



Don't Delay – Save Today!

Take advantage of tax amnesty and save money

Do you know if you owe?

Although most business owners do their best to comply with all revenue laws, mistakes do occur. Sometimes taxes are overlooked.

Did you pay tax on all Internet and catalog purchases?

Did you pay “use tax” on computers or equipment purchased for your business?

Did you forget to file?

Did you file but underpay?

Did you think someone else paid?

See page 2 for examples of “overlooked” taxes; read more examples on our website. If you are still not sure if you owe tax, call Taxpayer Services at 800-352-3671.

Florida's tax amnesty program is an opportunity for you to voluntarily pay overdue taxes with no penalty and reduced interest. But you need to act quickly – the amnesty period runs from July 1 to September 30, 2010. All taxes administered by the Department of Revenue are eligible, except unemployment tax and Miami-Dade County Lake Belt Fees.

Tax amnesty applies to tax, penalty, and interest that were due **before** July 1, 2010. You **must** complete a Tax Amnesty Agreement to participate.

If you have tax liabilities, take advantage of tax amnesty now! If you think you may have overlooked a tax or a payment, now's the time to find out if you owe.

Pay no penalty and only 1/2 the interest due, if you:

- Are reporting a tax liability that the Department of Revenue did not know about.
- Are filing a late return for a tax obligation previously unknown to DOR.
- Are responding to a Letter of Inquiry or a self-audit request.

Pay no penalty and only 3/4 of the interest due, if you

- Are responding to a Department of Revenue bill, delinquency, audit, or other assessment.

Note: A 10 percent administrative collection processing fee (ACP fee) is imposed on any known debt over 90 days old. This fee **will not** be waived under the amnesty program. The fee is calculated on tax, penalty, and interest before any reduction allowed by the amnesty program.

Florida Tax Amnesty

July 1 - September 30, 2010

- ***Pay NO penalty***
- ***Pay REDUCED interest now***

Find out more at www.myflorida.com/dor/amnesty

Am I eligible?

You and your business are eligible if your liability for tax, penalty, or interest was due before July 1, 2010 and:

- You complete a Tax Amnesty Agreement.
- Your liability is not already covered by a settlement or payment agreement.
- You are not under a pretrial intervention or diversion program, probation, community control, or in a work camp, jail, state prison, or another correctional system regarding a Florida revenue law.
- You are not under criminal investigation, indictment, information, or prosecution regarding a Florida revenue law.

What taxes are included in the tax amnesty program?

Sales and use tax (including discretionary sales surtax)

Communications services tax

Corporate income and emergency excise tax

Documentary stamp tax

Fuel taxes (including local option taxes)

Other taxes eligible for amnesty include: estate tax, governmental leasehold intangible personal property tax; gross receipts tax on utility services; insurance premium taxes, surcharges, and fees; motor vehicle warranty fee (“lemon law”); nonrecurring intangible personal property tax; pollutants taxes; severance taxes (gas and sulfur, oil production, solid minerals); solid waste and surcharge fees (rental car surcharge, tire and battery fees, gross receipts tax on dry cleaning). Local option tourist development taxes administered by DOR and counties that self-administer tourist development taxes are eligible if the county has opted into the amnesty program. For details on local taxes that may be included in amnesty, visit www.myflorida.com/dor/amnesty. Unemployment tax and Miami-Dade County Lake Belt Fees **are not included** in the amnesty program.

Examples of “overlooked” taxes

Tax law is complex and can be hard to fully understand. Here are examples of instances where taxpayers “overlooked” a tax they should have paid.

Internet and out-of-state purchases (registered taxpayer): On March 1, 2009, Sonny’s Sign Shop, a registered taxpayer, bought a laminator from a dealer in Georgia for \$5,000. Sonny did not realize that he is required to pay Florida “use tax” on the purchase. The Florida 6 percent tax due on the machine is \$300. (Sonny’s Sign Shop is in a county with no discretionary sales surtax.) Sonny’s files returns and pays sales tax electronically each month.

By the time Sonny realized his error, he owed \$50 in penalty and \$27.82 in interest. If he enters into an amnesty agreement and files an additional *Sales and Use Tax Return* (Form DR-15) for the March 2009 collection period (due in April 2009), and pays the tax and interest due on July 1, 2010 under amnesty, DOR will waive the entire penalty and 1/2 of the interest. Instead of paying \$377.82, Sonny will pay \$313.91 under amnesty (a savings of \$63.91).

Sonny can take care of his obligations online. He can complete a Tax Amnesty Agreement and also file and pay, using the amnesty sales and use tax/solid waste amnesty system.

Internet and out-of-state purchases (nonregistered taxpayer): On January 2, 2009, Johnny, a Florida resident, bought a computer through the Internet for \$1,000. The seller was an out-of-state company that is not registered to collect Florida sales and use tax. The company shipped the computer to Johnny in Florida by a common carrier. The company did not charge Johnny for shipping and Johnny forgot that he is responsible for paying 6 percent use tax on his computer purchase.

On July 1, 2010, Johnny decides to pay the use tax and interest owed so he can avoid paying \$50 in penalty and half the interest due. Johnny must complete a Tax Amnesty Agreement, file an *Out-of-State Purchase Return* (Form DR-15 MO), and pay the tax and interest due under amnesty. He owes \$60 in tax plus \$2.78 in interest. By participating in amnesty, Johnny saves \$52.78 (zero penalty and 1/2 the interest owed).

Examples of “overlooked” taxes

Purchasing an item tax-exempt for resale, but then using it in the business or for personal use: Stuart, a registered taxpayer, orders saddles tax-exempt to resell to customers. However, Stuart decided to use one of the saddles to ride his own horse. Stuart owes 6 percent Florida use tax and any discretionary sales surtax (county tax) on the purchase price of the saddle. He removed the saddle from inventory in July 2009. If he enters into an amnesty agreement and files an additional *Sales and Use Tax Return* (Form DR-15) for the July 2009 collection period (due in August 2009), and pays the tax and interest due during the amnesty period, DOR will waive the entire penalty and 1/2 the interest.

A corporation that is not registered to pay Florida corporate income tax: The Acme Widget Corporation began business in Florida in 2007, but overlooked filing a Florida corporate income tax return each year. Acme can file previous years' returns and pay tax with reduced interest and without penalty during amnesty. Corporations with federal audit adjustments or who filed federal amended returns, but overlooked filing amended Florida income tax returns for the relevant tax years can also take advantage of amnesty.

How do I get tax amnesty?

You must submit a Tax Amnesty Agreement (online or paper form) by September 30, 2010.

The fastest and easiest way to apply for amnesty is to do it online at **www.myflorida.com/dor/amnesty**. You will receive an amnesty agreement number once you have submitted all the required information. If you do not complete the agreement online, be sure to fill out a paper Tax Amnesty Agreement (Form DR-100000) and mail it to:

**Tax Amnesty
Florida Department of Revenue
Post Office Box 5138
Tallahassee FL 32314-5138**

You must complete a Tax Amnesty Agreement to participate!

How do I file back taxes?

You can file past sales and use tax and solid waste and surcharge fees using the link on **www.myflorida.com/dor/amnesty**. You can download **current and prior year** forms for most taxes from our website.

If you need help determining the interest you owe under amnesty, use our online interest calculator. You can access the calculator from our tax amnesty web page.

What if I cannot pay the tax before September 30, 2010?

If you cannot pay the tax before September 30, 2010, call your local service center to enter an agreement to make installment payments. You must pay no less than 12.5 percent of the amount due under amnesty and pay the remaining balance in 7 or fewer monthly installments. Interest will continue to accrue during the term of the agreement. If you fail to meet the agreement requirements, the agreement will be voided and you will owe the amount due, plus penalty, interest and any imposed fees.

What if I still have questions?

- Read Amnesty Frequently Asked Questions at: **www.myflorida.com/dor/amnesty**
- Contact your tax professional.
- Talk to 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.
- Call or visit your local Florida Department of Revenue service center. Find a location at **www.myflorida.com/dor/taxes/servicecenters.html**



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Save money with tax amnesty!
www.myflorida.com/dor/amnesty

If you file Florida tax returns for multiple business locations, please share the information contained in this TIP with your associates.

Take advantage of tax amnesty
July 1 through September 30, 2010