

TIP 99A01-42

DATE ISSUED: Dec 17, 1999

Taxability of Certain Services Relating to Condominiums, Beach Houses, and Vacation Homes Providing Transient Accommodations

Taxability of Cleaning, Pest Control, Telephone, and Electric Services

The purchase of cleaning, pest control, telephone, and electric services by the owner (or the owner's agent) of a residential condominium, beach house, or vacation home are considered to be for residential use and are therefore not taxable. The term "residential condominium" is defined in section 718.103(22), Florida Statutes.

When condominiums, beach houses, or vacation homes are rented to the public as transient accommodations, there may be separately stated charges to the guests for cleaning or other services.

Any separately stated mandatory charges to the guests are part of the charge to rent the accommodations, and they are subject to sales tax, plus any locally imposed sales surtax or tourist tax on transient rentals.

As an example, a guest rents a condominium unit for one week for \$700. All guests are required to pay an additional \$50 for cleaning the unit upon departure and a \$10 processing fee. Sales tax, plus any locally imposed sales surtax or tourist tax on transient rentals, is due on \$760.

Taxability of Security Services

The purchase of security service by the owner (or the owner's agent) of a residential condominium is taxable and the charge to the guest, as part of the rental consideration, is also taxable.

For example, the owner of a residential condominium pays \$120 a month for security guard services. A guest rents the

condominium for one week for \$700 and is required to pay an additional \$30 for security fees. Sales tax, plus any locally imposed sales surtax, is due on the \$120 purchase price of the security services. Additionally, sales tax, plus any locally imposed sales surtax or tourist tax on transient rentals, is due on \$730.

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 more information call Tax Information Services, Monday - Friday, 8:00 a.m. to 5:00 p.m., ET, at 850-488-6800.

Hearing or speech impaired persons should call our TDD at 1-800-367-8331 or 850-922-1115.

For a detailed written response to your questions, write the Florida Department of Revenue, Tax Information Services, 1379 Blountstown Highway, Tallahassee, FL 32304.

For forms and other information, visit our Web site at <http://sun6.dms.state.fl.us/dor/>.

Get tax forms quickly by FAX ON DEMAND. Call 850-922-3676, twenty-four hours a day, seven days a week, using your fax machine handset and follow the instructions.

References:

Sections 125.0104, 125.0108, 212.03, 212.0305, 212.05(1)(j), 212.054, 212.055, 212.08(7)(j), 718.103(22), F.S.