



Certified Audit Program

A unique innovation in tax compliance.

What Is the Certified Audit Program?

The Certified Audit Program is a cooperative effort between the Florida Department of Revenue and the Florida Institute of Certified Public Accountants (FICPA). This program gives taxpayers the opportunity to hire qualified CPA firms to review their sales and use and local option tax compliance. As an incentive to incur the cost of a certified audit, penalties are waived and interest abated if tax is owed as a result of the audit. Additionally, except in cases of fraud or misrepresentation, the Department will not audit taxpayers for the same year(s) or tax covered by the certified audit. The program was enabled by section (s.) 213.285, Florida Statutes (F.S.).

What Are the Benefits to the Taxpayer?

- Taxpayers receive a waiver of all penalties, abatement of the first \$25,000 of interest and an additional 25 percent of any interest liability in excess of the first \$25,000. (These incentives do not apply where tax was collected but not remitted.)
- Once the Certified Audit Report is approved by the Department, the taxpayer will not be audited for sales and use tax for the year(s) covered by the audit, unless it is later determined there was misrepresentation or fraud.
- The cost of hiring the CPA firm is deductible as an ordinary and necessary business expense.

Why Was the Certified Audit Program Created?

The Certified Audit Program was created to increase voluntary compliance by taxpayers. It also serves to decrease state involvement in business. The program also extends Florida's tax collection capabilities and permits more effective use of audit resources.

Who Pays for the Audit?

All fee arrangements are strictly between the CPA and the taxpayer.

What are the Eligibility Criteria?

Taxpayers who have not been mailed a *Notice of Intent to Audit* (Form DR-840) from the Department are eligible for the program. Other eligibility requirements apply. Please contact the Certified Audit Program unit if you are interested in participating.

How Do I Apply?

You may hire a Florida CPA who has successfully completed the certification course and who is employed by a qualified firm to submit for you a Request to Participate in the Certified Audit Program. The FICPA can supply you with a list of CPAs qualified to perform certified audits. Please contact FICPA staff at 850-224-2727, ext. 419, or visit their website at ficpa.org/certifiedaudit.

For More Information on the Certified Audit Program

To contact us in writing, send correspondence to:

Certified Audit Program
Compliance Standards Process
Florida Department of Revenue
PO Box 5139
Tallahassee FL 32314-5139

Telephone: 850-717-6379

You may fax questions to 850-921-6174.

Reference Material

Tax Laws – Our online Revenue Law Library contains statutes, rules, legislative changes, opinions, court cases, and publications. Search the library for s. 213.285, F.S., Certified Audits; or Rule Chapter 12-25, Florida Administrative Code, Contract Auditing.

Information, forms, and tutorials are available on the Department's website at **floridarevenue.com**.

To speak with a Department representative, call Taxpayer Services at 850-488-6800, Monday through Friday, excluding holidays.

To find a taxpayer service center near you, go to **floridarevenue.com/taxes/servicecenters**.

For written replies to tax questions, write to:

Taxpayer Services – MS 3-2000
Florida Department of Revenue
5050 W Tennessee St
Tallahassee FL 32399-0112

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