

This document is a reference for University of Florida (UFLOR Business Unit) colleges, departments, and units regarding various activities that may be subject to Florida sales and use tax.

Florida Sales and Use Tax

Sales tax is a tax on the right to engage in a business activity.

Each **sale, admission, storage, or rental** in Florida is taxable, unless the transaction is exempt. Sales tax is added to the price of taxable goods or services and collected from the purchaser at the time of sale. Florida's general state sales tax rate is **6.0%**.

Definition: Tangible personal property is personal property that can be seen, weighed, measured, or touched or is in any way perceptible to the senses, including electric power or energy.

Use Tax

Use tax is due on the use or consumption of taxable goods or services when sales tax was not paid at the time of purchase. For example:

- If you buy a taxable item in Florida and did not pay sales tax, you owe use tax.
- If you buy an item tax exempt intending to resell it, and then use the item in your business or for personal use, you owe use tax.
- If you buy a taxable item outside Florida and bring it into (or have it delivered into) Florida, and you did not pay sales tax on the item, you owe use tax.

Discretionary Sales Surtax

Many Florida counties have a discretionary sales surtax (county tax) that applies to most transactions subject to the sales or use tax. The county surtax rate applies to a taxable item or service delivered into a county imposing a surtax. For a list of discretionary sales surtax rates, visit the Florida Department of Revenue's forms web page and select the current year Discretionary Sales Surtax Information (Form DR-15DSS) under the Discretionary Sales Surtax section. This form is updated yearly in November.

Calculating Tax

Sales tax and discretionary sales surtax are calculated on each taxable transaction. Florida uses a **bracket system** for calculating sales tax when the transaction falls between two whole dollar amounts. Multiply the whole dollar amount by the tax rate (6% plus the county discretionary sales surtax rate) and use the bracket system to figure the tax on amounts less than a dollar. The Florida Department of Revenue has the *Common Sales Tax Brackets* ([Form DR-2X](#) ) to help you.

Sales tax is calculated on the selling price and added to it to determine the total sale:

SAMPLE SALES TAX CALCULATION #1 – 6.0% SALES TAX RATE, NO SURTAX:

SELLING PRICE	\$5.75
SALES TAX ON WHOLE DOLLARS (\$5.00 X .06, round up to nearest penny)	\$.30
SALES TAX ON FRACTIONAL DOLLAR (\$0.75) USING BRACKET SYSTEM*	\$ <u>.05</u>
TOTAL SALE	\$6.10

SAMPLE SALES TAX CALCULATION #2 – 6.0% SALES TAX RATE, PLUS 1.0% SURTAX:

SELLING PRICE	\$5.75
SALES TAX ON WHOLE DOLLARS (\$5.00 X .07, round up to nearest penny)	\$.35
SALES TAX ON FRACTIONAL DOLLAR (\$0.75) USING BRACKET SYSTEM*	\$.06
TOTAL SALE	\$6.16

Other Considerations

- If sales tax is not collected, but is applicable to the transaction, tax is still due and must be remitted.
- Sales paid directly by UF Departments (UFLOR Business Unit) are exempt from sales tax under UF's *Consumer's Certificate of Exemption* (DR-14), including all sales paid by **UF P-Card, inter-department transfer, or UF check.**
- Sales paid personally by UF faculty, staff, or students (even if the person is to be reimbursed by UF) are NOT exempt under UF's Florida exemption certificate. These sales may still be exempt under another applicable exclusion.
- Sales made to a purchaser who presents a valid and unexpired Form DR-14 are exempt from sales and use tax. Payment should be made directly by the person or entity named on the certificate. Sellers may NOT accept proof of IRC Sect. 501(c)(3) status as sufficient evidence to allow a sales tax exemption.
- Sales shipped directly for delivery to an address outside of Florida are not subject to Florida sales and use tax.
- Asking strictly for a **donation**, even if providing a suggested donation amount, is not considered a "sale" and is not subject to sales and use tax. However, you must then accept whatever amount is donated and provide the desired good, even if the donation is less than the suggested amount (or nothing at all.)

Definition: An "**auctioneer**" is a person subject to the **licensing requirements** of Chapter 468, F.S., who either owns an item of tangible personal property, or to whom an item of tangible personal property has been consigned or delivered, and who offers the item of tangible personal property for sale by competitive bid.

While not all-inclusive, the following table provides examples of transactions that are typically subject to Florida sales tax and those that are not, based on current regulatory exclusions.

Typically TAXABLE Sales	Typically NON-TAXABLE Sales
T-shirts, hats, shoes, general clothing	Sale of gift certificates
Flowers, wreaths, bouquets, potted ornamental plants	
Calendars, candles, decorations, umbrellas	
Soap/Detergent	
Pet toys, pet food, and treats	Feeds for poultry, ostriches, livestock, racehorses, and dairy cows
Books, Audio Tapes, Videos, Computers, Copiers	
Cosmetics (e.g. cold cream, suntan lotion, makeup, body lotions) and "Toilet articles" (e.g. soap, toothpaste, hair spray, cologne, shampoo, deodorants, mouthwash, shaving products)	

Tangible "Yard Sale" type items	
Ornamental seed/plants/flowers/trees	Plants for food (fruit/vegetable seeds, plants, or trees for human consumption)
Fill Dirt	Topsoil, peat moss, compost, manure when sold by the original producer
Food and drinks sold at fundraisers and similar types of events	
Food products furnished, prepared, or served for consumption (whether at tables/counters, or for "take out" and packaged then taken from the premises); Concession stand sales; Sandwiches ready for immediate consumption; Food products sold as hot prepared food; soft drinks sold in cans or similar containers; tea in liquid form; nonalcoholic beverages, whether carbonated or noncarbonated; ice cream soda, milkshakes, or malts; ice cream/frozen yogurt/similar frozen treats sold in units <u>smaller than one pint</u> ; candy or confection; chewing gum, breath mints; fresh-popped popcorn; prepared seafood products, such as smoked fish or steamed shrimp; prepared fruit/vegetable salads packaged with eating utensils, such as a fork and napkin (a food product for immediate consumption); chicken kept hot by a rotisserie or other heating element;	<p>GENERAL GROCERIES - Food products for Human Consumption* (Note the various <u>taxable</u> food products)</p> <p>Definition: "Food products" means edible commodities, whether processed, cooked, raw, canned, or in any other form, which are generally regarded as food.</p> <p><u>Nontaxable:</u> baby foods and formulas; baked goods and baking mixes; cereals, including ready-to-eat, instant, and hot cereals; cheeses; cocoa, coffee and coffee substitutes; condiments and relishes; cookies; dairy products and substitutes; eggs and egg products; fish and other seafood (fresh or frozen); frozen dinners and food products; fruit, fruit snacks, dried fruit; gelatins, puddings, and fillings; grain products and pastas, rice, and rice dishes; honey; ice cream, frozen yogurt, and similar frozen dairy or nondairy products sold in units <u>larger than one pint</u>; jams and jellies; marshmallows; meat and meat products/substitutes; milk, milk products, and products intended to be mixed with milk; natural fruit or vegetable juices (<u>100% juice only</u>); peanut butter; poultry and poultry products; salad dressing and mixes; salt, pepper, spices, herbs, flavorings; sandwich spreads, sauces, gravies; snack foods, chips, cereal bars, nuts, granola bars, pretzels (no matter if coated or not); soups and soup mixes; sugar and substitutes; tea (unless sold in liquid form); vegetables and vegetable products; vegetable oils, lard, shortening;</p>
Bakery products sold by bakeries/pastry shops or like establishments as hot prepared food (including products kept warm by a heat source or reheated);	Bakery products sold by bakeries/pastry shops or like establishments for consumption off the premises, excluding hot prepared food products.
Food products sold through a vending machine, pushcart, or any motor/other form of vehicle;	
Vending Machine Sales of taxable food, beverages, and other items with a sales price of \$0.10 or more. (special calculation)	Vending machine sales of drinking water; Vending machine sales of \$0.25 or less by a charitable organization - 501(c)(3) or 501(c)(4)
Ice, including dry ice	Drinking water, unless carbonated or flavored in the manufacturing process;
Sale of livestock and poultry by anyone other than the original producer	Sale of livestock and poultry directly from the farm and directly by the original producer ; Sale of livestock for breeding purposes

Auctions of Animals, Equipment, Surplus Property, and Other (including Silent Auctions)	Auctions conducted by a licensed auctioneer who receives no compensation for conducting an auction for a religious, charitable, educational, or civic organization as a fund raising event
	Charters of any boat or vessel with a crew for the purpose of fishing
RENTAL/LEASE/SALES	
Rental/Lease/Sales of parking space	
Rental/Lease/Sales of Guns, Vehicles, Trailers, Boats, Equipment, Tools, Bicycles, and Other Tangible Goods	
Rental/Lease of buildings/rooms/storage space	
Rental of Living or Sleeping Accommodations	Rental charges or room rates paid by a full-time student in an institution offering postsecondary education (A written statement from an official of the institution is acceptable proof of full-time enrollment.)
Lease, rental, or license to operate a vending machine at another person's location	
ADMISSIONS	
Sporting Event/Concert/Other (admission) tickets	
50/50 Drawings, Raffles, or Games of Chance, where a cost is required to participate (These activities are NOT permitted without meeting significant disclosure requirements.)	"Door prizes" where no cost is required to participate.
Admission fees to events that are NOT University-sponsored or where student and/or faculty talent is NOT used exclusively. (Taxable, unless the event is University-sponsored AND held in a convention hall, exhibition hall, auditorium, stadium, theater, arena, civic center, performing arts center, or publicly owned recreational facility)	Admissions to University-sponsored events using only the talents of students and/or faculty
Admission fees to University-sponsored athletic events - Taxes collected must be retained by the University to support women's athletics, per s. 1006.71(2)(c).	
Tickets sales for dinners/banquets	
Attendance fees for camps/workshops (food and accommodations portions, if itemized)	Attendance fees for camps/workshops (instruction portion, or if costs for food and accommodations are not itemized)
SERVICES	
	Most Services provided are nontaxable, except for those few that are specifically taxable
Commercial (Nonresidential) Insect/Pest control services (periodic pest inspections, exterminating/fumigating services, pest/termite control, bird control/proofing)	Residential pest control services ; Pest control services provided to aircraft, boats, motor vehicles and other vehicles; Spraying of lawns (residential or nonresidential)
Commercial (Nonresidential) interior cleaning services	
Commercial or Residential burglar/fire alarm monitoring services and guard/patrol/parking security services;	
Armored car services, bodyguard services, fingerprinting	

Detective/investigative services	Detective/Investigative services performed <u>within</u> Florida but used <u>outside</u> the state by the purchaser
Items for use in providing boarding or grooming (pet food, nail care items, shears, brushes, combs, soaps, deodorizers)	Veterinary Services (e.g. exams, treatment, vaccination of animals by veterinarians, hospitalization for treatment, boarding and grooming; drugs and medical gases for treatment of animals)
	Boarding or grooming of animals
Car Washes where a wax or similar protective coating or film is applied	Car Washes for a donation, even with a suggested donation amount; Car Washes where only detergent or water softener is added to the water (no wax or similar protective coating or films are applied);

For questions regarding sales tax applicability, contact **University Payroll and Tax Services** at taxhelp@admin.ufl.edu or (352) 392-1231. You may also visit our website at <http://www.fa.ufl.edu/departments/payroll-tax-services/tax-resources-for-departments/sales-and-use-tax/>.
