



Florida Department of Revenue
Tax Information Publication

TIP

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**Communications Services Tax Resale Law Changes
Effective January 1, 2008**

The methods for selling dealers to document exempt sales for resale have been expanded.

Selling dealers must document all exempt sales for resale. Beginning January 1, 2008, dealers making sales for resale may use any of the following methods:

Method 1: Obtain a copy of the *Annual Resale Certificate for Communications Services Tax*.

Each calendar year, a selling dealer can obtain a signed copy of the *Annual Resale Certificate for Communications Services Tax* (Form DR-700015). Subsequent sales for resale to the same purchaser during the calendar year do not require a new copy of the certificate. Usually a new *Annual Resale Certificate for Communications Services Tax* must be obtained each calendar year. However, for purchasers who purchase on account, selling dealers can obtain one copy of the purchaser's certificate.

For sales made to a purchaser who purchases on account from the dealer on a continual basis, selling dealers can obtain an *Annual Resale Certificate for Communications Services Tax* valid at the time of receipt from the purchaser, without having to obtain a new copy each year. "Purchase on account from a dealer on a continual basis" means that the selling dealer has a continuing business relationship with the purchaser and makes recurring sales on account to that purchaser in the normal course of business. A sale "on account" means a sale where the dealer extends credit to the purchaser and records the debt as an account receivable, or where the dealer sells to a purchaser who has an established cash or C.O.D. account similar to an "open credit account." Purchases are made from a selling dealer on a continual basis if the selling dealer makes sales to the purchaser no less frequently than once in every 12-month period in the normal course of business.

Method 2: Obtain a Transaction Resale Authorization Number by telephone or online, at the point-of-sale, valid for a single transaction.

If a purchaser knows their communications services tax certificate/business partner number, the selling dealer can obtain a Transaction Resale Authorization Number by telephone or online, at the point-of-sale, to verify that the number presented is valid.

Using the Telephone Certificate Verification System:

Selling dealers may call the toll-free number at **877-FLRESALE (877-357-3725)** and select the option for communications services tax. **[Note: The communications services tax option will not be available until January 1, 2008.]** The system will issue a 13-digit Transaction Resale Authorization Number or alert the selling dealer that the purchaser does not have a valid resale certificate.

Using the Online Certificate Verification System:

Selling dealers may go to www.myflorida.com/dor/gta.html and click on "Verify resale and exemption certificates online." Dealers may enter up to five (5) communications services tax certificate/business partner numbers for instant verification. **[Note: Communications services tax numbers cannot be verified on the Certificate Verification System until January 1, 2008.]**

If using this method, the selling dealer must obtain a Transaction Authorization Number for each transaction. The selling dealer must document the Transaction Authorization Number on each sales invoice, purchase order, or separate form that is prepared by either the purchaser or the selling dealer. Each sales invoice, purchase order, or separate form must contain the following statement and signature of the purchaser: "The purchaser hereby certifies that the communications services being purchased are for resale." A selling dealer cannot rely upon the previous Transaction Authorization Number for subsequent purchases made by the same purchaser. A new number must be obtained for subsequent purchases made by the same purchaser.

Method 3: Obtain a Vendor Resale Authorization Number for purchasers who have previously provided a resale certificate.

Selling dealers can obtain a unique Vendor Resale Authorization Number for each purchaser who has previously provided a resale certificate by using the Department's online Certificate Verification System. Vendor Authorization Numbers are valid for sales made for resale to each purchaser during the calendar year.

Using the Online Certificate Verification System:

Selling dealers may go to www.myflorida.com/dor/gta.html and click on "Verify resale and exemption certificates online." Dealers may upload a batch file of up to 50,000 accounts for verification of valid communications services tax certificate/business partner numbers. The file containing the Vendor Authorization Numbers can be retrieved 24 hours after submission. **[Note: Communications services tax numbers cannot be verified on the Certificate Verification System until January 1, 2008.]**

General Information

An *Annual Resale Certificate for Communications Services Tax* can only be used to make tax-exempt purchases of services for resale. Misuse of the certificate will subject the user to penalties as provided by law. An *Annual Resale Certificate for Communications Services Tax* cannot be used for sales tax purposes.

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 our Internet site at www.myflorida.com/dor or call Taxpayer Services, 8:00 a.m. to 7:00 p.m., ET, Monday through Friday, excluding holidays, at 800-352-3671.

Persons with hearing or speech impairments may call our TDD at 800-367-8331 or 850-922-1115.

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services, 1379 Blountstown Highway, Tallahassee, FL 32304-2716.