



Tax Information for New Residents

GT-800025
R. 12/17

General information about the most common tax obligations in Florida.

You are considered a Florida resident ...

when your true, fixed, and permanent home and principal establishment is in Florida. Filing a declaration of domicile, qualifying for homestead exemption, or registering to vote in Florida can establish residency. Other actions, such as obtaining a Florida driver's license, only indicate the intent to establish residency.

Will You Buy Merchandise?

Sales Tax

Florida's general sales tax rate is 6 percent. Each retail sale, storage for use, admission, use, or rental is taxable, along with certain services. Some items are specifically exempt. Many counties impose a discretionary sales surtax in addition to the 6 percent state tax. The county tax rates vary from .5 to 2.5 percent, and are levied on the first \$5,000 of the purchase price. The \$5,000 limit does not apply to commercial rentals, transient rentals, or services. Consumers pay sales tax and any county imposed taxes to the seller at the time of purchase.

Use Tax

Unless specifically exempt, merchandise purchased out of state is subject to tax when brought into Florida within 6 months of the purchase date. This "use tax," as it is commonly called, is also assessed at the rate of 6 percent. Examples of such taxable purchases include purchases made by mail order or the internet, furniture delivered from dealers located in another state, and computer equipment delivered by common carrier. Items purchased and used in another state for 6 months or longer are not subject to use tax when the items are later brought into Florida.

No use tax is due if the out-of-state dealer charged sales tax of 6 percent or more. If the dealer charged less than 6 percent, you must pay the difference to equal 6 percent. For example, if the dealer charged 4 percent, you must pay the additional 2 percent to Florida. Complete an *Out-of-State Purchase Return* (Form DR-15MO) to file and pay use tax. You can download this form from the Department's website at floridarevenue.com/forms. If the tax owed is less than \$1.00, you do not have to file.

Do You Own Real Property?

Ad Valorem (Property) Tax

If you own property in Florida, that property is assessed annually by the county property appraiser. This assessment determines the amount of ad valorem taxes owed each year on your property. Ad valorem or property taxes are collected annually by the county tax collector.

If you maintain the property as your primary residence, you can receive an exemption of up to \$50,000 from the assessed value of your property. This homestead exemption also provides for a cap on the amount your assessment can be increased from year to year.

There are other exemptions available for certain Florida homesteaders such as widows/widowers, blind persons, totally and permanently disabled persons, seniors, and veterans.

Please call your county property appraiser's office for more details about these various exemptions.

Will You Purchase a Home or Business Property, Apply for a Mortgage or Loan, or Purchase Bonds?

Documentary stamp tax is levied on documents that transfer interest in Florida real property, such as warranty deeds and quit claim deeds.

Notes, certain renewal notes, bonds, and other written obligations to pay money executed, signed or delivered in Florida, and mortgages and other liens filed or recorded in Florida, are subject to the documentary stamp tax and a nonrecurring intangible tax when the obligation is secured by a mortgage deed or other lien.

These taxes are paid to the Clerk of Court if the document is recorded, or if not recorded, the taxes are sent directly to the Department of Revenue.

Motor Vehicle Registration and Taxes

Florida's 6 percent use tax applies to and is due on motor vehicles brought into this state within 6 months from the date of purchase. If the purchaser resides in a county that imposes a discretionary sales surtax, that tax will also apply. Use tax and discretionary sales surtax do not apply if a like tax equal to or greater than 6 percent has been lawfully imposed and paid to another state, territory of the United States, or District of Columbia.

It is presumed that a motor vehicle used in another state, territory of the United States, or District of Columbia for 6 months or longer before being brought into Florida was not purchased for use in Florida. To qualify for exemption from use tax, you must provide documents to prove that the vehicle was used outside Florida for 6 months or longer.

The full amount of use tax (6 percent) and applicable discretionary sales surtax are due on any motor vehicle imported from a foreign country into Florida. It does not matter if the motor vehicle was used in another country for a period of 6 months or more prior to the time it is brought into Florida. Florida does not recognize tax paid to another country when calculating the tax due. Tax is calculated on the value of the vehicle at the time it is brought into Florida, not on the original purchase price.

For information on registration costs, regulations, driver licenses, and minimum liability insurance coverage requirements, contact the Department of Highway Safety and Motor Vehicles. Visit their website at <https://www.flhsmv.gov/> or call 850-617-2000.

Payment of tax due on motor vehicle registrations and the purchase of Florida license tags may be handled at the local county tax collector's office.

Other Taxes and Fees

Florida does not impose personal income, inheritance, gift taxes, or intangible personal property taxes. However, there are other taxes and fees that, in certain counties or circumstances, Florida residents may be required to pay, such as:

- local option transient rental taxes
- fuel taxes
- communications services tax
- lead-acid battery fee
- new tire fee
- motor vehicle fee (Lemon Law)
- rental car surcharge

Considering Business Opportunities in Florida?

Most businesses are subject to sales and use tax, discretionary sales surtax, reemployment tax, and corporate income tax. If your business is required to collect sales tax, you must register as a sales and use tax dealer **before you begin conducting business in Florida**. You can register to collect and report tax through the Department's website. 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 *Florida Business Tax Application* (Form DR-1).

Reference Material

Brochures – Download these brochures from our “Forms and Publications” page:

- *Considering Business Opportunities in Florida?* (GT-800029)
- *Florida's Sales and Use Tax* (GT-800013)
- *Florida's Discretionary Sales Surtax* (GT-800019)
- *Florida Taxpayer's Bill of Rights* (GT-800039)
- *Solid Waste Fees, Motor Vehicle Fees, and Gross Receipts Tax on Dry Cleaning* (GT-800037)

Information, forms, and tutorials are available on the Department's website at **floridarevenue.com**.

To speak with a Department of Revenue representative, call Taxpayer Services at 850-488-6800, Monday through Friday, excluding holidays.

To find a **taxpayer service center** near you, visit **floridarevenue.com/taxes/servicecenters**.

For written replies to tax questions, write to:

Taxpayer Services MS 3-2000
Florida Department of Revenue
5050 W Tennessee St
Tallahassee FL 32399-0112

Subscribe to Receive Updates by Email from the Department.

Subscribe to receive an email for due date reminders, Tax Information Publications (TIPs), or proposed rules, notices of rule development workshops, and more. Subscribe today at **floridarevenue.com/dor/subscribe**.