



Tax Information Publication

TIP

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Hillsborough County 1% Transportation Discretionary Sales Surtax Ruled Unconstitutional by the Florida Supreme Court

Effective immediately, the combined state and local sales and use tax rate for Hillsborough County is 7.5%. Dealers should collect only the combined 7.5% rate.

Florida Supreme Court Ruling

The revised combined 7.5% rate is the result of the recent Florida Supreme Court decision which struck down the 1% transportation discretionary sales surtax that was adopted in an initiative election by Hillsborough County voters in November 2018. [*Robert Emerson, et al. v Hillsborough County, Florida, etc., et al., No. SC2019-1250 (Fla.)*]

Revised Combined Tax Rate

The revised combined 7.5% rate is composed of the 6% state sales tax plus the 0.5% school capital outlay surtax, the 0.5% indigent care surtax, and the 0.5% local government infrastructure surtax.

Dealers should collect only the combined 7.5% rate. All state sales and use tax and local surtaxes collected must be reported and remitted to the Department of Revenue (Department).

When the amount of a sale is less than one dollar or falls between whole dollar amounts, dealers must use Florida's bracket system to calculate the combined tax and surtax. The Common Sales Tax Brackets table (Form DR-2X) provides the bracket amounts to calculate the combined 7.5% sales tax and surtax rate. Form DR-2X and other tax rate brackets are available on the Department's webpage at floridarevenue.com/taxes/rates under "Sales and Use Tax, Surtax, E911 Fee, Asphalt Use Tax Index Rates."

Previously Collected/Remitted Taxes

Dealers who have already collected the additional 1% transportation discretionary sales surtax from a purchaser during March 2021 should remit the tax to the Department on or before the next due date. Previously remitted surtax monies have been distributed to Hillsborough County and local jurisdictions. Potential refunds associated with those monies by the local jurisdictions remain to be determined.

References: Hillsborough County Referendum; Hillsborough County Resolution No. 2018-5; *Robert Emerson, et al. v Hillsborough County, Florida, etc. et al., No. SC2019-1250 (Fla.)*; Sections 212.054 and 212.055, Florida Statutes

For More Information

This document is intended to alert you to the requirements contained in Florida laws and administrative rules. It does not by its own effect create rights or require compliance.

For forms and other information, visit the Department's website at floridarevenue.com or call Taxpayer Services at 850-488-6800, Monday through Friday (excluding holidays).

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services MS 3-2000, 5050 West Tennessee Street, Tallahassee, FL 32399-0112.

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