



FUBA
FLORIDA UNITED BUSINESSES ASSOCIATION

ISSUES

OUR BUSINESS IS SMALL BUSINESS

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CLARIFICATION ON COMMERCIAL RENT TAX

As we explained in the January edition of this newsletter, the sales tax charged on commercial rent has decreased to 5.5% effective January 1, 2020.

We need to clarify that in addition to paying 5.5% in state sales tax, businesses also must pay the county's sales tax rate as well. Every county in the state of Florida (except Citrus county) charges a local sales tax that is on top of the state sales tax rate. These county tax rates vary from .5% additional tax to 2.5% additional tax. When you add your county's tax to the state's tax, the total tax rate on commercial rent will be more than 5.5%.

For example, Hillsborough County's local sales tax rate is 2.5%. That means every sale in Hillsborough County is subject to an additional 2.5% of sales tax, making commercial rent in Hillsborough County subject to an 8% tax.

To see what your county's local tax rate is, we have a chart on our website at fuba.org under the blue Alerts tab.

2020 IRS MILEAGE RATE

Starting January 1, 2020, the Internal Revenue Service (IRS) has increased the standard mileage rate for the use of a car or other vehicle for business purposes to 57.5 cents per mile. This

new standard mileage rate is a decrease from the 2019 rate of 58 cents per mile.

The standard mileage rate set by the IRS is used by many businesses to reimburse employees for mileage travelled in their personal vehicles for business reasons.

Businesses always have the option not to use this standard rate and instead calculate the actual costs of using a vehicle for business purposes and reimbursing their employees for that cost.

NEW EMPLOYEES MUST BE REPORTED

Florida employers are required to report newly hired employees to the Florida New Hire Reporting Center within 20 days of the employee's start date.

Why do I have to report new hires? Florida law requires this reporting because it helps with collection of child support. New hire information can also be used to detect and prevent fraudulent payment of unemployment compensation and workers' compensation benefits.

Which employees do I have to report?

- All new employees who reside or work in the State of Florida, even if they work only one day before being terminated
- Re-hires who come back after 60 days, such as employees who are hired back after having been laid off, furloughed,

granted a leave without pay, or terminated from employment

You do not have to report temporary workers that you hire from a temp agency. The temp agency is considered their employer and is responsible for reporting these employees.

Do I need to report an employee who worked for a couple of hours or days and then quit? If the employee filled out a W-4 form but only worked for a few hours, that employee must be reported as a new hire.

Do independent contractors (1099's) have to be reported? No, you do not have to report independent contractors your business uses.

What information do I have to report?

- Employer FEIN, Name and Address
- Employee Name
- Employee Address
- Employee Social Security Number
- Employee Date of Hire

If I take over a business, do I have to report all of the employees? If the FEIN used to report the quarterly wage information does not change, then no, you don't have to report again if these employees have previously been reported. If you are unsure if employees have been previously reported, the state recommends reporting any employee hired within the last 180 days. But you must report any newly hired employee who is hired after the date you took over the business. If the FEIN used to report the quarterly wage information does change, then yes, you have to report all the employees again.

Do I need to report terminated employees as well? No, only new hires and re-hires are required to be reported.

Where do I report this information? You can report online at:
servicesforemployers.floridarevenue.com.

What if I use a payroll service? Some payroll services will report your new employees to the state on your behalf.

What if I have questions about new hire reporting? You can call the Florida New Hire Reporting Center toll-free at 888-854-4791 or go to the website listed above.

DOES THE STATE OF FLORIDA HAVE MONEY THAT BELONGS TO YOU?

The state may be holding money that belongs to you. If a business wrote you a check that never got to you, the business is required to turn that money over to the state after 5 years. To see if you are owed any money, go to the state's website **ftreasurehunt.gov**.

For the best results, you should search using all names you've ever gone by, including maiden names, married names, and nicknames.

If you find some funds that belong to you, you can file a claim form directly from the website. You'll need to provide a copy of your driver's license that shows your current mailing address along with documentation that proves you own the account.

It's a very easy process to search the database and file a claim, and you can file a claim free of charge. Go to **ftreasurehunt.gov** to search the state's database and file a claim form for any account(s) you believe you are entitled to. The unclaimed property program is a free service provided by the State of Florida.

CONTRACTORS: INCLUDE YOUR LICENSE NUMBER ON ADVERTISING

If you are a licensed contractor in Florida, please keep in mind that Florida law requires contractors to include their license number on all bids, advertisements, proposals, contracts, signs, and vehicles that display the name of the contractor and/or a logo. "Advertisements" include electronic media, including your company's website.