

**FLORIDA DEPARTMENT OF REVENUE  
TAX INFORMATION PUBLICATION /B>**

**Florida Tax Relief Act of 1998**

**Do you sell clothing or footwear?**

**If you sell clothing or footwear in the State of Florida this new law may impact your business.**

**During the period from 12:01 a.m. August 15, 1998, through midnight August 21, 1998, Florida law provides that no sales tax or discretionary sales surtax (also known as local option tax) will be collected on sales of clothing having a selling price of \$50.00 or less.**

**The sales tax exemption applies to each article of clothing selling for \$50.00 or less. The exemption applies regardless of how many items are sold on the same invoice to a customer. However, the exemption does not apply to the first \$50.00 of the price of an article of clothing selling for more than \$50.00.**

**"Clothing" means any article of wearing apparel, including footwear, intended to be worn on or about the human body. However, "clothing" does not include watches, watchbands, jewelry, handbags, handkerchiefs, umbrellas, scarves, ties, headbands, or belt buckles. A representative list of items is included in this publication.**

**This exemption does not apply to sales of clothing within a theme park, entertainment complex, or public lodging establishment.**

**"Theme park or entertainment complex" means a complex comprised of at least 25 contiguous acres owned and controlled by the same business entity and which contains permanent exhibitions and a variety of recreational activities and has a minimum of 1**

million visitors annually.

**"Public lodging establishment"** means any unit, group of units, dwelling, building, or group of buildings within a single complex of buildings, which is rented to guests more than three times in a calendar year for periods of less than 30 days or 1 calendar month, whichever is less, or which is advertised or held out to the public as a place regularly rented to guests.

## **SPECIAL CIRCUMSTANCES/ RESTRICTIONS/LIMITATIONS**

### **Articles Normally Sold As A Unit**

Articles that are normally sold as a unit must continue to be sold in that manner; they cannot be separately stated and sold as individual items in order to obtain the exemption.

**EXAMPLE 1:** A pair of shoes normally sells for \$80.00. The pair cannot be split in order to sell each shoe for \$40.00 to qualify for the exemption.

**EXAMPLE 2:** A suit is normally priced at \$125.00 on a single price tag. The suit cannot be split into separate articles so that any of the components may be sold for \$50.00 or less in order to qualify for the exemption. However, components that are normally priced as separate articles may continue to be sold as separate articles and qualify for the exemption if the price for an article is \$50.00 or less.

### **Sets Of Clothing Containing Both Exempt And Taxable Items**

When exempt clothing or footwear is normally sold together with taxable merchandise as a set or single unit, the full price is subject to sales tax.

**EXAMPLE :** A gift set containing a tie and suspenders is sold for a single price of \$35.00. Although the suspenders would otherwise be exempt during the one-week exemption period, the full price of the gift set is taxable because the tie is taxable.

### 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 in order for both items to qualify for the exemption.

**EXAMPLE 1:** A retailer advertises pants as "buy one, get one free." The first pair of pants is priced at \$70.00; the second pair of pants is free. Tax is due on \$70.00. The store cannot sell each pair of pants for \$35.00 in order for the items to qualify for the exemption. However, the retailer may advertise and sell the items for 50% off, selling each pair of \$70.00 pants for \$35.00, making each pair eligible for the exemption.

**EXAMPLE 2:** A retailer advertises shoes as "buy one pair at the regular price, get a second pair for half price." The first pair of shoes is sold for \$60.00; the second pair is sold for \$30.00 (half price). Tax is due on the \$60.00 shoes, but not on the \$30.00 shoes. The store cannot sell each pair of shoes for \$45.00 in order for the items to qualify for the exemption. However, a retailer may advertise the pair for 25% off, thereby selling each pair of \$60.00 shoes for \$45.00, making each pair eligible for the exemption.

### Exchanging A Tax Exempt Purchase After August 21

If a customer purchases an item of eligible clothing or footwear during the exemption week, then later exchanges the item for the same item (different size, different color, etc.), no tax will be due even if the exchange is made after the exemption week.

If a customer purchases an item of eligible clothing or footwear during the exemption week, then later returns the item and receives credit on the purchase of a different item, the appropriate sales tax will apply to the sale of the newly purchased item.

**EXAMPLE 1:** During the exemption week, a customer buys a \$50.00 dress that qualifies for the exemption. Later, during the exemption week, the customer exchanges the \$50.00 dress for a \$75.00 dress. Tax is due on the \$75.00 dress. The \$50.00 credit

from the returned item cannot be used to reduce the \$75.00 item to \$25.00 for exemption purposes.

**EXAMPLE 2:** A customer purchases a \$35.00 shirt during the exemption week. After the exemption week, the customer exchanges the shirt for a \$35.00 jacket. Since the jacket was not purchased during the exemption week, tax is due on the \$35 jacket.

### Refunds

A customer who pays sales tax to a dealer on an eligible item when no tax is due must secure a refund of the tax from the dealer and not from the Department of Revenue.

### Time Limit On Tax Refunds To Customer

For the period of August 15, 1998, through September 30, 1998, when a customer returns an item that would qualify for the exemption, no refund of tax will be given unless the customer provides a receipt or invoice showing tax was paid, or the retailer has sufficient documentation to show that tax was paid on the specific item.

### Coupons, Rebates And Discounts

Manufacturer's coupons do not reduce the sales price of an item. Therefore, a manufacturer's coupon cannot be used to reduce the selling price of an item to \$50.00 or less in order to qualify for the exemption.

**EXAMPLE:** A shirt sells for \$55.00. The customer has a \$10.00 manufacturer's coupon good for the purchase of the shirt. The manufacturer's coupon does not reduce the sales price of the shirt. Tax is due on \$55.00 even though the customer only pays the retailer \$45.00 for the shirt.

Store coupons and discounts reduce the sales price of an item. Therefore, a store coupon or discount can be used to reduce the sales price of an item to \$50.00 or less in order to qualify for the exemption.

**EXAMPLE: A customer buys a \$100.00 suit and a \$55.00 shirt. The retailer is offering a 10 percent discount. After applying the 10 percent discount, the final sales price of the suit is \$90.00, and the shirt is \$49.50. The suit is taxable (it is over \$50.00) and the shirt is exempt (it is less than \$50.00).**

**Rebates occur after the sale and do not affect the sales price of an item purchased.**

**EXAMPLE: A shirt sells for \$55.00. The customer receives a \$10.00 rebate from the manufacturer. The rebate occurs after the sale so it does not reduce the sales price of the shirt. Tax is due on \$55.00.**

### **Gift Certificates**

**The sale of a gift certificate is not taxable. Eligible items purchased during the exemption week using a gift certificate will qualify for the exemption, regardless of when the gift certificate was purchased. Eligible items purchased after the exemption week using a gift certificate are taxable even if the gift certificate was purchased during the exemption week. A gift certificate cannot be used to reduce the selling price of an item to \$50.00 or less in order for the item to qualify for the exemption.**

### **Rain Checks**

**Eligible items purchased during the exemption week using a rain check will qualify for the exemption regardless of when the rain check was issued. However, issuance of a rain check during the exemption week will not qualify eligible items for the exemption if the item is actually purchased after the exemption week.**

### **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, at the end of the payment period, receives the merchandise. For purposes of this exemption, eligible clothing**

will qualify for the exemption if a retailer and a customer enter into a contract for a layaway sale during the exemption week, the customer makes the usual deposit in accordance with the retailer's layaway policy, and the merchandise is segregated from the retailer's inventory. Also, if final payment on a layaway order is made by, and the merchandise is given to, the customer during the exemption week, that sale of eligible clothing will qualify for the exemption.

### Clothing Rentals

Rentals of clothing or footwear do not qualify for the exemption.

### Mail Order

For purposes of this exemption, eligible clothing and footwear items purchased by mail order (including sales transactions over the Internet) will receive the exemption if the order is accepted by the mail-order company during the exemption week for immediate shipment. When the acceptance of the order by the mail-order company occurs during the exemption week, the exemption will apply even if delivery is made after the exemption week.

An order is accepted by the mail-order company when it has taken an action to fill the order for immediate shipment. Actions to fill an order include, but are not limited to, placing an "in date" stamp on a mail order or assigning an "order number" to a telephone order.

An order is for immediate shipment when delayed shipment is not requested by the customer. An order is for immediate shipment notwithstanding that shipment may be delayed because of a backlog of orders or because stock is currently unavailable to, or on back order by, the company.

### Shipping And Handling

Shipping and handling charges are included as part of the sales price of the clothing, whether or not separately stated. If

multiple items are shipped on a single invoice, the shipping and handling charge must be proportionately allocated to each item ordered, and separately identified on the invoice, to determine if any items qualify for the exemption.

### Repairs And Alterations To Clothing

Repairs to clothing or footwear do not qualify for the exemption. Alterations to clothing or footwear do not qualify for the exemption, even though alterations may be sold, invoiced, and paid for at the same time as the item to be altered.

**EXAMPLE:** A customer purchases a pair of pants for \$49.00, and pays \$5.00 to the retailer to have the pants cuffed. The \$49.00 charge for the pants is exempt; however, tax is due on the \$5.00 alterations charge.

### Records And Reporting

No special record keeping or reporting is necessary. Records should be maintained as currently required by law.

### **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 (800) 850-7847 (in Florida only) or (850) 414-9010. Hearing or speech impaired persons can call the TDD line at (800) 367-8331 (in Florida only) or (850) 922-1115.

For a detailed written response to your questions, write the Florida Department of Revenue, PO Box 7443, Tallahassee, FL 32314-7443.

Also, visit our Web site at <http://sun6.dms.state.fl.us/dor/f> or forms and other information. 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.

Seminars will be offered at local service centers. Contact the Florida Department of Revenue Service Center nearest you for details.

#### FLORIDA DEPARTMENT OF REVENUE SERVICE CENTERS

**Clearwater Service Center**  
**Arbor Shoreline Office Park**  
**19337 US Hwy. 19 N, Ste. 200**  
**Clearwater, FL 33764-3149**  
**813-538-7400**

**Cocoa Service Center**  
**2428 Clearlake Road, Bldg. M**  
**Cocoa, FL 32922**  
**407-504-0950**

**Coral Springs Service Center**  
**Florida Sunrise Tower**  
**3111 N. University Dr., Ste. 501**  
**Coral Springs, FL 33065-5096**  
**954-346-3000**

**Daytona Beach Service Center**  
**125 N. Ridgewood Ave., Ste. 301**  
**Daytona Beach, FL 32114-3286**  
**904-254-3901**

**Fort Myers Service Center**  
**2295 Victoria Ave., Ste. 270**  
**Fort Myers, FL 33901-3851**  
**941-338-2400**

**Gainesville Service Center**  
**2610 NW 43rd St., Ste. 2A**  
**Gainesville, FL 32606-7415**  
**352-955-2170**

**Hollywood Service Center**



**Taft Office Complex**

**6565 Taft St., Ste. 400**

**Hollywood, FL 33024-4000**

**954-967-1000**

**Jacksonville Service Center**

**921 N. Davis St., A-250**

**Jacksonville, FL 32209-6829**

**904-359-6070**

**Key West Service Center**

**3118 Flagler Ave.**

**Key West, FL 33040-4698**

**305-292-6735**

**Lake City Service Center**

**2651 W. US Hwy 90**

**Lake City, FL 32055-3115**

**904-758-0420**

**Lakeland Service Center**

**230 S. Florida Ave., Ste. 101**

**Lakeland, FL 33801-5047**

**941-499-2260**

**Leesburg Service Center**

**734 N. 3rd St., Ste. 117**

**Leesburg, FL 34748-4463**

**352-360-6660**

**Marianna Service Center**

**4230 Lafayette St., Ste.D**

**Marianna, FL 32446-3304**

**850-482-9518**

**Miami Service Center**

**8175 NW 12th St., Ste. 119**

**Miami, FL 33126-1831**

**305-470-5001**

**Naples Service Center**

**Wilson Professional Center**  
3200 Bailey Lane, Ste. 150  
Naples, FL 34105-8523  
941-436-1050

**Orlando Service Center**  
Orlando Executive Center  
5420 Diplomat Circle  
Orlando, FL 32810-5605  
407-623-1141

**Panama City Service Center**  
651 W. 14th St., Ste. D  
Panama City, FL 32401-2271  
850-872-4165

**Pensacola Service Center**  
3670-C North L Street  
Pensacola, FL 32505-5217  
850-595-5170

**Port Richey Service Center**  
6709 Ridge Rd., Ste. 300  
Port Richey, FL 34668-6842  
813-841-4407

**Port St. Lucie Service Center**  
900 E. Prima Vista Blvd., Ste. 300  
Port St. Lucie, FL 34952-2335  
561-871-7620

**Sarasota Service Center**  
240 S. Pineapple Ave., Ste. 600  
Sarasota, FL 34236-6725  
941-361-6001

**Tallahassee Service Center**  
2410 Allen Rd.  
Tallahassee, FL 32312-2603  
850-488-9719

**Tampa Service Center**  
**Suite 100**  
**6302 E. Dr. Martin Luther King, Jr. Blvd.**  
**Tampa, Florida 33619-1165**  
**813-744-6344**

**West Palm Beach Service Center**  
**2468 Metrocentre Blvd.**  
**West Palm Beach, FL 33407-5214**  
**561-640-2800**

**LIST OF ITEMS AND THEIR TAXABLE STATUS DURING THE  
EXEMPTION WEEK**

The following is a partial list of items and their taxable status during the exemption week if they are sold for \$50.00 or less.

**T = Taxable**

**E = Exempt**

**T/E Item**

**A**

- T Accessories (generally)**
- T Barrettes**
- T Belt buckles (sold separately)**
- T Bobby pins**
- T Bow ties**
- T Elastic ponytail holders**
- T Hair bows**
  
- T Hair clips**
- T Handbags**
- T Handkerchiefs**
- T Head scarves**
- T Headbands**
- T Jewelry**
- T Neckwear**
- T Key cases**
- T Scarves for headwear/neckwear**

T Shower caps  
T Ties  
T Wallets  
T Watch bands  
T Watches  
E Adult diapers (cloth or disposable)  
E Aerobic clothing  
T Afghans  
E \*Ankle braces and supports worn to correct or alleviate a  
physical injury or incapacity  
E Antique clothing  
E Aprons (household)  
E Arch supports  
E Athletic socks  
T Athletic supporters

## B

E Baby clothes  
E Baby diapers (cloth or disposable)  
T Backpacks  
T Bandanas  
E Baseball caps, fishing caps, and golf caps  
T Baseball and hockey gloves  
T Baseball cleats  
E Baseball uniforms  
E Bathing suits, caps and coats  
T Belt buckles  
E Belts with attached buckles  
T Belts for weight lifting  
E Bibs  
T Bicycle shoes (cleated)  
E Blouses  
E Boots (generally)  
T Climbing  
T Fishing (waders)  
E Hiking  
E Overshoes and galoshes  
T Riding  
T Ski  
T Waders  
E Bowling shirts

**T Bowling shoes (rented and sold)**

**T Bow ties**

**E Bras**

**E Bridal apparel (unless rented)**

**T Buttons and zippers**

## **C**

**E Camp clothes**

**E Caps (baseball, fishing, golf)**

**E Chef uniforms**

**T Children's novelty costumes**

**T Chest protectors**

**E Choir and altar clothing**

**E Clerical vestments**

**T Cloth and lace, knitting yarns, and other fabrics**

**T Clothing repair items, such as thread, buttons, tapes,  
iron-on patches**

**E Coats and wraps**

**T Corsages and boutonnieres**

**E Corsets and corset laces**

**T Costumes (Halloween, Santa Claus, etc.)**

**E Coveralls**

**T Crib blankets**

## **D**

**E Diapers, diaper inserts**

**T Dress shields and skirt shields**

**E Dresses**

## **E**

**E \*Elbow braces and supports worn to correct or alleviate a  
physical incapacity or injury**

**T Elbow pads**

**E Employee uniforms (except ties)**

## **F**

**T Fins**

**T Fishing boots (waders)**

**E Fishing vests (nonflotation)**

**T Football pads**

- E Football uniforms (except pads)
- E Formal clothing
- E Fur coats, stoles, and fur trimming

## G

- E Garters and garter belts
- E Girdles, bras, and corsets
- E Gloves (generally)
- T Baseball
- T Batting
- T Bicycle
- E Dress (unless rented)
- E Garden
- T Golf
- T Hockey
- E Leather
  
- T Rubber
- T Surgical
- T Tennis
- E Work
- T Goggles (except prescription)
- E Golf dresses
- T Golf gloves
- E Golf jackets and windbreakers
- E Golf shirts
- E Golf skirts
- T Golf purses
- T Golf shoes
- T Graduation caps and gowns
- E Gym suits and uniforms

## H

- T Hair nets, bows, clips, and barrettes
- T Handbags and purses
- T Handkerchiefs
- T Hard hats
- E Hats
- T Headbands
- T Helmets (bike, baseball, football, hockey, motorcycle, sports)

- E Hooded shirts and hooded sweatshirts
- E Hosiery, including support hosiery
- E Hunting vests

#### I-J

- T Ice skates
- E Insoles
- E Jackets
- E Jeans
- T Jewelry
- T Jewelry tiaras
- E Jogging suits

#### K

- E \*Knee braces and supports worn to correct or alleviate a physical incapacity or injury
- T Knee pads
- E Knitted caps or hats

#### L

- E Lab coats
- T Leather goods, except leather belts and leather wearing apparel
- E Leg warmers
- E Leotards and tights
- T Life jackets and vests
- E Lingerie
- T Lobster bibs
- T Luggage

#### M

- E Martial arts attire
- E Men's formal wear (unless rented; excludes ties)

#### N

- T Neckwear and ties
- E Nightgowns and nightshirts
- E Nylons

#### O-P

- E Overshoes and rubber shoes
- T Pads (football, hockey, soccer, elbow, knee, shoulder)
- E Painter pants
- T Paint or dust respirators and incidental supplies
- E Pajamas
- E Pants
- E Panty hose
- T Patterns
- T Personal flotation devices
- T Protective gloves
- T Protective masks (athletic)

## R

- E Raincoats and ponchos
- E Rain hats
- E Receiving blankets
- E Religious clothing
- T Rented clothing (including uniforms, formal wear, and costumes)
- T Repair of wearing apparel
- T Ribbons
- E Riding pants
- E Robes
- T Roller blades
- T Roller skates

## S

- E Safety clothing (normally worn in hazardous occupations)
- T Safety glasses (except prescription)
- E Safety shoes (adaptable for street wear)
- T Safety shoes (not adaptable for street wear)
- T Scarves
- E Scout uniforms, except ties
- E Shawls and wraps
- T Shin guards and padding
- E Shirts
- E Shirts (hooded)
- E Shoe inserts
- E Shoelaces
- E Shoes (generally)
- T Ballet



T Baseball cleats

T Bicycle

E Boat

T Bowling

T Cleated or spiked

E Cross trainers

E Dress

T Fishing boots (waders)

E Flip-flops (rubber thongs)

T Football

T Golf

T Jazz and dance

E Jellies

E Rubber

E Running (without cleats)

E Safety (suitable for everyday use)

E Sandals

E Slippers

E Sneakers and tennis

T Soccer (cleated)

T Spiked or cleated

T Tap dance

E Tennis

T Track and cleats

T Wading/water sport

E Walking

E Shoulder pads (for dresses, jackets, etc.)

T Shoulder pads (football, hockey, sports)

E Shorts

T Shower caps

T Skates (ice and roller)

T Ski boots (snow)

T Ski vests (water)

T Ski suits (snow)

T Skin diving suits

E Skirts

E Sleepwear, nightgowns, pajamas

E Slippers

E Slips

E Soccer socks

- E Socks
- T Sports helmets
- T Sports pads (football, hockey, soccer, knee, elbow, shoulder)
- E Sports uniforms (except pads, helmets, cleated or spiked shoes)
- E Suits, slacks, and jackets
- T Sunglasses (except prescription)
- E Support hosiery
- E Suspenders
- E Sweatshirts
- E Sweat suits
- E Sweaters
- T Swimming masks

- E Swim suits
- E Swim trunks

#### T

- E Tennis dresses
- E Tennis shorts
- E Tennis shoes
- E Tennis skirts
- T Ties (neckties - all)
- E Tights
- T Track shoes and cleats
- E Trousers
- E Tuxedo, excluding tie, cufflinks, and rentals

#### U

- T Umbrellas
- E Underclothes
- E Underpants
- E Undershirts
- E Uniforms, excluding ties (work, nurse, waitress, military, postal, police, fire)
- E Uniforms (baseball, football, etc.; children and adult)

#### V-W

- E Veils

- T Wallets
- T Watch bands
- T Watches
- T Water ski vests
- T Weight lifting belts
- T Wet and dry suits
- T Wigs, toupees, and chignons
- E Work clothes, excluding ties
- E Work uniforms, excluding ties
- T Wrist bands
- E \*Wrist braces and supports worn to correct or alleviate a physical incapacity or injury

\* These items are always exempt as prosthetic or orthopedic appliances.