



Application for Refund of Sales and Use Tax on Building Materials Used in Construction of Eligible Residential Units for Affordable Housing

Section 1. Applicant Information

Applicant Category (check the option that applies):

☐ Owner ☐ Governmental Entity ☐ ~~Nonprofit~~ **Non-Profit** Community-Based Organization

Applicant Name:

Mailing Address:

City:

State:

ZIP:

Section 2. Property Information

Address of Improved Realty:

City:

ZIP:

County:

Assessment Roll Parcel Number:

Number of Eligible Residential Units
Included in the Refund Request:

Building Permit Number:

Description of Eligible Residential Unit(s):

Section 3. Applicant Signature

Under penalties of perjury, I declare that I have read the foregoing application and **that** the facts stated in it are true to the best of my knowledge and belief.

Signature of Applicant

Date

General Information and Instructions

Florida law provides a sales and use tax exemption through a refund of previously paid sales and use tax on building materials used in construction of eligible residential units for affordable housing.

Eligible Residential Units means newly constructed units within an affordable housing development that which are restricted under the land use restriction agreement.

Newly Constructed means improvements to real property that which did not previously exist or the construction of a new improvement where an old improvement was removed. The term does not include the renovation, restoration, rehabilitation, modification, alteration, or expansion of buildings already located on the parcel on which the eligible residential unit is built.

Building Materials means tangible personal property that becomes a component part of eligible residential units in an affordable housing development. The term includes appliances and does not include plants, landscaping, fencing, or and hardscaping.

Affordable Housing Development means property that has units subject to an agreement with the Florida Housing Finance Corporation pursuant to cChapter 420, Florida Statutes (F.S.), recorded in the official records of the county in which the property is located to provide affordable housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in section 420.0004, F.S.

Who is eligible to claim the refund?

- The owner, at the time the eligible residential unit is substantially completed.
- A municipality, county, other governmental unit or agency, or nonprofit non-profit community-based organization if the building materials are paid for from the funds of a community development block grant, the State Housing Initiatives Partnership Program, or a similar grant or loan program.

How is the refund claimed?

To claim the refund, you must complete and submit this application (Form DR-26AH) and required documentation with the Form DR-26S, Application for Refund - Sales and Use Tax (Form DR-26S).

- For documentation requirements, see **'What documentation is required?'** on this page.
- For information on how to submit forms and documentation, see **'How to Submit Forms and Documentation'** on pPage 3.

Are there any limits to the refund amount that can be claimed?

Yes. Only one exemption through a refund of previously paid taxes may be claimed for any eligible residential unit. A refund will not be granted unless the amount to be refunded exceeds \$500. In addition, the refund may not exceed the lesser of \$5,000 or 97.5% of the Florida sales and use tax paid on the cost of building materials.

Are there any time limits for requesting the refund?

Yes. The refund claim must be submitted within six (6) months after the date the local building inspector determines the eligible residential unit is substantially completed, as defined in s. 192.042(1), F.S., or by November 1 after the improved property is first subject to assessment.

Substantially Completed means the improvement or some self-sufficient unit within it can be used for the purpose for which it was constructed.

What documentation is required?

To support eligibility and the refund amount due, the applicable documents listed below must accompany the refund application.

Land Use Restriction Agreement

A copy of the land use restriction agreement with the Florida Housing Finance Corporation for the eligible residential units.

Building Permit

A copy of a valid building permit issued by the county or municipal building department for the eligible residential unit(s).

Building Inspector Certification

A certification by the local building code inspector that the eligible residential unit is substantially complete.

Invoices

Copies of invoices showing the cost of the building materials for the eligible residential units and the amount of sales tax paid on such materials and the 'Invoice Worksheet' on pPage 4.

If Florida use tax was paid on the building materials, a copy of the sales and use tax return(s) for the period(s) the use tax was paid to the Florida Department of Revenue is also required.

OR

If you are using the increase in the final assessed value of the eligible residential units, the cost of the building materials is deemed to be an amount

equal to 40% of the increase in the final assessed value of the eligible residential units for ad valorem tax purposes less the most recent assessed value of land for the units. If using this method, attach a copy of the final ad valorem tax assessment notice for the year the new construction is first subject to ad valorem tax, a copy of the notice for the immediate prior year final ad valorem tax assessment, and the Assessed Value Worksheet on page 5.

Sworn Statement

A sworn statement, under penalty of perjury, from the general contractor licensed in Florida with whom the owner contracted to build the eligible residential units that which specifies the building materials, the actual cost of the building materials, and the amount of Florida sales tax paid on the building materials, and that which states that the improvement to the real property was newly constructed.

OR

If a general contractor was not used, a sworn statement by the owner that which specifies the building materials, the actual cost of the building materials,

and the amount of Florida sales tax paid on the building materials, and that which states that the improvement to the real property was newly constructed.

Governmental Entities and Nonprofit Non-Profit Organizations

Governmental Entities and nonprofit Non-Profit Community-Based Organizations must include a sworn statement signed by their respective chief executive officer that the building materials for which a refund is sought were funded by a community development block grant, the State Housing Initiatives Partnership Program, or a similar grant or loan program.

Note: All sworn statements must include the following declaration above the signature:

Under penalties of perjury, I declare that I have read the foregoing statement and the facts stated in it are true to the best of my knowledge and belief.

How to Submit Forms and Documentation

Complete and mail the ~~Form DR-26AH~~ Application for Refund of Sales and Use Tax on Building Materials Used in Construction of Eligible Residential Units for Affordable Housing (Form DR-26AH) and ~~Form DR-26S~~ Application for Refund - Sales and Use Tax (Form DR-26S) with the your other required documentation to:

Refunds
Florida Department of Revenue
PO Box 6490
Tallahassee, FL 32314-6490

OR

Visit the Department's Tax Refunds Information page at floridarevenue.com/taxes/refunds to complete and submit your refund application Form DR-26S online and upload for electronic submission your completed application Form DR-26AH and other required documentation.

Reference

The following document was mentioned in this form and is incorporated by reference in the rule indicated below.
The form is available at floridarevenue.com/forms.

Form DR-26S

Application for Refund - Sales and Use Tax

Rule 12-26.008, F.A.C.

Invoice Worksheet

DR-26AH
R. XX/XX N. 07/23
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Invoice Date	Invoice Number	Vendor County	Description of Building Materials	Cost of Building Materials	Florida Sales Tax and Surtax Paid
Total					
Factor					X 0.975
Claimed Refund Amount					
\$500.00 Minimum Per Eligible Residential Unit			\$5,000.00 Maximum Per Eligible Residential Unit		

Assessed Value Worksheet

1. Assessed value after new construction:		Assessment Date:
2. Assessed value before new construction:		Assessment Date:
3. Line 1 minus Line 2 =		
4. Line 3 x 0.40 =		
5. Line 4 x 6% (state sales tax rate) =		
*6. If applicable, add County Surtax =		
7. Total of Line 5 and Line 6 =		
8. Line 7 x 0.975 =		
Claimed Refund Amount		
\$500.00 Minimum Per Eligible Residential Unit		\$5,000.00 Maximum Per Eligible Residential Unit

*Surtax is limited to the county rate applied to the first \$5,000 of Line 4. County surtax rates are available on Form DR-15DSS available at floridarevenue.com/forms.