

**Florida Department of Revenue
Tax Information Publication**

TIP 02A19-09

Date Issued: Dec 05, 2002

**PURCHASES OF COMMUNICATIONS SERVICES
MAY BE SUBJECT TO USE TAX**

What is the Communications Services Tax?

The communications services tax is a tax on communications services in the State of Florida. Examples of taxable communications services include long distance or toll telephone service, satellite and cable television, mobile communications, and private communications.

The communications services tax is composed of the Florida communications services tax and the local communications services tax. In general, the Florida communications services tax contains a state rate of 6.8 percent, plus a gross receipts rate of 2.37 percent, for a combined state tax rate of 9.17 percent, plus the applicable local communications services tax rate. (Some residential services are exempt from the 6.8 percent rate. The residential exemption does not apply to mobile communications services, satellite or cable service.) Each county or municipality has its own local communications services tax rate. A listing of all the local jurisdictional rates can be found on our Internet site at: www.myflorida.com/dor.

For direct-to-home satellite service, the Florida communications services tax rate is 13.17 percent. There is no local communications services tax on direct-to-home satellite service.

What is a "Use" Tax on the Purchase of Communications Services?

Most of the time, the seller collects communications services tax from the retail customer that purchases and uses the communications services; then the seller remits the tax to the Florida Department of Revenue (DOR). Some sellers of communications services, particularly those located in other states, do not register with Florida and collect the tax. In those cases, the customer using the service is still liable for

any tax that may be due and must pay it directly to DOR.

Examples:

John Doe, who resides and operates a business in Fort Pierce, Florida, purchases direct-to-home satellite television service for use in his home and business from a provider located in Texas. The satellite company bills for the service on a monthly basis but does not charge Florida communications services tax. John Doe is required to report and remit Florida communications services use tax at a rate of 13.17 percent (the rate for direct-to-home satellite service) on the monthly service amount.

John Doe also purchases wireless telephone service for use in his business from a provider in Georgia that does not collect and remit Florida communications services tax. John Doe is required to report and remit Florida communications services tax of 9.17 percent (state rate) and local communications services tax of 5.52 percent (the local communications services tax rate for the City of Fort Pierce) on the charges by the wireless provider.

How Is Use Tax Paid?

You must use Form DR-700019, Communications Services Use Tax Return, to report and send the tax directly to DOR. See "For More Information" to obtain this form.

NOTE: Registered communications services providers should not use Form DR-700019. Registered providers must use Form DR-700016 to report tax.

When Is Use Tax Due?

The tax and return (Form DR-700019) should be sent to DOR every six months. Returns and payments for the period January 1 through June 30 are due on July 1 and late after July 20. Returns and payments for the period July 1 through December 31 are due on January 1 and late after January 20. However, if the 20th falls on a Saturday, Sunday, or federal or state holiday, returns are timely if postmarked on the first working day following the 20th.

References: Section 202.151, Florida Statutes; Section 2, CS/HB

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 (Florida only), 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.

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