



Mobile and Manufactured Home Repairs and Improvements

Whether repairs or improvements to a mobile or manufactured home are taxable depends on if the home is assessed as **real property** or remains **tangible personal property**. A contractor or person who repairs or makes improvements to a mobile or manufactured home must first determine if the home is real property or tangible personal property. To make this determination, check the decal that is on the home.

How Does Tax Apply?

Real Property Decal

If the mobile or manufactured home has a real property (RP) decal, it is considered **real property**. Repairs to it or its permanent attachments, including built-in appliances, are treated as the repair of real property. Recording the RP decal number on a contract, invoice, or other billing document will establish that the repair or improvement was made to real property.

The contractor or repair person must pay sales tax, including any applicable discretionary sales surtax, on all materials and supplies used to complete the repair or improvement, unless the contractor and the owner enter into a retail sales plus installation contract. If the contractor does not have a retail sales plus installation contract with the owner, sales tax should not be collected from the real property owner. (Review brochure GT-800007, *Sales and Use Tax on Building Contractors*.)

Mobile Home Decal

If the mobile or manufactured home has a mobile home (MH) decal, repairs and improvements are treated as repairs or alterations of **tangible personal property**, including repairs to the roof, plumbing, and central air-conditioning system of the home.

Sales tax, including any applicable discretionary sales surtax, must be collected from the home owner on the total charge for the repair, including materials and labor. When the repair is made without furnishing supplies or materials, the charge for labor only is not subject to sales tax or surtax. (Review brochure GT-800010, *Sales and Use Tax on Repair of Tangible Personal Property*.) The contractor or repair person may purchase materials and supplies tax exempt for resale to the home owner.

No Decal

If the mobile or manufactured home does not have a decal, the repairs or improvements are treated as a repair or improvement to **tangible personal property**.

Who Must Register to Collect Tax?

Any contractor or person who makes repairs or improvements to mobile or manufactured homes as tangible personal property (MH decal or no decal) must register with the Department of Revenue to collect and report sales tax, plus any discretionary sales surtax. Any contractor who performs retail sales plus installation contracts to repair or improve mobile or manufactured homes that display an RP decal must also register. Contractors who only repair or improve mobile or manufactured homes that display an RP decal and who do not sell tangible personal property to the home owner are not required to register.

You can register to collect, report and pay sales tax and discretionary sales surtax online at **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*.

How is a *Florida Annual Resale Certificate for Sales Tax* Used?

The *Florida Annual Resale Certificate for Sales Tax* is used for tax-exempt purchases you intend to resell.

You may purchase materials and parts tax exempt when the items will become part of a mobile or manufactured home that remains tangible personal property. Materials that do not become part of the repaired home, such as tools or sandpaper, are subject to sales tax and surtax as overhead items.

Contractors who enter into retail sales plus installation contracts and sell materials to the real property owner that are specifically described and itemized in the contract may use their *Florida Annual Resale Certificate for Sales Tax* to purchase the materials tax exempt. Contractors who do not sell tangible personal property may not purchase materials and supplies tax exempt.

If items purchased for resale are later used (not resold), you must report and pay use tax and surtax on them. (Review brochure GT-800080, *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 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.

Returns and payments are due the 1st 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.**

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.

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.

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.

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.

Reference Material

Rules – The following administrative tax rules and rule chapters from the *Florida Administrative Code* are available at flrules.org:

- 12A-1.006 - *Charges by Dealers Who Adjust, Apply, Alter, Install, Maintain, Remodel, or Repair Tangible Personal Property*
- 12A-1.016 - *Sales; Installation Charges*
- 12A-1.051 - *Sales to or by Contractors Who Repair, Alter, Improve and Construct Real Property*

Brochures – Download these brochures from floridarevenue.com/forms:

- *Florida's Discretionary Sales Surtax* (GT-800019)
- *Florida Annual Resale Certificate for Sales Tax* (GT-800060)
- *Sales and Use Tax on Repair of Tangible Personal Property* (GT-800010)
- *Sales and Use Tax on Building Contractors* (GT-800007)
- *Taxation of Mobile Homes in Florida* (GT-800047)

Contact Us

Information, forms and tutorials are available on the Department's website at 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 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.