



## Tax Information Publication

# TIP

No: 21A01-03

Date Issued:  
May 14, 2021

### **New Registration Requirement for Persons Making Remote Sales and for Marketplace Providers and Sellers**

Effective July 1, 2021, a new law takes effect for the collection and remittance of tax on remote sales and sales made through a marketplace to be transported into Florida. Persons affected by the law will be required to register with the Florida Department of Revenue (the Department) and collect, report, and remit Florida sales tax and discretionary sales surtax.

#### **Remote Sales**

Beginning July 1, 2021, persons not located in Florida who make a substantial number of remote sales for delivery in Florida are required to register with the Department and collect and remit tax. A “substantial number of remote sales” is any number of taxable remote sales in the previous calendar year in which the sum of the total sales exceeds \$100,000. A “remote sale” is the retail sale of tangible personal property ordered by mail, telephone, the internet, or other communication, from a person who receives the order outside Florida and causes the property to be transported into Florida.

#### **Marketplace Sales**

Beginning July 1, 2021, marketplace providers who have a physical presence in Florida or who make or facilitate a substantial number of remote sales, as defined above, through a marketplace, are required to register with the Department and collect and remit tax.

A “marketplace” is any physical place or electronic medium through which tangible personal property is offered for sale.

A “marketplace provider” is a person who facilitates a retail sale by a marketplace seller by listing or advertising for sale by the marketplace seller tangible personal property in a marketplace and who, directly or indirectly, through agreements or arrangements with third parties, collects payment from the customer and transmits all or part of the payment to the marketplace seller, regardless of whether the marketplace provider receives compensation or other consideration in exchange for its services.

Marketplace providers do not include:

- Persons who solely provide travel agency services.
- Persons who are delivery network companies and not registered as dealers under Chapter 212, Florida Statutes (F.S.).
- Persons whose sole activity is to process payment transactions between two or more parties.

A “marketplace seller” is a person who has an agreement with a marketplace provider that is a dealer under Chapter 212, F.S., and who makes retail sales of tangible personal property through a marketplace owned, operated, or controlled by the marketplace provider.

A marketplace provider that is required to register must also certify to its marketplace sellers that it will collect and remit the applicable Florida tax on the taxable retail sales made through the marketplace. The certification may be included in the agreement between the marketplace

provider and the marketplace seller. When the marketplace provider certifies to the marketplace seller that it will collect and remit the tax, the marketplace seller may not collect the tax and must exclude sales made through the marketplace from the marketplace seller's tax return, if applicable.

Marketplace sellers who have a physical presence in Florida or who make a substantial number of remote sales to Florida customers outside of the marketplace must register as dealers and collect and remit tax on those taxable Florida retail sales made outside of the marketplace.

### **Collection of Discretionary Sales Surtax**

In addition to the collection and remittance of Florida state sales tax, marketplace providers and persons making remote sales are required to collect and remit discretionary sales surtax when delivering tangible personal property to counties imposing a surtax. These surtaxes are levied by individual counties and vary in rate. There are counties that do not impose a discretionary sales surtax. The Department annually publishes *Discretionary Sales Surtax Information* (Form DR-15DSS), which contains the total surtax rate, effective date, and expiration date for each of Florida's 67 counties.

### **How to Register**

Marketplace providers and persons making a substantial number of remote sales are required to register electronically and must file and remit tax electronically. Use the Department's online [Florida Business Tax Application](#) (Form DR-1) to register at [floridarevenue.com/forms](http://floridarevenue.com/forms).

Marketplace providers and persons making remote sales who register by October 1, 2021, will not be held liable for the remittance of sales tax on untaxed remote sales made prior to July 1, 2021, unless the provider or person was under audit; had been issued a bill, notice, or demand for payment; or was under an administrative or judicial proceeding as of July 1, 2021.

**References: Chapter 2021-2, Laws of Florida; Sections 212.02, 212.05, 212.054, 212.0596, 212.05965, 212.06, 212.11, and 212.18, Florida Statutes**

### **For More Information**

This document is intended to alert you to the requirements contained in Florida laws and administrative rules. It does not by its own effect create rights or require compliance.

For forms and other information, visit the Department's website at [floridarevenue.com](http://floridarevenue.com) or call Taxpayer Services at (850) 488-6800, Monday through Friday (excluding holidays).

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services MS 3-2000, 5050 West Tennessee Street, Tallahassee, FL 32399-0112.

### **Want the latest tax information?**

- ✓ Subscribe to our tax publications or sign up for due date reminders at [floridarevenue.com/dor/subscribe](http://floridarevenue.com/dor/subscribe)
- ✓ Visit the Taxpayer Education webpage at [floridarevenue.com/taxes/education](http://floridarevenue.com/taxes/education) for news about live and recorded tax webinars
- ✓ Follow us on Twitter [@FloridaRevenue](https://twitter.com/FloridaRevenue)