



Florida Department of Revenue
Tax Information Publication

TIP

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**Communications Services Tax
Changes to State and Gross Receipts Tax Rates Effective August 1, 2010**

Effective August 1, 2010, the state and gross receipts tax rate components of the communications services tax will change. However, the combined rate for the state and gross receipts tax components will remain at 9.17%. Local tax rates, direct-to-home satellite services tax rates and tax rates on exempt sales of certain services to residential households will not change.

Tax Rate Changes

State Tax Rate:

The state rate will decrease from 6.8% to 6.65%. The new state tax rate of 6.65% is effective for bills issued on or after August 1, 2010.

Gross Receipts Tax Rate:

An additional gross receipts tax of .15% will be added to the current 2.37% rate. The new total gross receipts tax rate of 2.52% is effective for bills issued on or after August 1, 2010.

The state and gross receipts tax rate component changes do not affect sales of direct-to-home satellite services, sales of certain communications services to residential households, or local tax rates.

Tax Rate on Sales to Residential Households

Sales to residential households are exempt from the state rate of 6.65% and the additional .15% gross receipt tax rate. These sales continue to be subject to the gross receipt tax rate of 2.37%.

NOTE: The partial exemption for residential sales **does not** apply to cable services, mobile communications services, direct-to-home satellite services, or to any residence considered a transient public lodging establishment as defined in Chapter 509, Florida Statutes. These services are fully taxable.

Tax Rate on Direct-to-Home Satellite Services

The tax rate on direct-to-home satellite services will not change. It is 13.17%.

Customer Billing

Dealers may bill and collect the 6.65% state rate along with the .15% gross receipts add-on rate for a total tax rate of 6.8%, provided the taxes are properly reflected on the *Florida Communications Services Tax Return* (Form DR-700016).

Filing Form DR-700016

Taxable sales subject to state tax currently reported on Schedule I, Column B of the communications services tax return (Form DR-700016) will still be taxed at a total rate of 6.8%. However, the 6.8% rate will include both the state portion of 6.65% and the additional gross receipts tax of .15% as indicated on the tax return.

Taxable sales subject to local and gross receipts tax reported on Schedule I, Column C will remain taxed at 2.37% for the gross receipts tax. **NOTE:** Applicable local tax rates still apply.

Electronic Filing

If you are filing electronically, you should continue to do so. If you are **not** filing electronically, you can easily enroll to file and/or pay your communications services tax online. Use our Internet application or create and upload your own file according to our specifications. Electronic filing is fast, easy and secure. For more information, visit our website at www.myflorida.com/dor.

References: Sections 202.12 and 202.125, Florida Statutes, Chapter 2010-199, Laws of Florida (CS for SB 2024, 2nd Engrossed).

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.