

Calculating Tax, pages 11-12):

http://floridarevenue.com/Forms_library/current/gt300015.pdf

Sales Tax

Sales tax applies to the sale, rental, lease, or license to use certain property or goods (tangible personal property) and certain services in Florida, unless the transaction is specifically exempt. The sales tax is **added to the price of the taxable goods or services** and collected from the purchaser at the time of sale. For example, sales tax is added as a separate item to the price of:

- Retail goods (new and used)
- Prepared foods and meals
- Admission to games, sports events, performances, and amusement parks
- Rent, lease, or license to use commercial property
- Transient (six months or less) rental of living or sleeping accommodations such as hotel and motel rooms, condominium units, beach or vacation houses, campground sites, and trailer or RV park accommodations
- Services such as detective or burglar protection services, nonresidential cleaning, and nonresidential pest control

How Tax Is Calculated

Sales tax and discretionary sales surtax are calculated on each taxable transaction. Florida uses a **bracket system** for calculating sales tax when the transaction falls between two whole dollar amounts. Multiply the whole dollar amount by the tax rate (6 percent plus the county surtax rate) and use the bracket system to figure the tax on the amount less than a dollar. The Department of Revenue has rate tables ([Form DR-2X](#)) to help you.

Proper Collection of Tax

Collecting the right amount of tax is important because mistakes will cost you money. Florida's state sales tax rate is 6%; however, there is an established "bracket system" for collecting sales tax on any part of each total taxable sale that is less than a whole dollar amount. Additionally, most counties also have a local option discretionary sales surtax. **Bracket rates** are posted on our website at www.myflorida.com/dor.

$$[\text{State Sales and Use Tax Rate}] + [\text{Surtax Rate}] = [\text{Total Tax Rate}]$$

Calculate the total tax to be collected on the total amount of the sale. The total tax collected must be shown on each invoice. The sales tax and discretionary sales surtax may be shown as one total, or each tax can be shown separately. In many cases, the actual tax you collect is more than a straight percentage of the sales or use tax and surtax. You must use the bracket system to calculate the tax due when any part of each total sale is less than a whole dollar amount.

Example: A customer purchases a taxable item that sells for \$60.67 (before tax) in a county with no discretionary sales surtax. To calculate the correct amount of Florida sales tax, the seller first multiplies \$60 by 6% (state sales tax rate) to determine the sales tax on the whole dollar portion of the sale (\$60 x 6% = \$3.60). Using the bracket system, the seller then determines that the correct amount of sales tax on the amount less than a dollar (\$.67) is \$.05. Therefore, the total sales tax due on this transaction is \$3.65 (\$3.60 + \$.05 cents).