



# FUBA i s s u e s

Florida United Businesses Association

## OUR BUSINESS IS SMALL BUSINESS

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### **MINIMUM WAGE UPDATE**

On January 1st, the Florida minimum wage for calendar year 2013 will increase to \$7.79 an hour, an increase of 12¢ an hour. This is a much smaller increase than last year, which was 36¢ higher than the prior year.

If you have employees who receive tips (like food servers), you can count their tips towards the required hourly minimum wage. However, you are required by law to pay them a minimum cash wage. As the state minimum wage goes up, the hourly rate you have to pay your tipped employees also goes up. Starting January 1st, the hourly cash wage you must pay your tipped employees will increase to \$4.77 an hour.

Because the minimum wage for Florida is going up for 2013, this means there will be a new Florida minimum wage poster. As a benefit of your FUBA membership, you will receive a new Florida minimum wage poster free of charge with your December newsletter. On January 1st, you should replace your current Florida-specific minimum wage poster with the new one for 2013.

Please look for the new Florida minimum wage poster in next month's newsletter. If you have any questions about the minimum wage and how it affects your business, please call the FUBA offices at 800-262-4483 and ask for Erin, Karen or Lance.

### **WORKERS' COMP RATES TO INCREASE SLIGHTLY FOR 2013**

The rates Florida businesses pay for workers' compensation insurance will increase an

average of 6.1% for new and renewal policies effective January 1, 2013. While this is the third straight year that rates have gone up, workers' comp rates overall are still 56% lower than they were a decade ago.

The average rate increase for 2013 broken down by industry group is as follows:

- Manufacturing: 4.8% (down 51.8% since 2003)
- Contracting: 7.4% (down 58.6% since 2003)
- Office and Clerical: 4.3% (down 58.1% since 2003)
- Goods and Services: 6.7% (down 54.4% since 2003)
- Miscellaneous: 5.6% (down 54% since 2003)

The workers' comp premium for your business is determined by multiplying your total payroll by the specific rate for the classification(s) for your business. The rate for your particular business may increase more or less than 6.1%; this figure is an average rate increase for all job classes in the state of Florida. The rate increase for your individual business may be higher or lower.

If you have any questions about the new rates and how they apply to your workers' comp policy, you can call your local insurance agent or your workers' compensation carrier. If you are insured with FUBA Workers' Comp, please call our offices at 888-262-4483 and ask for the Policy Services Department.

## **2013 ANNUAL RESALE CERTIFICATES TO BE MAILED SOON**

By early November, Florida businesses who electronically file and pay their state sales tax will receive by mail from the Department of Revenue (DOR) their 2013 Certificate of Registration (Form DR-11) and their 2013 Florida Annual Resale Certificate for Sales Tax (Form DR-13).

This Annual Resale Certificate allows businesses to buy or rent property or services tax-free, if those purchases or rentals will be resold or re-rented. Examples of purchases or rentals that you may make without paying sales tax include:

- Items that become a component part of a product you sell (Example: nails, fabric, and wood that are incorporated into a chair).
- Services that will be resold as part of your regular business operations.
- Rentals that will be re-rented as real property or tangible personal property.

You may not use your certificate to make tax-exempt purchases or rentals of property or services that will be:

- Used in your business but not resold or re-rented.
- Used before selling or renting the goods.
- Used by your business or for personal purposes (Example: furniture, office equipment, computers, or office supplies).

When you receive your 2013 Annual Resale Certificate from the Department of Revenue, you should sign the original and then make copies. Each time you buy or rent property or services that you intend to resell or re-rent as part of your business, you should give the seller a signed copy of your resale certificate. Scanned and faxed copies are also acceptable. Do not give out your original resale certificate. If you need a replacement, please contact the Taxpayer Services division of the Department of Revenue.

For further information on whether construction businesses may purchase items tax-free to use in their business, please visit our website at **FUBA.org** and click on the Resources tab. Scroll down to the Sales Tax section

and then click on "Building Contractors" or "Construction, Improvements, Installations & Repair." For other businesses, such as restaurants/bars, auto repair shops, landscapers and service providers, please visit the same section of our website and click on "Annual Resale Certificate for Sales Tax."

### **ATTENTION CONTRACTORS: YOUR LICENSE NUMBER MUST BE INCLUDED ON ALL ADVERTISING**

If you advertise your construction business over the Internet or using social media (Facebook, etc.), please keep in mind that Florida law requires contractors to include their license number on all offers of service, bids, advertisements, business proposals, contracts, signs, and vehicles that display the name of the contractor and/or a logo. "Advertisements" include electronic media, including Internet sites. So please remember to include your license number on your websites, social media pages and other advertisements.

If you have any questions regarding advertising requirements please review the Construction Industry Licensing Board's FAQs at **[myfloridalicense.com/dbpr/pro/cilb](http://myfloridalicense.com/dbpr/pro/cilb)** or contact the Department of Business & Professional Regulation's Service Center at 850-487-1395.

### **CONSTRUCTION LICENSE GRANDFATHERING UPDATE**

There appears to be some confusion over the availability of "grandfathering" to electrical contractors. In last month's newsletter, we told you about a new law that allows contractors registered under the Construction Industry Licensing Board to grandfather their registered license into a state-certified license.

This new law does not apply to electrical contractors. Some electrical contractors have received letters from county building departments stating that they can grandfather their registered electrical contractor's license. Unfortunately, these letters are incorrect, and there is no grandfathering for registered electrical contractors at this time.