



## Tax Information Publication

# TIP

No: 17A01-14

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November 13, 2017

### **State Sales Tax Rate for Rental, Lease, or License to Use Real Property Decreases to 5.8% on January 1, 2018**

Effective January 1, 2018, the state sales tax rate imposed under section 212.031, Florida Statutes, on the total rent charged for renting, leasing, letting, or granting a license to use real property is decreased from 6% to 5.8%. Some examples of real property rentals subject to tax under section 212.031, Florida Statutes, include commercial office or retail space, warehouses, and self-storage units or mini-warehouses.

The total rent charged includes all consideration due and payable by the tenant to the landlord for the privilege or right to use or occupy the real property. The local option discretionary sales surtax imposed by the county where the real property is located continues to apply to the total rent charged.

Sales tax is due at the rate in effect during the time the tenant occupies, or is entitled to occupy, the real property regardless of when the rent is paid. Rental charges paid on or after January 1, 2018, for rental periods prior to January 1, 2018, are subject to 6% state sales tax, plus any applicable discretionary sales surtax. Rental payments made prior to January 1, 2018, that entitle the tenant to occupy the real property on or after January 1, 2018, are subject to 5.8% state sales tax, plus any applicable discretionary sales surtax.

When the amount of total rent charges falls in between whole dollar amounts, the bracket system must be used to calculate the combined tax and surtax.

The decrease in the state sales tax rate for renting, leasing, letting, or granting a license to use real property (commercial rentals) does not apply to the tax imposed under section 212.03(6), Florida Statutes.

Information about the proper reporting of tax due on commercial rentals on your sales and use tax return is provided on the insert included with this publication.

**References: Chapter 2017-36, Laws of Florida; Section 212.031(1)(c) and (e), 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 website at [floridarevenue.com](http://floridarevenue.com) or call Taxpayer Services at 850-488-6800, Monday through Friday (excluding holidays).

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services MS 3-2000, 5050 West Tennessee Street, Tallahassee, FL 32399-0112.

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## Reporting Sales of Commercial Rentals on Form DR-15, *Sales and Use Tax Return*

Report commercial rental sales and tax due on Line C, Commercial Rentals, of Form DR-15, *Sales and Use Tax Return*.

**Note:** Information for filing using Form DR-15EZ is on the reverse side of this page.

**Form DR-15, *Sales and Use Tax Return*** (front of paper return):

|                                       |  |                        |                                   |                   |
|---------------------------------------|--|------------------------|-----------------------------------|-------------------|
| Certificate Number:<br><b>Florida</b> | <b>SALES AND USE TAX RETURN</b>                                |                        | HD/PM Date: / /                   | DR-15 R.          |
|                                       | <b>1. Gross Sales</b>  | <b>2. Exempt Sales</b> | <b>3. Taxable Amount</b>          | <b>4. Tax Due</b> |
| A. Sales/Services                     | .  | .                      | .                                 | .                 |
| B. Taxable Purchases                  | Include use tax on Internet / out-of-state untaxed purchases → |                        | .                                 | .                 |
| C. Commercial Rentals                 | .  | .                      | .                                 | .                 |
| D. Transient Rentals                  | .  | .                      | .                                 | .                 |
| E. Food & Beverage Vending            | .  | .                      | .                                 | .                 |
| Transient Rental Rate:                | Surtax Rate:   | Reporting Period:      | 5. Total Amount of Tax Due        | .                 |
|                                       |  |                        | 6. Less Lawful Deductions         | .                 |
|                                       |  |                        | 7. Net Tax Due                    | .                 |
|                                       |  |                        | 8. Less Est Tax Pd / DOR Cr Memo  | .                 |
|                                       |  |                        | 9. Plus Est Tax Due Current Month | .                 |
|                                       |  |                        | 10. Amount Due                    | .                 |
|                                       |  |                        | 11. Less Collection Allowance     | .                 |
|                                       |  |                        | 12. Plus Penalty                  | .                 |
|                                       |  |                        | 13. Plus Interest                 | .                 |
|                                       |  |                        | 14. Amount Due with Return        | .                 |



**FLORIDA DEPARTMENT OF REVENUE**  
5050 W TENNESSEE ST  
TALLAHASSEE FL 32399-0120

**Due:** \_\_\_\_\_  
**Late After:** \_\_\_\_\_

Check here if payment was made electronically.

If you file Form DR-15, *Sales and Use Tax Return*, on **Line C, Commercial Rentals**, report:

1. **Gross Sales** - total rental charges received (rental consideration);
2. **Exempt Sales** - tax exempt rent, if any;
3. **Taxable Amount** - taxable rent; and
4. **Tax Due** - state sales tax due, plus and applicable surtax.

**Commercial rental sales should not be reported on Line A, Sales/Services or Line D, Transient Rentals.**

**Back of Form DR-15, *Sales and Use Tax Return*** (back of paper return):

The surtax exemption for sales of items over \$5,000 **does not apply** to commercial rentals.

| <b>Discretionary Sales Surtax (Lines 15(a) through 15(d))</b>  |              |
|--|--------------|
| 15(a). Exempt Amount of Items Over \$5,000 (included in Column 3) .....  | 15(a). _____ |
| 15(b). Other Taxable Amounts <b>NOT</b> Subject to Surtax (included in Column 3) .....                         | 15(b). _____ |
| 15(c). Amounts Subject to Surtax at a Rate Different Than Your County Surtax Rate (included in Column 3) ..... | 15(c). _____ |
| 15(d). <b>Total Amount of Discretionary Sales Surtax Due</b> (included in Column 4) .....                      | 15(d). _____ |

Report the discretionary sales surtax included in the amount of tax due reported in Column 4 (Tax Due), Line C on the front of the return, in the surtax reported on **Line 15(d) Total Amount of Discretionary Sales Surtax Due**.

**Reporting Sales of Commercial Rentals  
on Form DR-15EZ, Sales and Use Tax Return**

Report commercial rental sales and tax due on the correct lines of Form DR-15EZ, *Sales and Use Tax Return*. You can use Form DR-15EZ to report **only** commercial rent and tax due. If you need to report other taxable sales, you must use Form DR-15 to report sales and use tax. Call Taxpayer Services at 850-488-6800, Monday through Friday (excluding holidays) to update your account information and request Form DR-15.

**Note:** Information for filing using Form DR-15 is on the reverse side of this page.

**Form DR-15EZ, Sales and Use Tax Return** (back of paper return):

|  | DOLLARS              |                      |                      |                      | CENTS                |                      |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 1. Gross Sales<br>(Do not include tax)                                     | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 2. Exempt Sales<br>(Include these in Gross Sales, Line 1)                  | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 3. Taxable Sales/Purchases<br>(Include Internet/Out-of-State → Purchases)  | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 4. Total Tax Collected<br>(Include Discretionary Sales Surtax from Line B) | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 5. Less Lawful Deductions  | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 6. Less DOR Credit Memo  | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 7. Total Tax Due   | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 8. <del>Less</del> Collection Allowance; or<br>Plus Penalty and Interest   | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 9. Amount Due With Return<br>(Enter this amount on front)                  | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

Under penalties of perjury, I declare that I have read this return and the facts stated in it are true (sections 92.525(2), 212.12, and 837.06, Florida Statutes).

Signature of Taxpayer \_\_\_\_\_ Date \_\_\_\_\_ Telephone # \_\_\_\_\_

Signature of Preparer \_\_\_\_\_ Date \_\_\_\_\_ Telephone # \_\_\_\_\_

**Discretionary Sales Surtax Information**

A. Taxable Sales and Purchases **NOT** Subject to **DISCRETIONARY SALES SURTAX**

B. Total Discretionary Sales Surtax Collected

**E-file / E-pay to receive collection allowance**

**Please do not fold or staple.**

If you file Form DR-15EZ, *Sales and Use Tax Return*, on Lines 1-4, report:

1. **Gross Sales** - total rental charges received (rental consideration);
2. **Exempt Sales** - tax exempt rent, if any;
3. **Taxable Sales/Purchases** - taxable rent; and
4. **Total Tax Collected** - state sales tax due, plus any applicable surtax.

**On Line A,**  
report the taxable rent.

**On Line B,** report the  
discretionary sales surtax due.