenue.com/taxes/education](http://floridarevenue.com/taxes/education).

## Reference Material

**Brochures** – Download these brochures from [floridarevenue.com/forms](http://floridarevenue.com/forms):

- *Florida's Discretionary Sales Surtax* (GT-800019)
- *Florida Annual Resale Certificate for Sales Tax* (GT-800060)

**Industry-specific brochures** are also available on the Department's website.

## Contact Us

Information, forms and tutorials are available on the Department's website at [floridarevenue.com](http://floridarevenue.com).

**To speak with a Department of Revenue representative**, call Taxpayer Services at 850-488-6800, Monday through Friday, excluding holidays.

## Subscribe to Receive Updates by Email

Visit [floridarevenue.com/dor/subscribe](http://floridarevenue.com/dor/subscribe) to sign up to receive an email when the Department posts:

- Tax Information Publications (TIPs).
- Proposed rules, including notices of rule development workshops and emergency rulemaking.
- Due date reminders for reemployment tax and sales and use tax.