



# TIP

## Tax Information Publication

TIP #21A01-05  
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### Sales Tax Holiday on Specific Admissions and Outdoor Activity Supplies July 1 Through July 7, 2021

The sales tax holiday begins on Thursday, July 1, 2021, and ends on Wednesday, July 7, 2021. During this sales tax holiday period, admissions to music events, sporting events, cultural events, specified performances, movies, museums, state parks, and fitness facilities are exempt from sales tax. Also exempt from sales tax during this holiday period are qualifying boating and water activity supplies, camping supplies, fishing supplies, general outdoor supplies, and sports equipment.

The sales tax holiday does **not** apply to:

- The rental or repair of any of the qualifying items listed below.
- Sales in a theme park, entertainment complex, public lodging establishment, or airport.

#### Notice to Businesses with Multiple Locations

If you report sales tax for all of your locations on one consolidated tax return, please be sure to notify all of your individual store locations about this sales tax holiday and the specific provisions in this publication. A list of qualifying items and a copy of this publication are available on the Department's website at [floridarevenue.com](http://floridarevenue.com).

### Qualifying Items

#### Admissions to the following events or performances scheduled to be held from July 1, 2021 through December 31, 2021:

- Live music events
- Live sporting events
- Movies to be shown in a movie theater
- Ballet
- Plays
- Musical theatre performance
- Fair

- Festival
- Cultural event
- Private and membership clubs providing physical fitness facilities

#### Admissions purchased for any of the following:

- Museum, including annual passes
- State park, including annual passes
- Season tickets for ballets, plays, music events, and musical theatre performances.

#### Boating and water activity supplies:

##### On the first \$25 of the sales price:

- Goggles
- Snorkels
- Swimming masks

##### On the first \$50 of the sales price:

- Safety flares

##### On the first \$75 of the sales price:

- Coolers
- Oars
- Life jackets
- Paddles

##### On the first \$150 of the sales price:

- Inflatable recreational water tubes and floats capable of being towed
- Kneeboards
- Wakeboards
- Water skis

##### On the first \$300 of the sales price:

- Paddleboards
- Surfboards

##### On the first \$500 of the sales price:

- Canoes
- Kayaks

### **Camping supplies:**

#### **On the first \$30 of the sales price:**

- Camping lanterns
- Flashlights

#### **On the first \$50 of the sales price:**

- Camping stoves
- Collapsible camping chairs
- Portable hammocks
- Sleeping bags

#### **On the first \$200 of the sales price:**

- Tents

### **Fishing supplies:**

#### **On the first \$5 of the sales price if sold individually or the first \$10 of the sales price if multiple items are sold together:**

- Bait
- Fishing tackle

#### **On the first \$30 of the sales price:**

- Bags
- Tackle boxes

#### **On the first \$75 of the sales price if sold individually or the first \$150 of the sales price if sold as a set:**

- Reels
- Rods

### **General outdoor supplies:**

#### **On the first \$15 of the sales price:**

- Insect repellent
- Sunscreen

#### **On the first \$30 of the sales price:**

- Water bottles

#### **On the first \$50 of the sales price:**

- Bicycle helmets\*\*
- Hydration packs

\*\* Bicycle helmets marketed for use by youth are always exempt from sales tax.

#### **On the first \$100 of the sales price:**

- Sunglasses

#### **On the first \$200 of the sales price:**

- Binoculars

#### **On the first \$250 of the sales price:**

- Bicycles
- Outdoor gas or charcoal grills

### **Sports equipment:**

#### **Selling for \$40 or less:**

- Any item used in individual or team sports, not including clothing or footwear

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### **Items Normally Sold as a Unit**

Items normally sold as a unit must continue to be sold in that manner; these items cannot be separately priced and sold individually to get the sales tax exemption.

### **Sets Having Exempt and Taxable Items**

When qualifying items are normally sold together with non-qualifying taxable merchandise as a set or single unit, the price of the set or unit is subject to sales tax.

### **Gift Cards**

The sale of a gift card is not taxable. A gift card does not reduce the selling price of an item. Qualifying items purchased during the sales tax holiday period using a gift card qualify for the exemption, regardless of when the gift card was purchased. Qualifying items purchased after the sales tax holiday period using a gift card are taxable, even if the gift card was purchased during the sales tax holiday period.

### **Buy One, Get One Free or for a Reduced Price**

The total price of items advertised as “buy one, get one free” or “buy one, get one for a reduced price” cannot be averaged for both items to qualify for the exemption.

### **Exchanging a Purchase After the Sales Tax Holiday Expires**

When a customer buys a qualifying item during the sales tax holiday period, then later exchanges the item for the same item (e.g., different size or color), no tax is due, even if the exchange is made after the sales tax holiday period.

When a customer buys a qualifying item during the sales tax holiday period, then later returns the item and receives credit on the purchase of a different item, the new item purchased is subject to sales tax.

### **Coupons, Discounts, and Rebates**

The sales price of an item includes all consideration received by the retailer for that item. It is not limited to the amount paid by a customer. A coupon, discount, or rebate offered by the retail seller reduces the sales price of an item because it reduces the total amount received by the retail seller for such an item. Because a retailer’s coupon, discount, or rebate actually reduces the sales price of an item, such discounts may be used to determine whether an item qualifies for the exemption.

However, a retailer is reimbursed for the amount of any discount created by a manufacturer's coupon, discount, or rebate, and the amount of the reimbursement is included in the total sales price of the item. Because the sales price is not actually reduced by a manufacturer's coupon, discount, or rebate, such discounts cannot be used to determine if an item qualifies for the exemption.

### **Returns**

When a customer returns an item purchased during the sales tax holiday period and requests a refund or credit:

- The customer must produce a receipt or invoice showing tax was charged and paid on the original purchase of the item, or
- The retailer must have sufficient documentation to show tax was paid on the original purchase of the item.

### **Rain Checks**

Qualifying items purchased during the sales tax holiday period using a rain check qualify for the exemption regardless of when the rain check was issued. However, issuance of a rain check during the sales tax holiday period will not allow for a qualifying item to be exempt if the item is purchased after the sales tax holiday period.

### **Layaway Sales**

A layaway sale is a transaction in which merchandise is set aside for future delivery to a customer who makes a deposit, agrees to pay the balance of the purchase price over a period of time, and receives the merchandise at the end of the payment period.

Qualifying items sold as layaway sales qualify for the exemption when the customer:

- Takes delivery of the merchandise during the sales tax holiday period, or
- Puts a qualifying item on layaway, even if final payment is made after the sales tax holiday period.

### **Remote Sales**

Qualifying items purchased through a marketplace provider or from a remote seller are exempt when the order is accepted by the marketplace provider or remote seller during the sales tax holiday period for immediate shipment, even if delivery is made after the sales tax holiday period.

### **Shipping and Handling**

Shipping and handling charges are typically part of the sales price of an item, even if they are separately stated. If multiple items are shipped on a single invoice, the shipping and handling charge must be fairly assigned to each item on the invoice to determine if an item is exempt during the sales tax holiday.

If the customer has the option of having the item shipped and the shipping charges are separately stated, the shipping charges are not included in the sales price.

### **Service Warranties**

The taxation of any charges for a service warranty contract depends on the taxability of the product being sold. If the retail sale of an item is exempt from tax, the charge for a service warranty sold with the item is exempt.

### **Recordkeeping**

Sales of qualifying items sold during the sales tax holiday period should be reported as exempt sales on your sales tax return.

### **Panama City and Panama City Beach Dealers Only**

Panama City and Panama City Beach impose on retailers a 1% merchant's license fee or tax. The merchant's license fee is included in the sales price of each item. If the fee is separately stated, it must be assigned to the sales price of each item on the invoice to determine if an item is exempt during the sales tax holiday.

**Reference:** Chapter 2021-31, Laws of Florida

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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

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