

## It's a Gasoline Tax Cut in Florida this August



**The Florida Motor Fuel Tax Relief Act of 2004 will begin at 12:01 a.m., August 1, 2004, and end at midnight August 31, 2004.**

**Florida's gasoline tax will be cut by 8 cents per gallon.**

During the Gasoline Tax Cut, Florida's gasoline tax will be reduced by 8 cents per gallon. Florida tax on gasoline sold during this period will be reduced from 24 cents per gallon to 16 cents per gallon. Gasoline sales above the loading rack prior to August 1 are subject to the full tax rate of 24 cents per gallon. Gasoline sales above the loading rack that are delivered after midnight August 31 are subject to the full tax rate of 24 cents per gallon.

**By law, you must pass the savings to your customers.**

A Gasoline Tax Cut public awareness campaign is underway. Florida drivers will expect to see the Gasoline Tax Cut reflected at the pumps. The retailers will expect to see the Gasoline Tax Cut reflected in your invoices.

**Accounting for the Gasoline Tax Cut**

By law, you are required to provide invoices to your customers that reflect the reduced tax rate beginning August 1. If you are unable to adjust the rates on your invoices due to programming issues, a credit memo must be issued along with each purchase invoice. The Department has created a flyer for you to include with fuel deliveries during the Gasoline Tax Cut. The Florida Gasoline Tax Cut *Reminder for Retailers* may be downloaded from our web site at [www.myflorida.com/dor](http://www.myflorida.com/dor).

You have two options for complying with your motor fuel tax filing requirements. You must do one or the other:

- You may choose to treat the month of August as a separate year for accounting purposes, adjusting the Florida gasoline tax rate in your software accordingly.
- If you prefer to make the required tax rate adjustment manually, you need the attached supplemental worksheet, DR-309631\*A. After completing your August tax return (DR-309631) as usual, complete the supplemental worksheet to help you determine the proper amount of tax due with your return.

**August 1 through August 31, 2004**



# TIP

## Tax Information Publication

TIP 04B05-02  
Date Issued:  
July 7, 2004

Visit our web site at

[www.myflorida.com/dor](http://www.myflorida.com/dor) for:

- Current information about the Gasoline Tax Cut
- A flyer for your customers, Gasoline Tax Cut *Reminder to Retailers*
- House Bill 237
- Emergency Rule 12BER04-7
- Supplemental worksheet for terminal suppliers, DR-309631\*A

***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.***

Continue to charge and remit local option taxes as usual. Ultimate Vendor Credits (credit for gasoline tax exempt sales) will be calculated at the reduced rate for this period.

Failure to comply with the Florida Motor Fuel Tax Relief Act of 2004 is a third-degree felony. In the event that your business is investigated, the following factors should be considered:

- The average cost of gasoline sold at the loading rack of terminals located in neighboring states (i.e. Alabama, Georgia, Mississippi, or South Carolina) during August 2004 compared to the loading rack prices at terminals in Florida.
- For retail stations either operated by terminal suppliers or stations where terminal suppliers set the selling price of the gasoline, the average gross margin (cents per gallon) per grade for the 60-day period prior to August 2004.
- Any other factors you may provide to prove that gasoline prices were properly reduced to reflect the tax cut.

***Note: The Gasoline Tax Cut does not include diesel fuel.***

For forms and other information, visit our Internet site at [www.myflorida.com/dor](http://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 or 850-488-6800.

Hearing or speech impaired persons should call our TDD at 800-367-8331 or 850-922-1115.

For a detailed written response to your questions, write:

Florida Department of Revenue  
Taxpayer Services  
1379 Blountstown Highway  
Tallahassee, FL 32304-2716

**August 1 through August 31, 2004**