



FUBA
FLORIDA UNITED BUSINESSES ASSOCIATION

ISSUES

OUR BUSINESS IS SMALL BUSINESS

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BACK-TO-SCHOOL SALES TAX HOLIDAY IS AUGUST 2nd – AUGUST 6th

If your business sells clothes, footwear, accessories, school supplies, or personal computers, the upcoming Back-to-School Sales Tax Holiday will affect your business. For the first weekend in August, these items will be exempt from the state sales tax if they meet certain price restrictions.

Here are some details about this year's tax-free shopping days:

Items that will be tax-free during the Back-to-School Tax Holiday are:

- Clothing, footwear, and accessories like wallets and purses priced at \$60 or less
- School supplies priced at \$15 or less per item
- Personal computers and some computer-related accessories like keyboards and modems priced at \$1,000 or less (when purchased for noncommercial home or personal use)

The sales tax holiday does not apply to:

- Items of clothing that are more than \$60
- School supplies that are more than \$15 each

- Books that are not otherwise exempt
- Computers and computer-related accessories purchased for commercial purposes

Retailers are not required to keep additional or special records for the tax-free days. Sales of eligible items that are sold tax-free from August 2nd through August 6th should be reported as exempt sales on your sales tax return for that period.

Businesses that sell only a small number of items covered by the sales tax holiday are allowed to opt out of participating in the holiday. To opt out, a business must:

- Have less than 5% of its gross sales attributable to items included in the sales tax holiday,
- Notify the Department of Revenue in writing by August 1st, 2019, and
- Post a notice where customers can see it that the business has opted out of the sales tax holiday and will be collecting sales tax on these items. The notice should read: "In accordance with Chapter 2019-42, Laws of Florida, (Name of Business) has chosen not to participate in the Back-to-School Sales Tax Holiday, August 2 – 6, 2019. For questions, please contact (name of contact person at the business) at (contact phone number or email address)."

The Florida Department of Revenue will provide a detailed Tax Information Publication to all active registered sales tax dealers explaining:

- A detailed list of items that are tax-free and which ones are taxable during the holiday
- What to do when a product contains both exempt and taxable items
- How to deal with gift certificates
- How to handle exchanges of tax exempt purchases after the tax-free days are over
- How to do refunds during/after the tax free days

This document is also available from our website at **FUBA.org** under the blue "ALERTS" tab in the upper right hand corner. For questions about the Back-to-School Sales Tax Holiday, you can call the Department of Revenue's toll-free Taxpayer Services line at 800-352-3671 or visit their website at **floridarevenue.com**.

A CONTRACTOR'S GUIDE TO WORKERS' COMPENSATION

As a service to our members in the construction industry, FUBA publishes ***A Contractor's Guide to Workers' Compensation***, which summarizes a contractor's responsibilities under the Florida workers' compensation law.

In the Guide, we answer questions like:

- What's an exemption and how can I get one?
- Why do I have to pay extra premium on my workers' comp policy if I hire a sub that doesn't have workers' comp coverage?
- What are the dangers of hiring a sub that has an exemption instead of a workers' comp policy?
- Is there an easy way I can make sure the subs I hire have valid workers' comp coverage?

This document is available free of charge in both English and Spanish from our website at **FUBA.org** under the "Resources and Documents" tab under the section on workers' compensation.

WORKERS' COMP EXEMPTIONS EXPIRE EVERY 2 YEARS

Florida law allows business owners to opt out of workers' comp coverage by filing an exemption application with the Florida Division of Workers' Compensation. A business owner who has an exemption is not subject to the state's workers' comp laws and is not entitled to workers' comp benefits if injured on the job.

To be eligible, a business owner must own at least 10% of a corporation or limited liability company (LLC), and the business entity must be either a corporation or an LLC and must be registered with the Florida Division of Corporations.

For businesses in the construction industry, the application fee is \$50 for an exemption. For businesses not in the construction industry, there is no application fee.

Exemptions must be renewed every 2 years to stay active. If your exemption expires and is not renewed, or if there is a lapse between its expiration and renewal, your workers' compensation insurance company can charge you extra premium. Or, if you don't have a workers' comp policy and are working under an exemption, you can be fined by the state if your exemption lapses.

Exemptions can be renewed online at the Division of Workers' Compensation's website at **myfloridacfo.com/division/wc**.

For more information, please see FUBA's publication "**Exemption Information At-A-Glance**" available from the "Resources and Documents" section of our website.