

Florida Department Of Revenue
Tax Information Publication

TIP 99A01-36

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Sales Tax Filing Status Changes Beginning January 2000
(Estimated Tax)

Florida law requires dealers who paid sales and use tax in excess of \$200,000 for the previous state fiscal year to make estimated tax payments. Your total sales and use tax liability reached \$200,000 for the period July 1, 1998 through June 30, 1999. You are required to make estimated tax payments beginning with your December 1999 return. This estimated tax payment is for the January 2000 collection period.

Beginning January 2000, you must make sales and use tax payments by Electronic Funds Transfer (EFT). Additionally, all sales and use tax EFT payers must file their returns by Electronic Data Interchange (EDI). Therefore, you must:

- * **make estimated sales and use tax payments beginning with your December 1999 return;**
- * **make sales and use tax payments electronically beginning with your January 2000 return;**
- * **file sales and use tax returns electronically beginning with your January 2000 return.**

Payment and Return Due Dates

Estimated Payments

Your first 2000 estimated tax payment is due on Line 9 of your December 1999 return. This return is due on January 1, 2000, and is late after January 20, 2000. (If you are currently paying electronically, your payment must be initiated on or before January 19, 2000, 3:45 p.m., ET.)

You will record the estimated tax payment made on the December 1999 return (Line 9) on Line 8 of your January 2000 return. You must continue to make estimated payments throughout 2000.

EFT Payments and EDI Returns

EFT payments and EDI returns are required for your January 2000 return. Your EFT payment is due February 1, 2000, and must be initiated no later than **3:45 p.m., ET, on February 18, 2000.**

Your EDI return is also due February 1, 2000, and the electronic date stamp on the return must be on or before February 22, 2000 (February 20th is a Sunday and Monday, February 21st, is a banking holiday). Note: You must continue to make electronic payments and filings throughout 2000.

How to Calculate Estimated Tax

Estimate your payment using Line 7 (TOTAL TAX DUE) on your sales and use tax return. Use **one** of these methods each month to calculate the estimated tax due:

60 % of Monthly Average - Look at each of your monthly 1999 (January 1 through December 31) sales and use tax returns (Form DR-15). Add together the amounts from Line 7 (TOTAL TAX DUE) on each return. To calculate the monthly average, divide the total only by the number of 1999 returns with tax due. Multiply this average by .60 and put the result on Line 9 of your December 1999 return.

60 % of Same Month/Previous Year - Look at your January 1999 sales and use tax return (Form DR-15). Multiply the amount from Line 7 (TOTAL TAX DUE) by .60 and put the result on Line 9 of your December 1999 return.

60 % of Current Month - Estimate the amount of sales and use tax you will collect during January 2000. Multiply that amount by .60 and put the result on Line 9 of your December 1999 return.

Do Not Underestimate. Underpayment of estimated tax will subject you to penalty and interest.

You Must Pay Tax Electronically

Your sales and use tax payments, including estimated tax, must

be made by Electronic Funds Transfer (EFT) beginning with your January 2000 return. The necessary forms and additional information on EFT will be mailed to you within the next two weeks.

You Must File Tax Returns Electronically

Your sales and use tax returns, including estimated tax, must be filed by Electronic Data Interchange (EDI) beginning with your January 2000 return. You must complete an Electronic Filing Agreement (Form DR-653) and mail it to the Department prior to the transmission of your first electronic return. The necessary forms, including Form DR-653, and additional information on EDI will be mailed to you within the next two weeks.

Failure To Comply

If you fail to correctly make payments of sales and use tax electronically, the Department **must** impose penalty and interest. This failure will also result in the **loss** of your collection allowance.

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 more information call Tax Information Services, Monday - Friday, 8:00 a.m. to 5:00 p.m., ET, at 850-488-6800.

Hearing or speech impaired persons should call our TDD at 1-800-367-8331 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.

For forms and other information, visit our Web site at

<http://sun6.dms.state.fl.us/dor/>.

Get tax forms quickly by FAX ON DEMAND. Call 850-922-3676, twenty-four hours a day, seven days a week, using your fax machine handset and follow the instructions.

References:

ss. 212.11 and 212.12, F.S.