

**Florida Department of Revenue  
Tax Information Publication**

TIP 98A01-01  
DATE ISSUED: Mar 03, 1998

**Important Notice to Local Governments and  
Garbage Collection Services Companies**

The charge for garbage collection services is not subject to sales tax. To avoid any taxation of the use of a garbage container, local governments and companies providing garbage collection services should not itemize and charge separately for garbage container(s) on the bill to the customer. The term "garbage containers" includes:

- \* bags or bundles, bins, and open-top containers used to store waste products provided to customers as part of garbage collection services; and
- \* service provider garbage bags and stickers sold specifically for use in the collection of garbage.

A separately itemized charge for the use of garbage containers is a charge for the use of tangible property, which is subject to sales tax. When included in a flat rate fee for garbage collection, the use of the containers is part of the nontaxable service transaction.

Local governments and garbage collection companies should use the following standards in the application of sales and use tax to garbage collection services.

- \* Companies seeking to provide garbage collection services for a local government should use language in bids and like documents that reflects a flat rate for the service provided. Terms such as "rental of" or "maintenance fee" should not be used in such bids.

- \* If a local government purchases garbage containers for use in garbage collection services, the local government is exempt from sales and use tax.
  
- \* If a local government contracts a private company to provide garbage collection service, the private company is required to pay sales and use tax when it purchases garbage containers for use in its services. The tax should be remitted to the provider of the containers or directly to the Department of Revenue.
  
- \* If a private company purchases or fabricates garbage containers exclusively for rental use, no tax is due on the purchase price. However, sales tax should be collected on the rental charges, and remitted directly to the Department.

#### **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 more information call Tax Information Services, Monday - Friday, 8:00 a.m. to 5:00 p.m., ET, at 850-488-6800.**

**Hearing or speech impaired persons should call our TDD at 1-800-367-8331 or 850-922-1115.**

**For a detailed written response to your questions, write:**

**FLORIDA DEPARTMENT OF REVENUE  
PO BOX 7443  
TALLAHASSEE FL 32314-7443**

**Get tax forms quickly by FAX ON DEMAND. Call 850-922-3676, twenty-four hours a day, seven days a week using your fax machine handset and follow the instructions.**

STATUTE AND RULE CITATIONS:

s.212.08(7)(v)1,F.S.