



Tax Information Publication

TIP

No: 15A19-02

Date Issued:
June 24, 2015

Communications Services Tax Changes to Administration

Alternative-Period Basis Reporting

Currently, communications services taxes required to be collected in any calendar month must be reported and paid to the Department of Revenue on or before the 20th day of the following calendar month. If the 20th falls on a Saturday, Sunday, or state or federal holiday, the return and payment must be postmarked or hand-delivered on the first business day following the 20th day of the month.

Effective October 1, 2015, a dealer may elect to use an alternative-period basis to report communications services tax to the Department. An alternative-period basis means any month-long period, other than a calendar month, with an end date on or after the 15th day of the calendar month. For example, October 22, 2015 through November 21, 2015 is an alternative-period basis.

A dealer desiring to use an alternative-period basis must make an election on forms that will be made available by the Department by September 15, 2015. A dealer electing to use an alternative-period basis must use the chosen alternative period for a minimum of 12 months.

Dealers who elect to use an alternative-period basis to report communications services tax must still file and pay taxes required to be collected in the alternative-period on or before the 20th day of the subsequent month.

For example, Dealer ABC, Inc., made an election to use an alternative-period basis of the 22nd day of each month through the 21st day of the following month. Using the example alternative period above of October 22, 2015 through November 21, 2015, Dealer ABC, Inc., must file and pay the taxes due for that alternative period on their November 2015 return, which is due on or before December 20, 2015. As December 20, 2015, is a Sunday, the return must be filed and the taxes paid by Monday, December 21, 2015. Dealers who pay electronically must initiate their submissions before 5:00 p.m., ET, on December 18, 2015.

Disallowed Collection Allowance

Communications services tax dealers are permitted to take a collection allowance of either .75 percent or .25 percent of the amount of tax due and remitted. The applicable collection allowance is disallowed if the required tax return or tax is delinquent at the time of payment.

Effective October 1, 2015, if a collection allowance is disallowed **only** because a tax payment is late, then the amount that is disallowed is limited to the percentage of the total tax due that is late. If the percentage is not readily evident, the dealer has the burden to demonstrate the percentage of the payment that was not late.

The requirement to timely file the tax return in order to receive the collection allowance has not changed. A collection allowance will be disallowed in full if the tax return is not filed by the required due date.

References: Sections 5, 6, and 7, Chapter 2015-221, Laws of Florida; Chapter 202, 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 our website at www.myflorida.com/dor or call Taxpayer Services, 8:00 a.m. to 7:00 p.m., ET, Monday through Friday, excluding holidays, at 800-352-3671.

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 www.myflorida.com/dor/list
- ✓ Follow us on Twitter @MyFLDOR_TaxInfo