



# TIP

## Tax Information Publication

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# 2019 Back-to-School Sales Tax Holiday

## August 2 through August 6, 2019

This sales tax holiday begins on Friday, August 2, 2019, and ends on Tuesday, August 6, 2019.

### **Notice to Businesses with Multiple Locations**

If you report sales tax for all your locations on one consolidated tax return, this publication was mailed to the main business address listed on your return. This publication was not mailed to each of your locations. Please be sure to notify all of your individual store locations about this sales tax holiday and the specific provisions in this publication. A list of the eligible items and a copy of this publication are available on the Department's website at [floridarevenue.com/backtoschool](http://floridarevenue.com/backtoschool).

During this sales tax holiday period, Florida law directs that no sales tax or local option tax (also known as discretionary sales surtax) will be collected on purchases of:

- Clothing, footwear, and certain accessories selling for **\$60 or less** per item,
- Certain school supplies selling for **\$15 or less** per item, and
- Personal computers and certain computer-related accessories selling for **\$1,000 or less** per item, **when purchased for noncommercial home or personal use.**

### **This sales tax holiday does not apply to:**

- Any item of clothing selling for more than \$60;
- Any school supply item selling for more than \$15;
- Books that are not otherwise exempt;
- Computers and computer-related accessories purchased for commercial purposes;
- Rentals or leases of any eligible items;
- Repairs or alterations of any eligible items; or
- Sales of any eligible items in a theme park, entertainment complex, public lodging establishment, or airport.

**Reference:** Section 19, Chapter 2019-42, Laws of Florida

### **Articles Normally Sold as a Unit**

Articles normally sold as a unit must continue to be sold in that manner; they cannot be separately priced and sold as individual items in order to qualify for the sales tax exemption.

### **Sets Having Exempt and Taxable Items**

When tax-exempt items are normally sold together with taxable merchandise as a set or single unit, the sales price of the set or unit is subject to sales tax.

### **Gift Cards**

The sale of a gift card is not taxable. A gift card does not reduce the selling price of an item.

Eligible items purchased during the sales tax holiday period using a gift card will qualify for the exemption, regardless of when the gift card was purchased.

Eligible items purchased with a gift card after the sales tax holiday period are taxable, even if the gift card was purchased during the sales tax holiday period.

### **Buy One, Get One Free or for a Reduced Price**

The total price of items advertised as "buy one, get one free," or "buy one, get one for a reduced price," cannot be averaged for both items to qualify for the exemption.

### **Exchanging a Purchase after the Sales Tax Holiday Period**

When a customer purchases an eligible item during the sales tax holiday period, then later exchanges the item for the same item (e.g., different size or different color), no tax will be due even if the exchange is made after the sales tax holiday period.

When a customer purchases an eligible item during the sales tax holiday period, then later returns the item and receives credit on the purchase of a different item, the new item purchased is subject to sales tax.

### **Coupons, Discounts, and Rebates**

The sales price of an item includes all consideration received by the retailer for that item. The price of an item is not limited to the amount paid by a customer. A coupon, discount, or rebate offered by the retail seller reduces the sales price of an item because it reduces the total amount received by the retail seller for the item.

When a retailer is reimbursed for the amount of any discount created by a manufacturer's coupon, discount, or rebate, the amount of the reimbursement is included in the taxable sales price of the item.

### **Rain Checks**

Eligible items purchased during the sales tax holiday period using a rain check qualify for the exemption regardless of when the rain check was issued.

However, issuance of a rain check during the sales tax holiday period will not qualify an eligible item for the exemption if the item is purchased after the sales tax holiday period.

### **Layaway Sales**

A layaway sale is a transaction where merchandise is set aside for future delivery to a customer who makes a deposit, agrees to pay the balance of the purchase price over a period of time, and receives the merchandise at the end of the payment period. Eligible items sold as layaway sales qualify for the exemption when the customer:

- Accepts delivery of the merchandise during the sales tax holiday period, or

- Puts an eligible item on layaway, even if final payment is made after the sales tax holiday period.

### **Mail-Order, Catalog, or Online Sales**

Eligible items purchased by mail-order, catalog, or online are exempt when the order is accepted by the company during the sales tax holiday period for immediate shipment, even if delivery is made after the sales tax holiday period.

### **Shipping and Handling**

When shipping and handling charges are part of the sales price of an item, and multiple items are shipped on a single invoice or receipt, the shipping and handling charge must be apportioned to each item on the invoice or receipt to determine if an item is exempt during the sales tax holiday period.

### **Recordkeeping**

Sales of eligible items sold during the sales tax holiday period should be reported as exempt sales on your sales tax return.

### **For Panama City and Panama City Beach Dealers Only**

Panama City and Panama City Beach impose on retailers a *1% merchant's license fee* or tax. The merchant's license fee is included in the sales price of each item. If the fee is separately stated, it must be assigned to the sales price of each item on the invoice to determine if an item is exempt during the sales tax holiday period.

### **Qualified Businesses May Choose Not to Participate in the Back-to-School Sales Tax Holiday**

Qualified businesses may choose not to participate in the sales tax holiday when less than five percent (5%) of their gross sales of tangible personal property during calendar year 2018 were sales of items that would be exempt during the sales tax holiday period. Businesses with multiple locations must include the gross sales of all their Florida locations in this calculation. For businesses that were not in operation during the 2018 calendar year, this option is available when less than five percent (5%) of the business's inventory of items for sale are items that would be tax exempt during the sales tax holiday period.

Qualifying businesses choosing not to participate in the sales tax holiday **must send a written notice to the Department by August 1, 2019**. The notice must be on business letterhead and state that the business meets the qualifications stated above and has chosen not to participate in the sales tax holiday. The notice must be signed by an individual authorized to sign on behalf of the business. Businesses with multiple locations may send a single notice stating that all their Florida locations will not participate in the sales tax holiday.

Mail the letter to: **Sales Tax Holiday**  
Account Management MS 1-5730  
Florida Department of Revenue  
5050 W Tennessee St  
Tallahassee FL 32399-0160

Email a signed scanned letter to:  
**registration@floridarevenue.com**  
or,  
Fax to: 850-922-0859

Qualified businesses that do not participate in the sales tax holiday **must post a notice at each business location** stating their choice not to participate in the Back-to-School Sales Tax Holiday. The notice must be posted in a conspicuous location at the place of business. The following is a suggested notice:

In accordance with Chapter 2019-42, Laws of Florida, (Name of Business) has chosen not to participate in the Back-to-School Sales Tax Holiday, August 2-6, 2019. For questions, please contact (name of contact person at business) at (contact telephone number or email address).

[Signature of Authorized Individual]

[Title]

## **Clothing and Accessories**

The following is a list of clothing and accessory items and their taxable status during the back-to-school sales tax holiday period. No tax is due on the sale or purchase of any article of clothing, wallet, or bag, including handbags, backpacks, fanny packs, and diaper bags, but excluding briefcases, suitcases, and other garment bags, with a selling price of **\$60 or less per item**. (The list is not all-inclusive.)

**“Clothing”** means any article of wearing apparel, including all footwear (except skis, swim fins, roller blades, and skates) intended to be worn on or about the human body. Clothing does not include watches, watchbands, jewelry, umbrellas, or handkerchiefs.

This exemption does **not** apply to sales of clothing, wallets, or bags in a theme park, entertainment complex, public lodging establishment, or airport.

### **Examples of Exempt Clothing and Accessories:**

- Accessories
  - Barrettes and bobby pins
  - Belt buckles
  - Bow ties
  - Hairnets, bows, clips, and hairbands
  - Handbags
  - Neckwear
  - Ponytail holders
  - Scarves
  - Ties
  - Wallets
- Aerobic and fitness clothing
- Aprons and clothing shields
- Athletic supporters
- Baby clothes
- Backpacks and book bags
- Bandanas
- Baseball cleats
- Bathing suits, caps, and cover-ups
- Belts
- Bibs
- Bicycle helmets (youth)\*\*
- Blouses
- Boots (except ski or fishing boots)
- Bowling shoes (purchased)
- Braces and supports worn to correct or alleviate a physical incapacity or injury\*
- Bras
- Choir and altar clothing\*
- Cleated and spiked shoes
- Clerical vestments\*
- Coats
- Coin purses
- Costumes
- Coveralls
- Diaper bags
- Diapers, diaper inserts (adult and baby, cloth or disposable)
- Dresses
- Fanny packs
- Fishing vests (non-flotation)
- Formal clothing (purchased)
- Gloves
  - Dress
  - Garden
  - Leather
  - Work
- Graduation caps and gowns
- Gym suits and uniforms
- Hats and caps
- Hosiery and panty hose (including support hosiery)
- Hunting vests
- Jackets
- Jeans
- Lab coats
- Leggings, tights, and leg warmers
- Leotards
- Lingerie
- Martial arts attire
- Overshoes and rubber shoes
- Pants
- Purses
- Raincoats, rain hats, and ponchos
- Receiving blankets
- Religious clothing\*
- Robes
- Safety clothing
- Safety shoes
- Scout uniforms
- Shawls and wraps
- Shirts
- Shoe inserts and insoles
- Shoes (including athletic)
- Shoulder pads (e.g., dresses or jackets)
- Shorts
- Ski suits (snow)
- Skirts
- Sleepwear (nightgowns and pajamas)
- Slippers
- Slips
- Socks
- Suits, slacks, and jackets
- Suspenders
- Sweatbands
- Sweaters
- Swim suits and trunks
- Ties (neckties and bow ties)
- Tuxedos (purchased)
- Underclothes
- Uniforms (work, school, and athletic - excluding pads)
- Vests

\* These items are always exempt as religious, prescription, prosthetic, or orthopedic items.

\*\* Bicycle helmets marketed for use by youth are exempt from sales tax.

## Examples of Taxable Clothing and Accessories:

- Accessories
  - Handkerchiefs
  - Jewelry
  - Key cases
  - Watchbands
  - Watches
- Athletic gloves
- Athletic pads
- Bowling shoes (rented)
- Briefcases
- Checkbook covers (separate from wallets)
- Chest protectors
- Cloth, lace, knitting yarns, and other fabrics
- Clothing repair items, (e.g., thread, buttons, tapes, iron-on patches, or zippers)
- Corsages and boutonnieres
- Cosmetic bags
- Crib blankets
- Diving suits (wet and dry)
- Duffel bags
- Elbow pads
- Fins
- Fishing boots (waders)
- Football pads
- Formal clothing (rented)
- Garment bags
- Gloves
  - Baseball
  - Batting
  - Bicycle
  - Golf
  - Hockey
  - Rubber
  - Surgical
  - Tennis
- Goggles (except prescription\*)
- Hard hats
- Helmets, except youth bicycle\*\* (baseball, football, hockey, motorcycle, sports)
- Ice skates
- In-line skates
- Key chains
- Knee pads
- Life jackets and vests
- Luggage
- Make-up bags
- Pads (football, hockey, soccer, elbow, knee, shoulder)
- Paint or dust masks
- Patterns
- Protective masks (athletic)
- Rented clothing or footwear (e.g., uniforms, formal wear, costumes and bowling shoes)
- Repair of wearing apparel
- Roller blades
- Roller skates
- Safety glasses (except prescription\*)
- Shaving kits and bags
- Shin guards and padding
- Shoulder pads (football, hockey, sports)
- Ski boots (snow)
- Ski vests (water)
- Skin diving suits
- Suitcases
- Sunglasses (except prescription\*)
- Swimming masks
- Umbrellas
- Weight-lifting belts
- Wigs

\* These items are always exempt as religious, prescription, prosthetic, or orthopedic items.

\*\* Bicycle helmets marketed for use by youth are exempt from sales tax.

## School Supply Items

The following is a list of school supplies and their taxable status during the back-to-school sales tax holiday period. No tax is due on the sale or purchase of any school supply item with a selling price of **\$15 or less per item**. This exemption does **not** apply to sales of school supplies in a theme park, entertainment complex, public lodging establishment, or airport.

**“School supplies”** means pens, pencils, erasers, crayons, notebooks, notebook filler paper, legal pads, binders, lunch boxes, construction paper, markers, folders, poster board, composition books, poster paper, scissors, cellophane tape, glue, paste, rulers, computer disks, staplers and staples (used to secure paper products), protractors, compasses, and calculators.

## Examples of Exempt School Supply Items:

- Binders
- Calculators
- Cellophane (transparent) tape
- Colored pencils
- Compasses
- Composition books
- Computer disks (blank CDs only)
- Construction paper
- Crayons
- Erasers
- Folders
- Glue (stick and liquid)
- Highlighters
- Legal pads
- Lunch boxes
- Markers
- Notebook filler paper
- Notebooks
- Paste
- Pencils, including mechanical and refills
- Pens, including felt, ballpoint, fountain, highlighters, and refills
- Poster board
- Poster paper
- Protractors
- Rulers
- Scissors
- Staplers and staples (used to secure paper products)

## Examples of Taxable School Supply Items:

- Books not otherwise exempt
- Computer paper
- Correction tape, fluid, or pens
- Masking tape
- Printer paper

## Computers and Computer-Related Accessories

Personal computers and certain computer-related accessories may qualify for the exemption. The following is a list of personal computers and computer-related accessories, and their taxable status during the back-to-school sales tax holiday period. The exemption applies to an eligible item selling for **\$1,000 or less** per item, **when purchased for noncommercial home or personal use**. This exemption does **not** apply to sales of personal computers or computer-related accessories for use in a trade or business; or to sales in a theme park, entertainment complex, public lodging establishment, or airport.

**“Personal computers”** includes electronic book readers, laptops, desktops, handhelds, tablets, and tower computers. The term does not include cellular telephones, video game consoles, digital media receivers, or devices that are not primarily designed to process data.

**“Personal computer-related accessories”** includes keyboards, mice (mouse devices), personal digital assistants, monitors, other peripheral devices, modems, routers, and nonrecreational software, regardless of whether the accessories are used in association with a personal computer base unit. Computer-related accessories do not include furniture or systems, devices, software, or peripherals that are designed or intended primarily for recreational use. The term “monitor” does not include a device that includes a television tuner.

### Examples of Exempt Computers and Computer-Related Accessories:

- Cables (for computers)
- Car adaptors (for laptop computers)
- Central processing units (CPU)
- Compact disk drives
- Computer for noncommercial home or personal use
  - Desktop
  - Laptop
  - Tablet
- Computer batteries
- Computer towers consisting of a central processing unit, random-access memory, and a storage drive
- Data storage devices (excludes those devices designed for use in digital cameras or other taxable items)
  - Blank CDs
- Diskettes
- Flash drives
- Jump drives
- Memory cards
- Portable hard drives
- Storage drives
- Thumb drives
- Zip drives
- Docking stations (for computers)
- Electronic book readers
- Hard drives
- Headphones (including “earbuds”)
- Ink cartridges (for computer printers)
- Keyboards (for computers)
- Mice (mouse devices)
- Microphones (for computers)
- Modems
- Monitors (except devices that include a television tuner)
- Motherboards
- Personal digital assistant devices (except cellular telephones)
- Port replicators
- Printer cartridges
- Printers (including “all-in-one” models)
- RAM - random access memory
- Routers
- Scanners
- Software (nonrecreational)
  - Antivirus
  - Database
  - Educational
  - Financial
  - Word processing
- Speakers (for computers)
- Storage drives (for computers)
- Tablets
- Web cameras

### Examples of Taxable Computers and Computer-Related Accessories:

- Batteries (regular)\*\*\*
- Cases for electronic devices (including electronic reader covers)
- CDs and DVDs (music, voice, pre-recorded items)
- Cellular telephones (including smart telephones)
- Computer bags
- Computer paper
- Computers designed and intended for recreation (games and toys)
- Copy machines and copier ink and toner
- Digital cameras
- Digital media receivers
- Fax machines - stand alone
- Furniture
- Game controllers (joysticks, nunchucks)
- Game systems and consoles
- Games and gaming software
- MP3 players or accessories
- Projectors
- Rented computers or computer-related accessories
- Smart telephones
- Surge protectors
- Tablet cases or covers
- Televisions (including digital media receivers)
- Video game consoles

\*\*\* Batteries for use in prosthetic or orthopedic appliances are always exempt from tax.