

MAY 2006

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NEW MINIMUM WAGE POSTER REQUIRED JANUARY 2007

Starting in January 2007, Florida businesses will be required to display a new poster on Florida's minimum wage. Senate Bill 786, sponsored by Senator Tony Hill (D – Jacksonville), was approved by Florida lawmakers during the recent legislative session and becomes effective January 1, 2007.

This is a new requirement: until now, no Florida minimum wage poster has been required. Starting in January and continuing every year after that, all Florida businesses will have to display a new Florida minimum wage poster.

The current Florida minimum wage for calendar year 2006 is \$6.40 per hour and \$3.38 for tipped employees. The amount of Florida's minimum wage is re-calculated each September and takes effect the following January.

The new poster must contain specific language outlining the duty of employers to pay the minimum wage, employee rights, and the penalties for not complying with Florida's minimum wage law.

As a benefit of your FUBA membership, you will receive a **FREE** minimum wage poster from us that complies with the new law. Simply display this poster next to your all-in-one poster FUBA gave you when you first joined, and you will be in full compliance with the new poster requirement. **Do not be fooled by poster companies soliciting posters for a high price. As part of our member services, FUBA makes sure you are aware of all new poster requirements so you do not have to pay outrageous prices for employment posters.**

If you have questions about Florida's new minimum wage posting requirement, please call Cameron at the FUBA offices at 800-262-4483 or email Culrich@fuba.org.

HURRICANE PREPAREDNESS SALES TAX HOLIDAY MAY 21 – JUNE 1, 2006

Starting May 21st Florida taxpayers will get a 12-day sales tax holiday on popular hurricane-preparedness supplies. The Florida Legislature and Governor Jeb Bush approved this holiday to help Floridians get ready for the 2006 hurricane season, which starts June 1.

During the tax holiday, no sales tax will be charged on the purchase of certain items related to hurricane preparedness like batteries, radios, flashlights, fuel tanks, coolers, portable generators, and storm shutters. The tax exemption applies to each eligible item, regardless of the number of items sold on the same invoice to a customer.

This tax holiday **DOES NOT** apply to:

- The leasing or rental of a qualified item
- The repair of a qualified item
- Sales of qualified items within a theme park, entertainment complex, a public lodging establishment, or airports
- Clothing, books, or school supplies (The sales tax holiday for these items will be held in late July.)

The Department of Revenue mailed Tax Information Publication (TIP) 06A01-03 to retailers in early May to help them understand how to comply with the hurricane preparedness tax holiday. This Publication answers questions on how to handle:

- Manufacturer's coupons
- Store coupons and rebates
- Rain checks and layaways
- Mail-order sales
- Shipping and handling charges

In case you have not received the TIP or you would like to read the TIP online and download a poster for your business, go to the following website:
www.myflorida.com/dor.

SALES AND USE TAX – AVOID THE TOP TEN FILING ERRORS

Below is a list of the most common errors business owners make when filing the *Sales and Use Tax Return* (Form DR-15). Preventing these mistakes can help you avoid receiving a bill or delinquency notice from the Florida Department of Revenue.

THE WRONG WAY	THE RIGHT WAY
Late Filing	File on time for each collection period, even if no tax is due. When you file on time, you can claim up to \$30 as a collection allowance.
Not Fully Completing the Front and Back of the Return	Complete all information on your return, including your signature and your preparer's signature.
Not Filing for Each Collection Period	File a separate return for each collection period. Do not skip collection periods or add a partial collection period to the next return.
Not Providing Discretionary Sales Surtax Information on Back of the Return	If you are reporting discretionary sales surtax (county tax) collected, you must complete the back of your return.
Including Tax Collected with Gross Sales	Tax collected should never be included in gross sales. If you include the tax collected in gross sales, it will increase your amount of tax due and you will receive a bill for additional tax due.
Not Computing Penalties and Interest	If your return is late, you lose your collection allowance and must pay a \$50 minimum penalty and interest on the tax owed.

Not Filing a Zero Return	File a return for each collection period, even if the amount due is zero. This could help you avoid penalties and follow-up contacts from the Department.
Inaccurate Computation of Tax Rate	Compute the correct sales tax rate, including discretionary sales surtax (county tax), if any.
Entering Transactions on the Wrong Lines	Sales reported on lines A through E of the DR-15 may have different tax rates. If you enter your transactions on the wrong lines, you could receive a bill for additional tax due.
Calculating the Collection Allowance Incorrectly	Your collection allowance is limited to 2.5% (.025) of the first \$1,200 of tax due. The maximum collection allowance is \$30. If you have less than \$1,200 in tax due, your collection allowance will be less than \$30.

For more information on filing sales and use tax and to download your copy of the *Sales and Use Tax Guide for Business Owners*, go to www.myflorida.com/dor/businesses and click on the "Business Owner's Guide."

DID YOU RENEW YOUR CORPORATION OR LLC FOR 2006?

If your business is a corporation or limited liability company, you should have filed your Annual Report with the Florida Department of State before May 1st. If you did not get this paperwork to the state by May 1st, you will now be charged a \$400 late fee unless you did not receive the original paperwork from the state. And, if you wait too long to file your Annual Report, the state will dissolve your company, and you could possibly lose your workers' compensation exemption.

Please call our offices at 800-262-4483 if you need help getting your Annual Report filed today.