

**Bay County Half-Cent School Capital Outlay Surtax
Will Expire on April 30, 2008**

Effective April 30, 2008, the Bay County School Capital Outlay Surtax will expire. Therefore, **on and after May 1, 2008**, dealers in Bay County must only collect and remit sales and use tax at the rate of six percent (6%) as follows:

6.0% State Sales Tax Rate Only

We will mail new monthly and quarterly sales tax returns to dealers in Bay County after May 1, 2008. These replacement returns will reflect that Bay County does not have a surtax.

Quarterly accounts must include the six and one-half percent (6.5%) tax collected for April, along with the six percent (6%) tax collected in May and June, on the June 2008 quarterly sales tax return even though the new tax return will show the surtax rate is .0000. For monthly filers the reduced rate of tax will be remitted on the May 2008 and subsequent tax returns.

Semi-annual and annual filers must remit the surtaxes collected for January 2008 through April 30, 2008, on the appropriate return in 2008 even though the new tax return will show the surtax rate is .0000.

Enclosed for your use is a Form DR-2X, Sales Tax Rate Table. Please refer to the rate of six percent (6%), which will apply to all taxable transactions conducted in Bay County **on and after May 1, 2008**.

This change has no effect on and does not change the Panama City and Panama City Beach merchants' license fee or tax.

References: Sections 212.054 and 212.055(1) and (2), 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 Internet site 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.

Persons with hearing or speech impairments may call our TDD at 800-367-8331 or 850-922-1115.

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services, 1379 Blountstown Highway, Tallahassee, FL 32304-2716.