

Florida Department of Revenue
Tax Information Publication

TIP 00A01-11

DATE ISSUED: Jul 3, 2000

Indexed Tax on Asphalt Increases to 49 Cents Per Ton
For the Period July 1, 2000 Through June 30, 2001

Partial Exemption for Public Works Projects Increases

Per Ton Tax Rate Announcement

The per ton indexed tax used in calculating use tax on asphalt manufactured by a contractor for his or her own use will increase to 49 cents per ton from July 1, 2000 through June 30, 2001.

On July 1st of each year, the indexed tax is adjusted according to a producer price index calculated and published by the United States Department of Labor, Bureau of Statistics.

Contractor's Use Tax On Manufactured Asphalt

Use tax on asphalt manufactured for a contractor's own use continues to be computed as follows:

- a) The cost of the materials which become a component part or an ingredient of the finished asphalt, multiplied by 6 percent; plus,
- b) The cost of transporting of such components and ingredients to the plant site, multiplied by 6 percent; plus,
- c) The indexed tax (49 cents per ton), representing all other costs associated with the manufacture of asphalt. This per-ton indexed tax is in addition to any taxes required to be paid on the purchase of overhead items, including boiler fuels.

If the tax has been paid to a third party on the cost of materials or transportation in (a) or (b) above, then the cost of such materials or transportation shall not be included in

computing the total tax due. The tax shall be due in the month the asphalt is manufactured for the contractor's own use and is required to be remitted on the Sales and Use Tax Return (Form DR-15).

Public Works Partial Exemption Increases

"Public works" projects are works contracted and constructed for a state, local, or federal government, for public use, such as a highway.

Effective July 1, 2000, the exemption for the indexed tax on asphalt manufactured for a contractor's own use in any federal, state, or local government public works project increases from 20 percent to 40 percent. The tax shall be paid at the rate of 29 cents per ton on these projects, through June 30, 2001.

For the period July 1, 1999 through June 30, 2000, the exemption for the indexed tax on asphalt manufactured for a contractor's own use in any federal, state, or local government public works project was 20 percent. The tax was due at the rate of 38.4 cents per ton on these projects. This partial exemption referred only to state and local government public works. Legislation enacted in 2000 clarifies that the exemption is effective for federal public works projects as of July 1, 1999, as if such projects had been included in the original 1999 legislation. Any contractor that paid the full indexed tax rate on asphalt manufactured for a public works project after June 30, 1999, should apply for a refund or take a credit against current sales and use tax liabilities.

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.

Information and forms are available on our Internet site at <http://sun6.dms.state.fl.us/dor/>

To receive forms by mail:

- * Order multiple copies of forms from our Internet site at <http://sun6.dms.state.fl.us/dor/forms/order>, or
- * Fax your form request to the DOR Distribution Center at 850-922-2208, or
- * Call the DOR Distribution Center at 850-488-8422, or
- * Mail your form request to:

DISTRIBUTION CENTER, FLORIDA DEPARTMENT OF REVENUE, 168A
BLOUNTSTOWN HWY, TALLAHASSEE FL 32304-3702

To receive a fax copy of a form, call 850-922-3676 from your FAX machine telephone.

To speak with a Department of Revenue representative, call Taxpayer Services, Monday through Friday, 8 a.m. to 7 p.m., ET, at 1-800-352-3671 (in Florida only) or 850-488-6800.

For a written response to your questions, write:

TAX INFORMATION SERVICES, FLORIDA DEPARTMENT OF REVENUE,
1379 BLOUNTSTOWN HWY, TALLAHASSEE FL 32304-2716

Hearing or speech impaired persons may call the TDD line at 1-800-367-8331 or 850-922-1115.

Department of Revenue service centers host educational seminars about Florida's taxes. For a schedule of upcoming seminars,

- * visit us online at <http://sun6.dms.state.fl.us/dor/>,
or
- * call the service center nearest you.

References:

Chapters 2000-310, 2000-355, L.O.F. (CS/HB 411, CS/HB 2433)
S. 212.06(1)(c), F.S.