



Beginning Your Relationship with the Florida Department of Revenue

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What new dealers should know about collecting, reporting, and paying Florida sales and use tax.

Welcome

Thank you for registering to collect, report, and remit Florida sales and use tax. Your business plays a vital role in strengthening the State's economy. It is our goal to assist you by making it easier for you to comply with Florida tax laws. Please use the contact information listed on this brochure to let us know if you have any questions or suggestions. We wish you much success!

Leon M. Biegalski
Executive Director

Important Documents

Your **Certificate of Registration (Form DR-11)** is enclosed. It authorizes you to conduct business at the address shown. You must display it in a clearly visible place at your business location. Your certificate includes your certificate number and your business partner number. When you contact the Department, provide these numbers to identify your business location.

Your **Florida Annual Resale Certificate for Sales Tax (Form DR-13)** is also enclosed. The *Florida Annual Resale Certificate for Sales Tax* is used for tax-exempt purchases or rentals of property or services you intend to resell or re-rent as part of your business. 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*.

Florida Annual Resale Certificates for Sales Tax expire each year on December 31.

As long as you are a registered dealer and you are conducting business, a *Florida Annual Resale Certificate for Sales Tax* will be issued to you each year. Certificates issued to new business locations beginning in mid-October will be effective from the date they are issued through the following calendar year.

Each November, *Florida Annual Resale Certificates for Sales Tax* for the following calendar year will be available on our website for electronic or paper filers. If you file paper sales and use tax returns, your certificate will also be mailed to you with your annual coupon book or your paper return. Using your tax account information, you may download and print your certificate. Go to www.floridarevenue.com, select "more e-Services" and then select "Print an Annual Resale Certificate." If you need assistance, contact Taxpayer Services at 800-352-3671.

A **Sales Tax Rate Table (Form DR-2X)** is provided to help you calculate the correct state tax of 6%, plus local discretionary sales surtax rates levied by Florida counties. When sales transactions fall below or in between whole dollar amounts, you must use the **bracket system** to calculate the tax on partial dollar amounts. Form DR-2X shows the most commonly charged state plus local discretionary sales surtax rates. Other bracket rate charts are posted on our website.

Other Tax Registration Requirements

The Department's online business tax registration application and paper form (**Florida Business Tax Application, Form DR-1**) asks you to answer a series of questions about your business that will alert

you to other tax responsibilities. In addition to your sales and use tax registration, you may also be required to register to file and pay other taxes. For example:

- If you buy, trade, or sell secondhand goods or scrap metal, you must register as a secondhand dealer or secondary metals recycler using a **Registration Application for Secondhand Dealers and/or Secondary Metals Recyclers (Form DR-1S)**.
- If you sell tires or batteries, rent or lease motor vehicles to others, or operate a dry-cleaning business, you must register to file and pay solid waste and surcharge and rental car surcharge fees on the **Solid Waste and Surcharge Return (Form DR-15SW)**.

Dealer Responsibilities

As a newly registered dealer, you act as an agent of Florida and must:

- Collect sales tax (state plus applicable local discretionary sales surtax) on each taxable transaction.
- Pay use tax on items you use in the business that you buy tax-exempt or remove from inventory and do not resell.
- Pay the tax you collect and the use tax you owe to the Florida Department of Revenue. You can file and pay online or mail a **Sales and Use Tax Return (Form DR-15)** with a check.
- Keep complete and accurate records for all your tax returns filed, cancelled tax payment checks, and sales and purchases. Documentation must be kept for at least three years.

The tax dollars you collect belong to Florida; you serve as trustee or custodian of these funds until you send them to the Department of Revenue. Keep accurate records and maintain a separate accounting of these funds.

Filing Requirements

A tax return (Form DR-15) will be mailed to you for your first reporting period if you are not enrolled to file and pay electronically. Soon after that, we will mail you a sales and use tax coupon book and instructions that you will use for the rest of the calendar year. You must file a return and pay tax even if you do not receive returns. Call the Department if you do not receive your tax returns by your first due date.

If you own multiple business locations, you may file a consolidated sales and use tax return. To obtain a consolidated filing number, submit an **Application for Consolidated Sales and Use Tax Filing Number (Form DR-1CON)**. This application is available on our website: www.floridarevenue.com

All returns and payments are due the first day of the month and late after the 20th of the month after the reporting period, whether you are filing monthly, quarterly, twice a year, or yearly. If the 20th falls on a weekend or state or federal holiday, returns 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.**

Due date reminders: If you are a monthly or quarterly filer, you can sign up to receive an email every reporting period reminding you of the due date. Go to our website and select "Subscribe to our tax publications." This subscription service is only for taxpayers who mail paper tax returns. Electronic filers will automatically receive reminders.

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.

Sales to Exempt Organizations

A **Consumer's Certificate of Exemption (Form DR-14)** is given to eligible nonprofit organizations, religious institutions, and governmental bodies exempting them from paying tax on purchases for their own use. Payment for a tax-exempt purchase must be made only by the entity named on the certificate. A personal payment that will be reimbursed by the entity named on the certificate cannot be accepted.

Taxable Purchases - Use Tax

You owe "use tax" (6% state tax plus applicable local discretionary sales surtax) on taxable purchases of goods or services you have used or consumed that are:

- Internet and out-of-state purchases not taxed by the seller and **not** purchased for resale.
- Out-of-state or local purchases not taxed by a supplier and **not** purchased for resale, whether ordered online, from a catalog, or by telephone.
- Taxable items that you originally purchased untaxed for resale, which you, your business, or employees used or consumed.

Business Changes? - Notify the Department immediately if you change your business name, location or mailing address, or close or sell your business.

The quickest way to notify us is online. Go to www.floridarevenue.com/taxes/Pages/default.aspx, select:



To notify us in writing, mail a letter to:

Account Management - MS 1-5730
Florida Department of Revenue
5050 W Tennessee St Tallahassee, FL 32399-0160

Be sure to include your business partner number and your certificate number in any written correspondence sent to the Department.

If you cancel your account or sell your business, **you must file a final return and pay all applicable 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.

You must submit a new registration online or complete a paper **Florida Business Tax Application (Form DR-1)** if you:

- move your business location from one county to another;
- change your legal entity; or
- change the ownership of your business.

Learn More and Stay Informed

Our Taxpayer Education web page has sales and use tax tutorials that show you how to complete your tax return, calculate discretionary sales surtax, electronically file and pay your taxes, and pay estimated tax. You can also download a copy of the **Business Owner's Guide (Form GT-300015)**. We also offer electronic subscriptions to our tax publications. Sign up to get email notices when we post a new publication to our site.

Reference Material

Tax Laws - Our online Revenue Law Library contains statutes, rules, legislative changes, opinions, court cases, and publications. Search the library for Rules 12A-1.038 (Consumer's Certificate of Exemption) and 12A-1.039 (Sales for Resale), Florida Administrative Code.

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

- *Florida Taxpayer's Bill of Rights* (GT-800039)
- *How to Pay Your Audit Assessment and Notice of Taxpayer Rights* (GT-800004)
- *What to Expect from a Florida Reemployment Tax Audit* (RT-800063)

How Are We Doing?

Please give us your feedback on this brochure by taking our one-minute survey.

Go to www.floridarevenue.com and select "Surveys."

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

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

To find a **taxpayer service center** near you, go to:

www.floridarevenue.com/taxes/Pages/default.aspx

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

Subscribe to our tax publications to receive due date reminders or an email when we post:

- Tax Information Publications (TIPs).
- Proposed rules, notices of rule development workshops, and more.

Go to: www.floridarevenue.com/Pages/default.aspx