



Florida Department of Revenue  
Tax Information Publication

**TIP**

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### Communications Services Tax Rounding Method

As a result of recent legislation, the rounding method for calculating the amount of communications services tax due has changed.

Dealers must now use the standard rounding method that:

1. Carries the tax computation to the third decimal place; and
2. Always rounds up to the next whole cent when the third decimal place is 5 or greater.

Examples:       \$5.045 rounds to \$5.05  
                      \$3.213 rounds to \$3.21

Dealers of communications services must still separately compute the Florida communications services tax and local communications services tax due.

Dealers may compute Florida communications services tax in one of the following three ways:

1. Dealers may apply the rounding method using the combined rate of the state tax imposed by section 202.12, Florida Statutes (F.S.), and the gross receipts tax imposed by section 203.01, F.S. (9.17%).
2. Dealers may apply the rounding method by using the state communications services tax rate imposed by section 202.12(1)(a), F.S. [6.65%], separately from the gross receipts tax rate imposed by section 203.01(1)(b)2. and 3., F.S. [2.52%].
3. Dealers may apply the rounding method by using the combined tax rate imposed by sections 202.12(1)(a) and 203.01(1)(b)3., F.S. [6.8%], as allowed by section 203.01, F.S., separately from the gross receipts tax rate imposed by section 203.01(1)(b)2., F.S. [2.37%].

Dealers may compute the tax by applying the rounding method to the combined taxable amount on an invoice or to one or more taxable items on an invoice. However, when computing the tax on one or more taxable items on an invoice, the resulting combined tax amount must equal at least the tax amount that would be computed on the combined taxable items on an invoice. Dealers are permitted to set a minimum tax amount of no less than \$0.01 on each item or group of items to which the rounding method is applied.

This change is effective July 1, 2011, but applies retroactively. The legislation does not provide a basis for an assessment of any tax not paid, or create a right to a refund or credit of any tax paid before July 1, 2011.

**References: Section 202.16(3), Florida Statutes, as amended by Chapter 2011-120, 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](http://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.

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, Mail Stop 3-2000, 5050 West Tennessee Street, Tallahassee, FL 32399-0112.

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