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DEPARTMENT OF REVENUE

Sales and Use Tax

RULE NOS.:	RULE TITLES:
12A-15.003	Admissions; Tangible Personal Property; Services; Service Warranties; Real Property and Transient Accommodations; Use Tax
12A-15.004	Specific Limitations
12A-15.005	Permits, Certificates, and Affidavits
12A-15.007	Records
12A-15.014	Transition Rule

PURPOSE AND EFFECT: Section 37, Ch. 2025-208, L.O.F., repeals the state sales tax on leases of real property effective October 1, 2025. The purpose of the proposed amendments to Rules 12A-15.003, 15.004, 15.005, 15.007, and 15.014, F.A.C., is to reflect the repeal of sales tax on real property leases.

SUMMARY: The proposed amendments to Rules 12A-15.003, 15.004, 15.005, 15.007, and 15.014, F.A.C., remove provisions regarding the lease of real property.

SUMMARY OF STATEMENT OF ESTIMATED

REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of $200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the Agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: 1) no requirement for the Statement of Economic Regulatory Costs (SERC) was triggered under Section 120.541(1), F.S.; and 2) based on past experiences regarding rules of this nature, the adverse impact or regulatory cost, if any, do not exceed nor would exceed any one of the economic analysis criteria in a SERC, as set forth in Section 120.541(2)(a), F.S.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 212.0596(3), 212.18(2), 213.06(1) FS.

LAW IMPLEMENTED: 212.02(15), (19), 212.04(1), 212.05(1), 212.0506, 212.05(1), 212.05011, 212.054, 212.055, 212.0596, 212.06(1), (2), (4), (6), (8), (10), 212.07(8), 212.12(6), 212.13(2), 212.18(3), 212.183, 213.053 FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE,TIME AND PLACE SHOWN BELOW(IF NOT REQUESTED, THIS HEARING WILL NOT BE HELD):

DATE AND TIME: Tuesday, November 4, 2025, 10:00 a.m.

PLACE: 2450 Shumard Oak Boulevard, Building One, Room 1221, Tallahassee, Florida 32399.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 48 hours before the workshop/meeting by contacting: Tonya Fulford at (850)717-6799. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Martha Gregory, Office of Technical Assistance, Department of Revenue, P.O. Box 7443, Tallahassee, Florida 32314-7443, telephone (850)717-6041, email RuleComments@floridarevenue.com.

THE FULL TEXT OF THE PROPOSED RULE IS:

12A-15.003 Admissions; Tangible Personal Property; Services; Service Warranties;~~ Real Property and~~ Transient Accommodations; Use Tax.

(1) through (7) No change.

(8) ~~REAL PROPERTY AND~~ TRANSIENT ACCOMMODATIONS.

(a) When any transient accommodation ~~real property~~ that is leased, rented, or upon which a license for use is granted is located within a surtax county, surtax on the rental or license payment is due at the rate imposed within the surtax county.

~~(b) When any transient accommodation is located within a surtax county, surtax is due at the rate imposed within the surtax county.~~

(b)~~(c)~~ The owner of ~~real property or~~ a transient accommodation that is leased, rented, or upon which a license for use is granted or the owner's representative is required to collect surtax at the rate imposed by the surtax county where the ~~real property or~~ transient accommodation is located.

(9) USE TAX.

(a) through (c) No change.

(d) A dealer who is registered with the Department and who is required to pay use tax directly to the Department must ~~shall~~ pay surtax in the following manner:

1. No change.

~~2. When a dealer is authorized by the Department to accrue use tax on the lease, rental, or license to use real property located within a surtax county, the dealer is required to pay surtax at the rate imposed by the surtax county where the property is located.~~

2.~~3.~~ No change.

3.~~4.~~ No change.

(c) No change.

Rulemaking Authority 212.0596(3), 212.18(2), 213.06(1) FS. Law Implemented 212.04(1), 212.05(1), 212.0506, 212.054, 212.055, 212.0596, 212.06(1), (2), (4), (6), (8), (10), 212.07(8), 212.12, 212.18(3), 212.183, 213.053 FS. History–New 12-11-89, Amended 1-30-91, 5-12-92, 8-10-92, 11-16-93, 3-20-96, 6-19-01, 10-2-01, 4-17-03, 5-28-06, 6-14-22, ________.

12A-15.004 Specific Limitations.

(1) No change.

(2)(a) The surtax does not apply to the sales amount above $5,000 on any item of tangible personal property. However, the surtax does apply to the first $5,000 of the sales amount on the sale, use, lease, rental, or license to use any item of tangible personal property, including electric power or energy. The surtax applies, without limitation, to sales of admissions; sales and uses of services; sales of service warranties; charges for prepaid calling arrangements; leases, rentals, and licenses to use ~~real property or~~ transient accommodations; leases or rentals of parking or storage space for motor vehicles in parking lots or garages, docking or storage space in boat docks and marinas, and tie-down or storage space for aircraft; and all other transactions subject to the discretionary sales surtax.

(b) No change.

(c)1. No change.

~~2. Example: A person leases real property subject to the state sales tax for $10,000 a month. The entire monthly rental (i.e., $10,000) is subject to the surtax since the $5,000 limitation only applies to items of tangible personal property.~~

2.~~3.~~ No change.

3.~~4.~~ No change.

(3) No change.

Rulemaking Authority 212.18(2), 213.06(1) FS. Law Implemented 212.02(15), (19), 212.05(1), 213.053, 212.054, 212.055 FS. History–New 12-11-89, Amended 5-12-92, 3-17-93, 11-16-93, 10-2-01, 4-17-03, 2-20-25,______.

12A-15.005 Permits, Certificates, and Affidavits.

(1) No change.

(2)(a) Where a purchasing dealer has obtained written consent from the Department of Revenue to assume the obligation of remitting the tax to the State, and has issued a statement relieving the selling dealer from the responsibility of collecting the tax, the purchasing dealer is required to remit the surtax based upon where the taxable transaction occurred.

~~(b)1. Example: If the real property which is leased or rented is in a county imposing the surtax the lessor, or other person receiving the rental consideration, is required to remit the surtax.~~

(b)~~2.~~ Example: If the purchaser is in a county imposing the surtax and the purchase or lease involves tangible personal property, the purchaser or lessee is required to remit the surtax.

Rulemaking Authority 212.18(2), 213.06(1) FS. Law Implemented 212.054, 212.055, 212.183, 213.053 FS. History–New 12-11-89, Amended 5-12-92,_______.

12A-15.007 Records.

Persons making sales and use of tangible personal property; charging admissions; furnishing electricity or natural or manufactured gas; ~~leasing or renting any real property;~~ or leasing or renting any transient rental accommodations subject to the surtax must ~~shall~~ maintain adequate and sufficient books and records to indicate what sales and uses are subject to the surtax. The failure to maintain such records subjects ~~shall make~~ the total sales amount ~~subject~~ to the surtax.

Rulemaking Authority 212.18(2), 213.06(1) FS. Law Implemented 212.054, 212.055, 212.12(6), 212.13(2), 213.053 FS. History–New 12-11-89, Amended 10-2-01,_______.

12A-15.014 Transition Rule.

(1) No change.

~~(2) Commercial Rentals. Prepayments of rents to avoid increased tax rate are prohibited. Tenants with leases in effect prior to the effective date of any such surtax which provide for payments to be made on and after the effective date of any such surtax, cannot avoid tax by prepaying rent prior to the effective date of the surtax. Commercial rentals will be taxed pursuant to Section 212.031, F.S., plus the surtax rate for all rentals due on or after the effective date of any such surtax.~~

(2)~~(3)~~ No change.

Rulemaking Authority 212.18(2), 213.06(1) FS. Law Implemented ~~212.031,~~ 212.05(1), 212.05011, 213.053, 212.054, 212.055 FS. History–New 12-11-89, Amended 11-16-93, 3-20-96, 10-2-01, 4-17-03, 1-17-18, 1-8-19, 12-12-19, 6-14-22,_____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Martha Gregory

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: The Governor and Cabinet

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: September 30, 2025

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: July 31, 2025

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