



Florida Department of Revenue  
Tax Information Publication

**TIP**

No: 07A01-12

Date:  
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2007

**ESTIMATED SALES TAX FOR BUSINESSES  
WITH MULTIPLE LOCATIONS  
WITH THE SAME TAXPAYER IDENTIFICATION NUMBER**

Our records indicate that your total sales and use tax payments for **all** accounts that have the same Federal Employer Identification Number (FEIN) or Social Security Number (SSN) reached \$200,000 for the period of July 1, 2006, through June 30, 2007. Therefore, you are required to make estimated sales tax payments for each of these accounts beginning with your December 2007 return. This estimated payment requirement applies to the January 2008 through December 2008 collection periods. A list of all affected sales and use tax accounts is enclosed.

**Estimated Payments**

Your first 2008 estimated tax payment(s) is reported on Line 9 of your December 2007 return(s). This return(s) is due on January 1, 2008 and is late after January 22, 2008 (January 20<sup>th</sup> is on Sunday and January 21<sup>st</sup> is a holiday). Your electronic payment must be initiated on or before Friday, January 18, 2008, 5:00 p.m., Eastern Time (ET).

You will record the estimated tax payment(s) (Line 9) made on the December 2007 return(s) as a credit on Line 8 of your January 2008 return(s). You must continue to make estimated tax payments on each return throughout 2008.

All consolidated accounts are required to file and pay electronically.

**Three Methods for Computing Estimated Tax**

The percentage factor for calculating estimated tax is 60%. Your estimated tax liability is based only on Florida sales and use tax due and does not include discretionary sales surtax. Note: If you incorrectly calculate or forget to enter your estimated tax, you cannot amend your return. Compute your estimated tax liability by one of the following methods:

**Method 1**

Calculate 60% of your average sales tax liability for those months during the previous calendar year that you reported taxable transactions.

Example: When completing your December 2007 return, calculate your average sales tax liability for the 2007 calendar year. To calculate your average, complete the following steps:

Step 1. Review all of your 2007 sales tax returns (including December return).

Step 2. Add together the amounts from Line 7 (minus discretionary sales surtax) for all 2007 returns.

Step 3. Divide the total of all Line 7 amounts by the number of returns filed with tax due on Line 7. This is your 2007 average sales tax liability.

Step 4. Multiply your 2007 average sales tax liability by 60%.

Step 5. Enter the amount determined in Step 4 on Line 9 of your December 2007 return and all returns for 2008. When using this method, you would need to recalculate the estimated tax due prior to filing your December 2008 return.

## **Method 2**

Calculate 60% of your sales tax collected during the same month of the previous calendar year.

Example: When completing your December 2007 return, look at your January 2007 return and multiply the amount from Line 7 (minus discretionary sales surtax) by 60%. Enter that amount on Line 9.

## **Method 3**

Calculate 60% of the tax collected for the collection period following this return.

Example: When completing your December 2007 return, your estimated tax liability is 60% of what you will collect (minus discretionary sales surtax) for the January 2008 return. Enter that amount on Line 9.

Note: If you correctly calculate your estimated tax using one of the three methods described, you will not be assessed a penalty for underpayment of estimated tax. Dealers are NOT required to use only one method and may elect to use any one of these methods throughout the year.

## **Consolidated Filing Method**

Dealers who operate two or more places of business that report through a central office or location are eligible to file a consolidated return. All consolidated accounts are required to file and pay electronically. When filing a consolidated return with information for each location, only one electronic initiation and payment is necessary. If you would like to begin filing a consolidated return, please submit an Application for Consolidated Sales and Use Tax Filing Number (Form DR-1CON). After your application is processed, you will be issued a consolidated account number. You will need the consolidated account number prior to enrolling for e-Services.

## **Penalty for Underpayment of Estimated Tax**

If you underpay your estimated tax, a penalty of 10% is due on the underpaid amount.

## **Penalty Rate for Late Filing**

The penalty for late payments of sales and use tax and solid waste and surcharges is now either 10% of the amount of tax or fees due on your tax return, including discretionary sales surtax, or a minimum of \$50, whichever is greater. The \$50 minimum penalty applies even if no tax is due.

## **Interest**

If your payment is late, interest is owed on the amount due. Florida law provides a floating rate of interest for late payments of taxes and fees due, including discretionary sales surtax. The floating rate of interest is established using the formula in Section 213.235, F.S., and is updated on January 1 and July 1 each year. You may obtain interest rates from the Department's internet site at [www.myflorida.com/dor](http://www.myflorida.com/dor).

**References: Sections 212.11, 212.12, and 213.755, 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](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.**

**Persons with hearing or speech impairments may 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, Taxpayer Services, 1379 Blountstown Highway, Tallahassee, FL 32304-2716.**