

**Florida Department of Revenue
Tax Information Publication**

**TIP 05A01-07
Dated June 21, 2005**

**INDEXED TAX ON ASPHALT WILL INCREASE
TO 54 CENTS PER TON FOR THE PERIOD
JULY 1, 2005, THROUGH JUNE 30, 2006**

Per-Ton Tax Rate Announcement

The per-ton indexed tax rate for calculating use tax on asphalt manufactured by a contractor for his or her own use will increase to 54 cents per ton from July 1, 2005, through June 30, 2006.

An exemption of 40 percent of the indexed tax on asphalt manufactured for a contractor's own use in any federal, state, or local government public works project remains in effect. The tax shall be paid at the rate of 33 cents per ton on these projects, through June 30, 2006.

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 such components and ingredients to the plant site, multiplied by 6 percent; plus,
- (c) The indexed tax (54 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).

References: Section 212.06(1)(c), 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 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.

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