

**Florida Department of Revenue
Tax Information Publication**

TIP 05B05-05

Date: December 21, 2005

**Gross receipts tax index prices
for the period JANUARY 1, 2006, through June 30, 2006**

Effective January 1, 2006, Chapter 2005-148, Laws of Florida, significantly modifies how Florida's Gross Receipts Tax is calculated for natural and manufactured gas utility services. Please see Tax Information Publication 05B06-04 for a more detailed explanation of the changes made by Chapter 2005-148, Laws of Florida.

Natural/Manufactured Gas

Beginning January 1, 2006, the calculation of the tax on a distribution company's sale or transportation of natural or manufactured gas to retail consumers requires the use of index prices. These index prices are the calendar year averages of the cost per 1,000 cubic feet for retail consumers in three different customer classes as published in the United States Energy Information Administration Natural Gas Monthly. Announced on June 1 of each year, index prices represent the previous calendar year average price and will be effective for the twelve month period beginning July 1.

The gross receipts tax due on the sale or transportation of natural or manufactured gas to retail consumers in Florida is computed by multiplying the quantity sold or transported by the appropriate index prices listed below and then applying the 2.5% gross receipts tax rate (see Form DR-133 *Gross Receipts Tax Return* instructions).

Natural/Manufactured Gas Index Prices per 1,000 cubic feet effective January 1, 2006 through June 30, 2006

<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>
\$18.47	\$11.46	\$8.72

Electricity

The calculation of tax on a distribution company's delivery of electricity to retail consumers does not require the use of an index price. Please see Tax Information Publication 05B06-04 for more information.

References: Chapter 2005-148, Laws of Florida.

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 or 850-488-6800.

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.