

## **Solid Mineral Severance Tax**

### **Phosphate Rock Producers**

Phosphate rock producers are subject to a new surtax and an increased tax rate beginning July 1, 2008. The proceeds of the surtax will be used for rehabilitation, management and closure of the Piney Point and Mulberry sites of severance, as well as other approved reclamation of nonmandatory lands as provided in Chapter 378, Florida Statutes (F.S).

### **Beginning July 1, 2008**

- The tax rate will be \$1.945 per ton of phosphate rock severed.
- A surcharge of \$1.38 on the severance of phosphate rock will be charged in addition to the excise tax on each ton of phosphate rock severed.
- Beginning July 1 of the fiscal year following the date that the surtax revenues equal or exceed \$60 million, the tax rate on the severance of phosphate rock will be \$1.51 per ton of phosphate rock severed.
- A surtax offset will be calculated and accumulated for each taxpayer. Once the accumulated surtax offset for a taxpayer equals or exceeds the total amount of surtax paid by the taxpayer, the taxpayer's severance tax rate will be calculated based on the provisions of section 211.3103(5) and (6), F.S.

Reference: Section 211.3103, F.S. as amended by section 2, Chapter 2008-150, Laws Of Florida

#### **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.