



Florida Department of Revenue
Tax Information Publication

TIP

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GUIDELINES
FOR COLLECTING SALES TAX ON PURCHASES OF MOTOR VEHICLES
BY RESIDENTS OF ANOTHER STATE

The intent of this notice is to clarify existing laws, rules, and policies and is not the result of new legislation. It is a reminder of the procedure to be used when a nonresident individual buys a vehicle in Florida from a private party (not a registered dealer).

When the individual applies for a temporary license plate for the vehicle from a county tax collector's office, he or she must:

- **Pay to the tax collector the sales tax based on the tax rate of the state where the vehicle will be registered.** The maximum tax is 6 percent (Florida's rate).
- **Complete an affidavit stating his or her intent to license the vehicle in his or her home state within 45 days from the date of purchase.** Use Form DR-123, *Affidavit for Partial Exemption for Motor Vehicles Sold for Licensing Outside of Florida*.

The sale of a motor vehicle to a nonresident is taxable in an amount equal to the tax that would be imposed by the purchaser's home state. This tax is Florida tax and must be collected and remitted to the Department. The partial exemption is granted only if the purchaser completes Form DR-123 before the issuance of a temporary license plate, stating his or her intent to license the vehicle in the purchaser's home state within 45 days.

If the tax collector's office unintentionally collects sales tax at Florida's 6 percent rate and the tax exceeds the amount that would be imposed by the nonresident purchaser's home state, the purchaser may be entitled to a refund of the excess tax. However, if the purchaser **did not** complete Form DR-123 at the time of sale, he or she will not be able to get the refund. **Therefore, it is important for tax collectors to ensure that nonresident purchasers complete Form DR-123 before issuing the temporary license plate and collecting the applicable tax.**

Reference: Section 212.08(10), 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 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, 5050 West Tennessee Street, Tallahassee, FL 32399-0112.

Don't delay-save today!

You can pay overdue taxes with no penalty and reduced interest under Florida's Tax Amnesty Program, July 1 to September 30, 2010. All taxes administered by the Department of Revenue are eligible, except unemployment tax and Miami-Dade County Lake Belt Fees.

Visit www.myflorida.com/dor/amnesty to find out more.