

DEPARTMENT OF REVENUE**Sales and Use Tax**

RULE NOS.:	RULE TITLES:
12A-1.004	Sales Tax Brackets
12A-1.005	Admissions
12A-1.020	Licensed Practitioners; Drugs, Medical Products and Supplies
12A-1.056	Tax Due at Time of Sale; Tax Returns and Regulations
12A-1.057	Alcoholic and Malt Beverages
12A-1.060	Registration
12A-1.070	Leases and Licenses of Real Property; Storage of Boats and Aircraft
12A-1.091	Use Tax
12A-1.097	Public Use Forms
12A-1.103	Mail Order Sales
12A-1.104	Sales of Property to be Transported to a Cooperating State
12A-1.108	Exemption for Data Center Property
12A-1.112	Sales Tax Paid by Dealers on Behalf of Purchasers

PURPOSE AND EFFECT: The purpose of this rulemaking is to update the Department's rules relating to sales and use tax to address 2021 legislative changes contained in Chapter 2021-2, Laws of Florida, and Chapter 2021-31, Laws of Florida. Revisions to Rule 12A-1.005 replace the application of the sales tax bracket system with the application of the rounding algorithm to the sale of admissions (Chapter 2021-2, § 11, L.O.F.). Revisions to Rule 12A-1.020 incorporate the exemption from tax of specific items of tangible personal property that assist in independent living (Chapter 2021-31, § 21, L.O.F.); these revisions are included in Form DR-46NT, Nontaxable Medical Items and General Grocery List, which is incorporated by reference in Rule 12A-1.097. Revisions to Rules 12A-1.056, 12A-1.060, 12A-1.091, and 12A-1.103 implement changes regarding the taxation of marketplace sales and remote sales (Chapter 2021-2, L.O.F.). Effective July 1, 2021, marketplace providers and persons who made a substantial number of remote sales in the previous calendar year are required to electronically register with the Department,

collect sales tax, and electronically remit collected taxes. The newly created reference document DR-1MP, Florida Business Tax Application for Marketplace Providers and Remote Sales, is incorporated in Rule 12A-1.060 and provides screenshots of registration screens required to be completed by an out-of-state business that is a marketplace provider or that makes remote sales and is registering as a new business in Florida (Chapter 2021-2, L.O.F.). Proposed amendments to Rule 12A-1.097 incorporate two revised forms to implement provisions related to marketplace providers and remote sales: Form DR-1, Florida Business Tax Application; and Form DR-1A, Application for Registered Businesses to Add a New Florida Location (Chapter 2021-2, L.O.F.). Proposed amendments to Rule 12A-1.097 incorporate three revised forms to replace the sales tax bracket system with information about the new rounding algorithm (Chapter 2021-2, § 11, L.O.F.): Form DR-7N, Instructions for Consolidated Sales and Use Tax Return; Form DR-15EZ, Instructions for DR-15EZ Sales and Use Tax Returns; and Form DR-15N, Instructions for DR-15 Sales and Use Tax Returns. Revisions to Rule 12A-1.057 and the creation of Rule 12A-1.112 address when a dealer may advertise or hold out to the public that they will pay all or part of the sales tax imposed by Chapter 212, F.S. (Chapter 2021-31, § 19, L.O.F.). Revisions to Rule 12A-1.070 and the proposed repeal of Rule 12A-1.004 remove reference to the sales tax bracket system which has been replaced with a rounding algorithm (Chapter 2021-2, § 11, L.O.F.). Rule 12A-1.104 is proposed for repeal as it is duplicative of statute. Revisions to Rule 12A-1.108 extend the date for applications for a Data Center Property Temporary Tax Exemption Certificate (Chapter 2021-31, § 20, L.O.F.). The rulemaking addresses amendments to Sections 212.04, 212.05, 212.054, 212.0596, 212.06, 212.07, 212.11, 212.12, and 212.18, F.S., as well as the creation of Section 212.05965, F.S., contained in Chapter 2021-2, L.O.F. The rulemaking also addresses amendments to Sections 212.07 and 212.08, F.S., contained in Chapter 2021-31, L.O.F.

SUBJECT AREA TO BE ADDRESSED: This rulemaking addresses the replacement of the sales tax bracket system with a rounding algorithm; calculation of tax on admissions; exemption from sales tax for items that assist in independent living; definition of the term dealer; registration of marketplace providers and remote sellers; taxation of marketplace sales and remote sales; collection and remittance of sales tax and discretionary sales surtax by marketplace providers, marketplace sellers, and remote sellers; sales of property to be transported to a cooperating state; exemption for data center property; and payment of sales tax by a dealer on behalf of a purchaser.

RULEMAKING AUTHORITY: 201.11, 202.17(3)(a), 202.22(6), 202.26(3), 212.04(4), 212.0515(7), 212.0596(3), 212.07(1)(b), 212.08(5)(b)4., (n)4., (o)4., (7), 212.099(10),

212.11(5)(b), 212.12(1)(a)2., 212.17(8), 212.18(2), (3), 212.183, 213.06(1), 288.1258(4)(c), 376.70(6)(b), 376.75(9)(b), 403.718(3)(b), 403.7185(3)(b), 1002.40(16) FS. LAW IMPLEMENTED: 119.071(5), 125.0104, 125.0108, 201.01, 201.08(1)(a), 201.133, 202.11(2), (3), (6), (16), (24), 202.22(3)-(6), 202.28(1), 203.01, 212.02(1), 212.03, 212.0305, 212.031, 212.04, 212.05, 212.0501, 212.0506(4), (11), 212.0515, 212.054, 212.055, 212.0596, 212.05965, 212.06, 212.0606, 212.07, 212.08, 212.084(3), 212.085, 212.09, 212.096, 212.099, 212.11, 212.12, 212.14(2), (4), (5), 212.15(1), 212.16(1), (2), 212.18(2), (3), 212.183, 212.1832, 213.235, 213.29, 213.37, 213.755, 215.26(6), 219.07, 288.1258, 290.00677, 365.172(9), 373.41492, 376.70, 376.75, 403.718, 403.7185, 443.131, 443.1315, 443.1316, 443.171(2), 465.187, 616.260, 681.117, 1002.40(13) FS.

IF REQUESTED IN WRITING AND NOT DEEMED UNNECESSARY BY THE AGENCY HEAD, A RULE DEVELOPMENT WORKSHOP WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW:

DATE AND TIME: September 23, 2021, at 10:00 a.m.

PLACE: 2450 Shumard Oak Boulevard, Building 1, Room 1220, Tallahassee, Florida 32399. Anyone wishing to attend the workshop remotely may register at [<https://attendee.gotowebinar.com/register/7422330626551160080>].

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 48 hours before the workshop/meeting by contacting: Tonya Fulford at (850)717-6799. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE DEVELOPMENT AND A COPY OF THE PRELIMINARY DRAFT, IF AVAILABLE, IS: Danielle Boudreaux, Technical Assistance and Dispute Resolution, Department of Revenue, P.O. Box 7443, Tallahassee, Florida 32314-7443, telephone (850)717-7082, email RuleComments@floridarevenue.com.

THE PRELIMINARY TEXT OF THE PROPOSED RULE DEVELOPMENT IS: Published on the Department's website at floridarevenue.com/rules.