

**Tax Information Publication**

**TIP 04B05-01**

**Date Issued Jul 07, 2004**

**It's a Gasoline Tax Cut  
in Florida this August**

(Retailers)

**The Florida Motor Fuel Tax Relief Act of 2004 will begin at 12:01 a.m. August 1, 2004 and end at midnight August 31, 2004.**

**Florida's gasoline tax will be cut by 8 cents per gallon.**

During the Gasoline Tax Cut, Florida's gasoline tax will be reduced by 8 cents per gallon. Your gasoline suppliers are required to sell to you at the reduced tax rate beginning August 1. Invoices from your suppliers should reflect the reduced rate.

**By law you must pass the savings to your customers.**

By law, you must pass the savings per purchased gallon on to your customers. You must sell as many gallons at the reduced rate as you purchase at the reduced rate. Managing your inventory to avoid selling more gasoline than you purchase at the reduced rate may save you from a loss when the Gasoline Tax Cut ends. If you have gasoline purchased at the reduced tax rate in inventory after August 31, you are required to sell it at the reduced rate until it is gone.

**A Gasoline Tax Cut public awareness campaign is underway.**

A Gasoline Tax Cut public awareness campaign is underway. Your customers will expect the 8 cent per gallon reduction in gasoline pump prices during the entire month of August. Promptly reducing pump prices may save you from unwarranted complaints.

**Your promotional items should arrive the week of July 26.**

The Florida Department of Revenue understands that your business is in competition with other retailers. To help assure your customers that you are participating in the Gasoline Tax Cut, we will ship promotional items to you on or near July 26. Each retailer will receive window posters, pump decals, and a fact sheet for your employees.

You may visit our web site at [www.myflorida.com/dor](http://www.myflorida.com/dor) for:

- \* Current information about the Gasoline Tax Cut
- \* Fact sheets for you and your employees
- \* A downloadable window poster
- \* House Bill 237
- \* Emergency Rule 12BER04-7
- \* A worksheet to help you document your purchases and sales of gasoline during the Gasoline Tax Cut

**Let your customers know that your pump prices reflect the Gasoline Tax Cut.**

The window posters and pump decals were designed to help you avoid customer complaints. Failure to pass the full benefit to your customers is a third degree felony. However, one customer complaint is not likely to result in an investigation.

Although investigation is unlikely, the following factors should be considered:

- \* The average gross margin (cents per gallon) per grade for the 60 day period prior to August 2004.
- \* Any other factors a retailer may provide to prove that gasoline prices were properly reduced to reflect the tax cut.

**Note. The tax cut does not apply to diesel.**

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 more information, visit our Internet site at [www.myflorida.com/dor](http://www.myflorida.com/dor). Or call Taxpayer Services, 8:00 a.m. to 7:00 p.m., EST, Monday through Friday, excluding holidays, at 800-352-3671 or 850-488-6800.

Hearing or speech impaired persons should call our TDD at 800-367-8331 or 850-922-1115.

For a detailed written response to your questions, write:

Florida Department of Revenue  
Taxpayer Services  
1379 Blountstown Highway  
Tallahassee, FL 32304-2716

**August 1 through August 31, 2004**