

**Florida Department of Revenue
Tax Information Publication**

TIP 01BER-02

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Communications Services Tax Rates

This document is intended to provide you with the rates that will be in effect on October 1, 2001, for communications services tax.

On October 1, 2001, the new law changing the structure and reporting requirements for taxes on communications services becomes effective. The enclosed rates are effective with all bills issued on or after October 1, 2001, irrespective of the date that the service is rendered (or transacted). These rates will stay in effect until further notice by the Department.

Dealers are reminded that returns for the month of October are due to the Florida Department of Revenue on November 1 and late after November 20, if filing using paper, or November 19, if filing electronically. The rate schedule included in this publication may also be found on the Department's Internet site at www.myflorida.com/dor.

The communications services tax is composed of two rates, a state rate and a local rate.

State rate:

At the statewide level the state rate is composed of a state rate (6.8 percent) and a gross receipts rate (2.37 percent), for a total of 9.17 percent. Residential service is exempt from the state portion (6.8 percent) but not the gross receipts portion (2.37 percent). Direct-to-home satellite is taxed at a state rate (10.8 percent) and the gross receipts rate (2.37), for a total of 13.17 percent.

State rate	6.80% (Except direct-to-home satellite, which is 10.8%)
Gross receipts rate	2.37%

Local rates:

At the local level each of the local taxing jurisdictions in the state has an individual rate. Local rates are shown on the attached chart.

The rates are applied to the total invoice or bill for services. In any instance where a fraction of a cent is due, the tax must be rounded up to the next whole cent.

The rates included in this TIP are the rates identified as of August 20, 2001. Between now and October 1, 2001, you should visit the Department's Internet site at www.myflorida.com/dor to see if any changes to these rates have been posted.

Registration Is Required**All current dealers of telecommunications and related services must register for the communications services tax.**

Dealers currently registered for gross receipts and sales tax may complete and file the short registration form, DR-700013, on our Internet site at www.myflorida.com/dor. In addition to the DR-700013, telecommunication dealers must complete a Notice of Method Employed to Determine Taxing Jurisdiction, Form DR-700020. This form may also be completed and filed on the Department's Internet site. New dealers must file the Application to Collect and/or Remit Tax in Florida, Form DR-1, and Form DR-700020. The DR-1 may be filed using the Internet site.

Special Note on Estimated Sales Tax**Accounts Currently Required to Make Estimated Sales Tax Payments**

The conversion to the communications services tax will greatly reduce the amount of sales tax that some dealers report on their sales and use tax return, Form DR-15. Dealers who currently meet the threshold for estimated sales tax payments for 2001 and/or 2002 are still required, by statute, to continue to make estimated tax payments until their sales tax collections for the

prior state fiscal year (July 1 through June 30) fall below the \$200,000 threshold. When filing your September 2001 sales tax return, you will be paying your estimated taxes due for October 2001. If your sales tax collections will significantly decrease in October 2001, the Department recommends that you re-examine the method used to compute your estimated sales tax.

The Department suggests that you use the method that is an estimate of the tax due for the current month. This means that when the September 2001 sales tax return is filed, the estimated taxes would be for the tax due for October 2001 forecasted from the sales and use tax activity at the time the September return is filed. This method is described in Section 212.11(1)(a), Florida Statutes. This would also apply to the sales tax returns filed for October 2001 through December 2001 and all of 2002.

Any sales tax dealer may convert from their current method of determining estimated taxes to the method described above which is an estimate of the tax due for the current month.

References: Sections 202.12(1)(a) and (c); 202.20(1) and (3), 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 Tax Information Services, Monday through Friday, 8:00 a.m., to 7:00 p.m., ET, at 800-352-3671 (for Florida residents only), 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 the Florida Department of Revenue, Tax Information Services, 1379 Blountstown Highway, Tallahassee, FL 32304-2716.

To receive a fax copy of a form, call 850-922-3676 from your fax machine telephone.