



Beginning Your Relationship with the Florida Department of Revenue

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What new dealers should know about collecting, reporting, and remitting Florida sales and use tax.

Note: This publication is mailed to newly registered sales and use tax dealers. If you need to register to collect and/or report tax, you can do so through our Internet site. The site will guide you through an application interview that will help you determine your tax obligations. If you do not have Internet access, you can complete a paper *Application to Collect and/or Report Tax in Florida* (Form DR-1).

Welcome Aboard!

Thank you for registering to collect, report, and remit Florida sales and use tax. The Department of Revenue recognizes that we are partners with you in this effort. Your successful business will help all Floridians by strengthening the state's economy. We try hard to assist you by making it easier for you to comply with the tax laws. Please contact us if you have any questions or suggestions. We are ready and willing to help.

Lisa Echeverri
Executive Director

Getting Started

Here is your *Certificate of Registration* (Form DR-11). It allows you to conduct business at the address shown. It lists the business opening date, the effective date of your registration, your tax return filing frequency, your business partner number, and your sales tax certificate number. You must include these numbers in communications with the Department.

You must display it in a clearly visible place at your business location.

We have also enclosed your Annual Resale Certificate (Form DR-13). You must give a signed **copy** of this certificate to your vendors to make tax-exempt purchases or rentals of property or services for resale. All *Annual Resale Certificates* issued by the Department will end on December 31 of each year. We will issue a new *Annual Resale Certificate* to all active sales tax dealers each year.

We are sending you a *Sales Tax Rate Table* (Form DR-2X) for multiple tax rates. In this table, there is a 6% rate chart, which is the general sales tax rate in Florida. There are also charts for the current, combined state rate and discretionary sales surtax rate (county tax) for 6.5%, 6.75%, 7%, 7.5%, and 8%. Additional increments and rate cards can be found on the Department's Internet site at www.myflorida.com/dor.

Dealer Responsibilities

As a newly registered dealer, you act as an agent of Florida and must:

- Collect sales tax on each taxable transaction.
- Pay use tax on items you use in the business that you purchase tax-exempt or remove from inventory and do not resell.
- Send the tax you collect and the use tax you owe to the Florida Department of Revenue. You can file and pay online or send a Sales and Use Tax Return (DR-15) with a check.
- Keep complete and accurate records on all sales and purchases.

The tax dollars you collect belong to Florida at the time of collection. You serve as trustee or custodian of these funds until you send them to the Florida Department of Revenue. You must keep accurate records and maintain a separate accounting of these funds.

Copies of your filed tax returns, cancelled tax payment checks, and documentation to support all transactions must be kept for at least three years.

Filing Requirements

In a separate mailing, you'll receive a tax return (Form DR-15CS) for your first collection period. This form is for your first tax filing. You will be sent returns on which to file your taxes for the rest of the calendar year. You must file even if you do not receive returns. Call the Department if you do not receive your returns by your due date.

There are tax reporting methods available to owners who have multiple business locations. Call your local service center or Taxpayer Services to ask about consolidated filing.

Refer to your *Certificate of Registration* to find your return filing frequency. All returns and payments are due the first day of the month and late after the 20th of the month after the collection period, whether your filing frequency is monthly, quarterly, twice a year, or yearly. If the 20th falls on a weekend or federal or state holiday, returns will be timely if they are postmarked on the first business day after the 20th. You must file your return even if no sales were made or tax is due.

Due date reminders: If you are a monthly or quarterly filer, you can sign up to receive an e-mail every collection period, reminding you of the due date. Go to our Internet site and click on "Subscribe to our publications." This subscription service is for paper filers only. Electronic filers are automatically signed up to receive reminders when they enroll.

Penalty and Interest

Penalty—A taxpayer who files a late return or is late in paying the tax due will be charged a late penalty of 10 percent of the amount of tax owed, but no less than \$50. The \$50 minimum penalty applies even if no tax is due. Penalty will also be charged if the return or payment is submitted on time but is incomplete.

Interest—A floating rate of interest applies to underpayments and late payments of tax. We update the rate January 1 and July 1 of each year by using the formula in section 213.235, Florida Statutes. Current and prior period interest rates are posted on our web site.

Making Purchases for Resale

As a registered dealer with the Department, you are provided with an *Annual Resale Certificate* (Form DR-13) to make tax-exempt purchases or rentals of property or services for resale. You must submit a **signed** copy of your *Annual Resale Certificate* to a seller when making purchases or rentals of property or services that you are going to resell or rent as part of your business. It is your duty as a dealer to collect and send in the applicable amount of sales and use tax and discretionary sales surtax from your customers when you finally do resell or re-rent the property or service at retail. If you have problems figuring what you may buy or rent tax-exempt for resale, there is a brochure that will help you: *Annual Resale Certificate for Sales Tax*.

Do not use the *Annual Resale Certificate* to make purchases or rentals that you will use in your business rather than resell or re-rent. Remember, there are criminal and civil penalties for the fraudulent use of the *Annual Resale Certificate*.

Sales to Exempt Organizations

A *Consumer's Certificate of Exemption* (Form DR-14) is given to eligible nonprofit organizations, religious institutions and governmental bodies exempting them from paying tax on purchases for their own use. Payment must be made only by the entity named on the certificate. Personal payment that will be repaid by the entity named on the certificate cannot be accepted for tax-exempt purchases.

If Your Business Changes

If your business location or mailing address changes, you must notify us of the change at once.

If you move your business to another location within the same county and you are no longer operating at your old location, notify us of your new location address. Use the *Change of Address or Business Name* form in your coupon book and send it to us. You must give a street address; a post office box number cannot be used for a business location address.

If you move your business to a different county, you must re-register (register online or submit Form DR-1). Your old sales and use tax certificate number will be cancelled; however, you must file a final return and payment (if any) for the old business location.

If you open more business locations, you must register each one. For commercial rental property, a separate application is needed for each parcel.

Learn More and Stay Informed

Our Internet site has sales and use tax tutorials that show you how to complete your tax return, calculate discretionary sales surtax, electronically file and pay your taxes, and estimate your tax. You can also download a copy of the *Guide for Business Owners* (Form GT-300015). You can find these learning tools and more on our Taxpayer Education web page.

We also offer electronic subscriptions to our tax publications. Sign up to get e-mail notices when we post a new publication to our site.

How Are We Doing?

Please give us your feedback on this brochure by taking our one-minute survey. Go to www.myflorida.com/dor and click on "Surveys."

Reference Material

Tax Laws – Our online Tax Law Library contains statutes, rules, legislative changes, opinions, court cases, and publications. Search the law library for Rule 12A-1.001, Florida Administrative Code, *Specific Exemptions*; Rule 12A-1.038, F.A.C., *Consumer's Certificate of Exemption*; and Rule 12A-1.039, F.A.C, *Sales for Resale*.

Brochures – Download these brochures from our "Forms and Publications" page:

- *Florida's Sales and Use Tax*
- *Discretionary Sales Surtax*
- *Florida Taxpayer's Bill of Rights*
- *Annual Resale Certificate for Sales Tax*

For Information and Forms

Information and forms are available on our Internet site at: www.myflorida.com/dor

To speak with a Department of Revenue representative, call Taxpayer Services, Monday through Friday, 8 a.m. to 7 p.m., ET, at 800-352-3671.

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

For a written reply to tax questions, write:

Taxpayer Services
Florida Department of Revenue
5050 W Tennessee St Bldg L
Tallahassee FL 32399-0112

Get the Latest Tax Information

Sign up to get e-mail notices automatically when we post:

- Tax Information Publications (TIPs).
- *Facts on Tax*, a quarterly publication.
- Proposed rules, notices of rule development workshops, and more.

Sign up at: www.myflorida.com/dor