



Tax Information Publication

TIP

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Know Who is Responsible for Remitting Sales and Use Tax When Using Third-Party Delivery Networks

As a registered dealer in Florida, your business model may include sales through a delivery network company, also known as an online delivery service company. Did you know that unless the delivery network company elects to collect and remit Florida sales tax on your behalf, you are responsible for collecting, reporting, and remitting the tax?

Network delivery companies operate under various business models. Some do not collect and remit Florida sales tax on the merchant's behalf; some collect Florida sales tax from customers but return the tax to the merchant to remit to the Department; and some elect to collect and remit the tax.

The Department has found situations in which restaurants, grocery stores, convenience stores, and other local merchants using third-party delivery network companies did not report or remit the correct amount of Florida sales tax on their sales through these networks.

A delivery network company may elect to collect and remit Florida sales tax on behalf of local merchants that sell through its platform if the delivery network company:

- Registers as a dealer in Florida to collect and remit sales tax; and
- Notifies all local merchants that sell through its platform that it is required to collect and remit sales tax in the same manner as a marketplace provider

Delivery network companies often indicate on their websites the states in which they collect and remit sales tax and the dates they started remitting the tax.

To help avoid sales tax compliance issues, local merchants using third-party delivery network companies should closely review the terms of their agreements related to sales tax collection and remittance responsibilities and the effective date of any changes related to those responsibilities. Merchants may also visit their delivery network company's website to determine if and when the delivery network company has made such an election.

If you discover that your business has underpaid sales tax because a delivery network company returned the sales tax to you or did not collect and report sales tax for you, you may wish to take advantage of the [Department's Voluntary Disclosure Program](#), which provides a waiver of most penalties. You can use the Voluntary Disclosure Program to report underpaid sales tax and any other taxes administered by the Department.

References: Section 212.05965, 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 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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