



# Sales and Use Tax on Rental of Living or Sleeping Accommodations

GT-800034  
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## What is Taxable?

Sales tax is due at the rate of 6 percent on rental charges or room rates paid for the right to use or occupy living or sleeping accommodations. Florida law refers to these living or sleeping accommodations as “transient accommodations.”

If you rent or lease any of these types of transient accommodations, you must collect sales tax and pay it to the Department of Revenue:

- Hotel or motel
- Apartment house or any other multiple unit structure (for example: duplex, triplex, quadraplex, condominium)
- Rooming house
- Tourist or mobile home court (for example: trailer court, motor court, recreational vehicle camp, fish camp)
- Single-family dwelling
- Garage apartment
- Beach house or cottage
- Cooperatively owned apartment
- Condominium parcel
- Timeshare resort
- Mobile home
- Any other house
- Vehicle or other structure, place, or location held out to the public to be a place where living quarters or sleeping or housekeeping accommodations are provided to transient guests in exchange for payment.
- Boats with a permanent fixed location at a dock and not operated on the water away from the dock by the tenant

Rental charges include any charge for the use of items or services required to be paid as a condition of the use or possession of the accommodation.

Most counties have a discretionary sales surtax, local option tax, tourist development tax, convention development tax, or tourist impact tax on rentals of transient accommodations. More information can be found in the *Discretionary Sales Surtax* brochure (Form GT-800019) and on the list of surtax counties and rates (Form DR-15DSS). You can find these and other publications on our web site at [www.myflorida.com/dor](http://www.myflorida.com/dor). For specific county rates, go to our Tax Law Library and do a search for “DOR Local Option.”

Landlords should contact us or their local county taxing agency to determine whether a county has a local tax(es) and whether you are required to report and pay this amount directly to your county or if you should report it on your sales and use tax return.

## What is Exempt?

Certain leases and rentals are exempt from sales tax. The owner or owner's representative must keep documentation to support the exempt transaction. These transactions are exempt:

- Rental charges or room rates paid by a person who has a signed, bona fide written lease for a continuous residence longer than six months. If there is no written lease, and a person has continuously resided at any one location for a period longer than six months and has paid the tax on the rental charges or room rates due at that location for the first six months, additional charges for continuous residence at that location are tax-exempt.
- Rental charges or room rates paid by a full-time student enrolled in an institution offering postsecondary education. A written statement from an official of the student's institution, documenting that the student attends the institution full time, is proof of the student's full-time enrollment.
- Rental charges or room rates paid by military personnel who are on active duty and are present in the community under official orders. The military personnel must provide a copy of:
  - ✓ The official orders supporting the active duty status of the military personnel and making it necessary to occupy the accommodation.
- Rental of accommodations in a migrant labor camp.

## Trailer Camps, Recreational Vehicle Parks, and Mobile Home Parks

Rental charges at trailer camps, recreational vehicle parks, and mobile home parks (except mobile home lots regulated by Chapter 723) are taxable unless more than 50 percent of the total rental units are occupied by tenants who have continuously resided there for more than three months. When more than 50 percent of the total rental units available are occupied by tenants who have continuously resided there for more than three months, the owner or owner's representative of the camp or park must file a *Declaration of Taxable Status - Trailer Camps, Mobile Home Parks, and Recreational Parks* (Form DR-72-2) with us in order to treat the rental units as tax exempt. All rental charges for accommodations at a camp or park are taxable until the owner or owner's representative informs us the charges qualify for exemption.

This exemption only applies to the rental units. Any retail sales or rentals of tangible personal property (for example, non-grocery items and recreational equipment) or rentals of commercial rental property are taxable.

## Who Must Register to Collect Tax?

The owner of living or sleeping accommodations must register each taxable accommodation separately. You can register to collect and/or report tax through our Internet site. The site will guide you through an application interview that will help you determine your tax obligations. If you do not have Internet access, you can complete a paper *Application to Collect and/or Report Tax in Florida* (Form DR-1).

If the property owner uses a real estate brokerage firm, other entity, or other person (not an employee) to collect or receive rent or license fees on behalf of the owners (lessors), then such firm, entity, or person must register. Agents who are registering multiple properties for management and rental may complete an *Application for Collective Registration for Rental of Living or Sleeping Accommodations* (Form DR-1C). You must complete a separate application for each county where property is located.

## Subleases

Any person who leases a taxable accommodation and then subleases it to a third party must register as a dealer and collect the applicable tax due on the subrents, subleases, sublets, or licenses. The dealer may issue a signed copy of their current *Annual Resale Certificate* to the property owner or property owner's representative to rent accommodations tax-exempt or take a credit for the tax paid to the owner or owner's representative on the original lease.

Any person, who cannot prove sales tax has been paid to the landlord, is liable to Florida for any applicable tax, interest, or penalty due on the subleased property.

## **When Tax is Due**

Tax is due and payable at the time the rent payment is received by the lessor or other person receiving the rent payment. Returns and payments are due on the 1st and late after the 20th day of the month following the receipt of the rent payment. For example, if the rent payment is received on the 1st of one month, then the return and remittance of sales tax is not due until the 1st of the next month.

## **Penalty and Interest**

If your returns and payments are not postmarked or hand-delivered on or before the due date, you owe a late penalty of 10 percent of the amount of tax due. A minimum **penalty** of \$50 is due on late returns, even if no tax is due. A penalty applies if you submit your return and/or payment on time but incomplete.

A floating rate of **interest** applies to underpayments and late payments of tax. We update the rate January 1 and July 1 of each year by using the formula in section 213.235, Florida Statutes. Current and prior period interest rates are posted on our Internet site.

## **Reference Material**

**Tax Law** – Our online Tax Law Library contains statutes, rules, legislative changes, opinions, court cases, and publications. Search the law library for Rules 12A-1.061, Florida Administrative Code, *Rental of Transient Living Accommodations*.

**Brochures** – Download these brochures from our "Forms and Publications" page:

- *Commercial Real Property Rentals*
- *Tangible Personal Property Rentals*
- *Taxation of Mobile Homes in Florida*

## **For Information and Forms**

Information and forms are available on our Internet site at: [www.myflorida.com/dor](http://www.myflorida.com/dor)

To speak with a Department of Revenue representative, call Taxpayer Services, Monday through Friday, 8 a.m. to 7 p.m., ET, at 800-352-3671.

Persons with hearing or speech impairments may call our TDD at 800-367-8331 or 850-922-1115.

For a written reply to tax questions, write:

Taxpayer Services  
Florida Department of Revenue  
5050 W Tennessee St Bldg L  
Tallahassee FL 32399-0112

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- Tax Information Publications (TIPs).
- *Facts on Tax*, a quarterly publication.
- Proposed rules, notices of rule development workshops, and more.

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