

FLORIDA SALES AND USE TAX

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10:00 AM TO 12:00 PM

LINKEDIN GROUP DEDICATED TO FLORIDA TAX MATTERS



CURRENT FLORIDA TAX NEWS, LEGISLATION, AND CASES
AGAINST THE FLORIDA DEPARTMENT OF REVENUE

FLORIDA SALES & USE TAX

- LET'S BEGIN WITH A STORY...
- HOW OFTEN DO YOU AS A RESIDENT HEAR FROM THE FLORIDA DEPT. OF REVENUE?
- THIS STORY IS ONE OF THE REASONS WHY...
- DEPT. OF REVENUE -> RAISE MORE REVENUE ON OUT OF STATE PURCHASES



OPERATION FUR COAT

- OHIO FURRIER – SALES AND USE TAX AUDIT
- NEVER FILED A SALES TAX RETURN – SO... SOL
- THREATENED WITH BIG ASSESSMENTS,
UNLESS
- LETTER FROM YOUR FRIENDS AT THE FL DOR
- WHO OPENS THE MAIL?

A FUR COAT?

**BUT I DIDN'T
GET A ...**







Dear Florida Dept. of Revenue,

Thank you for auditing our Ohio facilities. Due to your hard work at collecting tax, we had our BEST YEAR EVER with sales to your state.

PLEASE COME BACK SOON!

Sincerely,

xxxxx, CEO, ABC Fur Company

FLORIDA SALES AND USE TAX

INTRODUCTION

- SALES TAX APPLIES TO:
 - Any transfer of title or possession, or both, exchange, barter, license, lease, or rental, conditional or otherwise, in any manner or by any means whatsoever, of tangible personal property for a consideration.

SERVICES SUBJECT TO SALES TAX

Taxable and Possibly Taxable Services

- Who here can name the services that are specifically taxable in Florida?
 1. Nonresidential Cleaning Services
 2. Commercial Pest Control Services
 3. Commercial/Residential Burglary and Security Services
 4. Detective Services
 5. Real Estate Management Services (rentals)

THE 'OTHER' SERVICES

COMMUNICATION SERVICES TAX (UP TO 18.7%)

- Telephone Services
- Paging Services
- Faxing Services
- Video Conferencing Services
- Video Services (used to be “cable services”)
- Direct to Home Satellite Services

THE POSSIBLY TAXABLE SERVICES

- The dangerous part is when taxpayers believe that this is all that is taxable.
- Rule 12A-1.006, F.A.C.:
For dealers that adjust, apply, alter, install, maintain, remodel, or repair tangible personal property, the non-taxable service becomes taxable if any tangible personal property is incorporated into the repaired property. (aka the “**ONE DROP OF OIL**” rule).

THE POSSIBLY TAXABLE SERVICES

- One drop of oil rule... industries affected:
 1. Automotive repair (boats/planes)
 2. Landscape maintenance (indoor plants)
 3. Appliance Repair Services
 4. Any service that incorporates tangible personal property...

THE POSSIBLY TAXABLE SERVICES

- Other industries....
- Photography? (hard copies or electronic)
- Advertising? Generally no, but what if the add was a video service under the CST?
- What about a repair that is under warranty?
- If the service provides and tangible personal property to the customer, then an alarm should go off in your head.
- Valet Parking? (service or real property rental)

TAXABLE AND POSSIBLY TAXABLE SERVICES

- One of the biggest things to remember about Sales Tax Law is that it has one very distinguishing feature when compared to Income Tax Law
- Income Tax is “Substance Over Form”
- Sales Tax is almost always “Form over Substance”
- Control the form of the transaction and you control whether the tax applies.

FLORIDA SALES AND USE TAX

What is the “USE TAX”?

AMAZON / INTERNET SALES

- Use tax normally applies to items purchased outside Florida, including another country, which are brought or delivered into this state and would have been taxed if purchased in Florida.
 - Examples:
 - Internet Purchases
 - Mail-order Catalogues
 - Purchases made in another Country.
 - Furniture purchased from dealers in another state.

AMAZON / INTERNET SALES

- If an out-of-state seller fails to collect sales tax, it purchaser's responsibility to comply with Florida law.
- Purchaser must submit payment directly to the Florida Department of Revenue.
- Individuals only get caught for specific items, but this is a prime focus during business audits.

HOW TO PAY FL USE TAX

Florida Department of Revenue Out-of-State Purchase Return

Do not use this form if you are a registered Florida sales tax dealer or if you purchase an aircraft or boat.

DR-15MO
R. 09/10

Purchases made for quarter ending / (see Quarterly Schedule)

Social Security Number* - -

Federal Employer ID No. -

Purchaser's Name _____
(Print or Type)

Address _____

City _____ State _____ ZIP _____

County _____

DOR USE ONLY
 - -

DR-15MO

	DOLLARS	CENTS
1. Amount Purchased (Enter total from Schedule of Purchases)	<input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	. <input type="text"/> <input type="text"/>
2. Tax (Line 1 x .06)	<input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	. <input type="text"/> <input type="text"/>
3. Less Credits (Taxes paid)	<input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	. <input type="text"/> <input type="text"/>
4. Total Tax Due (Line 2 minus Line 3)	<input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	. <input type="text"/> <input type="text"/>
5. Interest	<input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	. <input type="text"/> <input type="text"/>
6. Amount Due (Total of Lines 4 and 5)	<input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	. <input type="text"/> <input type="text"/>

- Or you can file on-line at the DOR's web site (with the other 30 or so people a year that do).

PROPOSED FEDERAL LEGISLATION

- **Amazon** now supports federally created nexus rules for sales tax. Can anyone tell me why?
- Amazon has a policy in place to charge a 2.5% fee for handling sales tax collection/remittance responsibilities for small vendors.
- Amazon will make hundreds of millions of dollars from a federal nexus law.

FLORIDA SALES AND USE TAX

But Sales Tax is not all
fun and games....

PENALTIES FOR MISTAKES IN FLORIDA SALES TAX

- How many of you handle Florida sales tax for your company or your client's company?
- Did you know that you can become personally liable for sales taxes and/or penalties if something is done wrong?

CIVIL PENALTIES IN FLORIDA SALES TAX

- For example: § 213.29, F.S., provides for a 200% penalty on EACH INDIVIDUAL for failure of any person, Officer, or Director to collect and pay tax or attempt to Evade or Defeat the sales tax.
- § 212.12(2)(C), F.S. imposes a 100% penalty for filing a fraudulent return with willful intent to evade payment.

CRIMINAL PENALTIES IN FLORIDA SALES TAX

Willful Intent to Defraud the State

< \$300 – Misdemeanor

> \$300 < \$20k – 3rd Degree Felony

up to 5 years in jail + up to \$5,000 in fines

> \$20k < \$100k – 2nd Degree Felony

up to 15 years in jail + up to \$10,000 in fines

> \$100k – 1st Degree Felony

up to 30 years in jail + up to \$10,000 in fines

See, §212.15(2), F.S. (pg. 166 of handout materials)

CRIMINAL PENALTIES IN FLORIDA SALES TAX

WWW.MYFLORIDA.COM/DOR/

CLICK ON “NEWS RELEASES”

PARTIAL LISTING OF BUSINESS OWNERS
ARRESTED FOR SALES TAX THIS YEAR

CRIMINAL PENALTIES and BANKRUPTCY

- Remember: Bankruptcy will not extinguish the civil taxes, penalties, and interest.
- Furthermore: Criminal Liability survives bankruptcy and has a 5 year SOL
- But proper planning in Bankruptcy can be a great defense in criminal proceedings.

CAN A CPA/ACCOUNTANT BE HELD LIABLE?

- Grand Jury Report presented to the Florida Legislature in 2011 suggested CPA's and accountants should be prosecuted for sales tax fraud.
- The report suggests that the CPA knows or "should know" that the historical statistics for convenience stores reflects that an overwhelming majority of items sold are cigarettes, beer, and other alcoholic beverages, all of which are subject to sales tax.
- The report suggests that this scenario reflects an intentional scheme to underreport and underpay sales tax and, more importantly, that the CPA is arguably in on the scheme.

CAN A CPA BE LIABLE FOR SALES TAX RETURN FRAUD?

- **Use available resources (and additional state funding) to focus criminal investigative efforts on the accounts and CPAs who are assisting their clients in stealing money from Florida taxpayers, and**
- **seek prison sentences, full restitution, interest, and fines for all accountants and CPAs and tax cheats charged under deliberate schemes to defraud Florida of sales tax collected but not remitted.**

FLORIDA SALES AND USE TAX

**FOCUS ON A FEW SPECIFIC
INDUSTRIES**

CONSTRUCTION INDUSTRY

A Minefield of Tax Implications

- THE CONSTRUCTION INDUSTRY IS THE 2ND LARGEST INDUSTRY IN THE STATE OF FLORIDA
- AND – PROBABLY THE MOST DANGEROUS AREA OF UNCERTAINTY IN FLORIDA SALES AND USE TAX LAW.

CONSTRUCTION INDUSTRY

A Minefield of Tax Implications

- FLORIDA SALES TAX DOES NOT APPLY TO THE IMPROVEMENT TO REAL PROPERTY. THESE TRANSACTIONS ARE SIMPLY OUTSIDE THE SCOPE OF FLORIDA SALES TAX.
- CONSTRUCTION IS ALL ABOUT REAL PROPERTY IMPROVEMENT, SO WHY IS THIS COMPLICATED?
- THE QUESTION TURNS ON WHAT IS A 'REAL PROPERTY IMPROVEMENT'

CONSTRUCTION INDUSTRY

- §212.06(14)(a), F.S., provides that real property includes land, improvements, and fixtures thereto.
- §212.06(14)(b), F.S., goes on to provide:
“fixture means items that are an accessory to a building, or other structure, or land and that do not lose their identity as accessories when installed but that do become permanently attached to the realty”

CONSTRUCTION INDUSTRY

Rule 12A-1.051(3) , F.A.C., “The taxability of purchases and sales by real property contractors is determined by the pricing arrangement in the contract. Contracts generally fall into one of the following categories:” (pg. 291 of the handout materials)

- (a) Lump Sum Contracts (materials, supplies, and services for one price)
- (b) Cost Plus or Fixed Fee Contracts (cost of materials/supplies plus fix price/percentage for services)
- (c) Upset or Guaranteed Price Contracts (materials and services on cost plus fee basis with upset price)
- (d) Retail Sale Plus Installation Contracts (specifically described and designated materials and supplies at an agreed price plus services at an additional price) (hard to fit into without meticulous documentation)
- (e) Time and Materials Contracts (materials at a price/cost plus a fee per amount of time to complete the project).

CONSTRUCTION INDUSTRY

A Minefield of Tax Implications

RULE 12A-1.051(4) PROVIDES:

“Contractors are the ultimate consumers of materials and supplies they use to perform real property contracts and must pay tax on their costs of those materials and supplies, ...

... UNLESS the contractor has entered a retail sale plus installation contract.” (aka “3(d) contractor”)

CONSTRUCTION INDUSTRY

- CALL THE FLORIDA DOR TAX HOTLINE FOR HELP (1-800-352-3671)
- “I’M A CONSTRUCTION CONTRACTOR IN FLORIDA. I PERFORM/ INSTALL WIDGETS. SHOULD I COLLECT SALES TAX FROM MY CUSTOMERS?”



CONSTRUCTION INDUSTRY

- APPARENTLY THE “FL TAX HOT LINE” FOLKS AND THE SALES TAX AUDITORS DON’T MINGLE OFTEN....
- THE AUDITOR WILL SEEK OUT TRANSACTIONS THAT MIGHT, REMOTELY, BY SOME STRETCH OF THE IMAGINATION ... BE CONSIDERED OUTSIDE THE SCOPE OF A REAL PROPERTY IMPROVEMENT.

CONSTRUCTION INDUSTRY

- HERE ARE A FEW EXAMPLES THAT WILL SURPRISE YOU:
- Elevator manufacturer / contractors
- Custom home theater contractors
- Heating / air conditioning contractors

CONSTRUCTION INDUSTRY

- WHAT HAPPENS WHEN A REAL PROPERTY IMPROVEMENT CONTRACTOR IMPROPERLY COLLECTS SALES TAX FROM A CUSTOMER?
- AUDITORS WILL SOMETIMES IMPOSE A USE TAX ON THE MATERIALS CLAIMING THE SALES TAX IS DUE TO BE REFUNDED TO THE CUSTOMERS
- CHALLENGE THIS ON PROTEST AND YOU CAN USUALLY GET CREDIT FOR SALES TAX ALREADY PAID.

CONSTRUCTION INDUSTRY

Moral of the story...

The construction industry is filled with 'gray areas of tax law' and no matter how you handle the situation, the DOR auditor will likely find a way to say you owe more tax.

If you really want certainty, then you have to get a **Technical Assistance Advisement (TAA)** from the state binding the state to a specific answer.

FLORIDA SALES AND USE TAX

RETAIL ALCOHOL

AND

TOBACCO INDUSTRIES

FL ALCOHOL & TOBACCO INDUSTRY

- 2011 WHOLESALEREPORTING REQUIREMENTS (§ 212.133, F.S.)
- REPORT ANNUAL SALES
- BY TYPE OF PRODUCT
- BY MONTH
- BY RETAILER

FLORIDA SALES AND USE TAX

- CONVENIENCE STORES
- LIQUOR STORES
- RESTARAUNTS
- BARS

FL ALCOHOL & TOBACCO INDUSTRY

- According to Barbara O'Donnell, revenue program administrator with the DOR:
- 946 wholesalers in Florida
- 140,000 distinct retailers
- \$10.3 billion in purchased ABT products

FL ALCOHOL & TOBACCO INDUSTRY

- RESULT: STATEWIDE TASK FORCE
- EVERY AUDITOR ASSIGNED AT LEAST ONE
- 100s OF DESK AUDITS WEEKLY OUT OF TALLAHASSEE
- 400 CRIMINAL INVESTIGATIONS AS OF FEBRUARY OF 2012

FL ALCOHOL & TOBACCO INDUSTRY

- EARLY RESULTS OF THE TASK FORCE?
- MONTHLY SALES TAX REPORT AFTER RECEIVING THE NOTICE OF AUDIT...
- 67% INCREASE IN SALES TAX REMITTED

FL ALCOHOL & TOBACCO INDUSTRY

- So what can you do?
- 1st – Challenge the statistical assumptions
- 2nd – Provide real facts to contradict
- 3rd – Help with a payment plan

- Client's in this industry should be planning ahead....

FLORIDA SALES AND USE TAX

**FLORIDA SALES AND
USE TAX AUDITS**

FLORIDA SALES AND USE TAX AUDIT

Types of Audits

- **Letter audit** - usually about a specific transaction or issue (e.g. purchase of a boat or intercompany rent)
- **Self Assessment Request** - like performing surgery on yourself...
- **Office Audit** – full audit of your company, facilities, procedures, and records. Akin to a lobotomy...
- **Criminal Investigation Audit** – you need a lawyer

COMPLIANCE, ENFORCEMENT, & AUDIT PROCEDURES

- Formal Start of the Audit
 - Form DR-840 – Notice of Intent to Audit Books and Records
- How/Why Was I Selected?
 - Computer Random Selection
 - Focus on Businesses in a Specific Industry
 - Because of an Internal Revenue Service Audit
 - Information Sharing with Other State Agencies
 - Outcome of a Prior Audit
 - Audit of a Customer or Supplier
 - Business publications, periodicals, journals, etc.
 - Someone turned you in through the Reward Program
- How Far Back Can the Audit Go? – 3 Years

DON'T PANIC!

- Who is going to handle the audit?
 - In-house accounting department?
 - Outside accounting firm?
 - Legal Counsel?
- What Exposure Do you Have?
 - Policies in place to make sure use tax is paid?
 - Do you have a lot of exempt sales? (Paperwork?)
 - Do you have intercompany rent?
 - Are you unsure what your exposure might be?
 - These questions affect who should handle the audit.



THE EFFECT OF RECEIVING A DR-840

- SOL IS TOLLED FOR 1 YEAR
- STATE CANNOT FORCE THE AUDIT TO START FOR 60 DAYS (BUT THEY WILL ASK)
- AUDIT MUST START WITHIN 120 DAYS OR TOLLING ENDS (UNLESS DELAY REQUESTED BY TAXPAYER).
- PRE-AUDIT QUESTIONNAIRE AND ELECTRONIC SURVEY – ASKING FOR THE MOON

INITIAL CONTACT WITH AUDITOR (VIA PHONE)

- Form DR-835 - Power of Attorney
 - Fax (don't email – not confidential)
- Discuss timing and location of audit
 - Auditor wants the audit to start ASAP (evaluated on number of completed audits during year).
 - Must start audit before 120 days from DR-840
 - If at all possible, DO NOT HAVE THE AUDIT AT YOUR PLACE OF BUSINESS.

THE FIRST AUDITOR MEETING

- **Don't be fooled by the friendly attitude**
 - Wolf in sheep's clothing, but be nice.
 - Lowest paid State auditors in the country
- **Go over the Pre-Audit Questionnaire and Electronic Survey.**
 - If the taxpayer is at the meeting, then the answers will likely be final and a signature is required
 - If only a representative (accountant or lawyer), then one would not be expected to know every answer. "I'll ask the client about that" strategy.
 - The representative does not have to sign the questionnaire on behalf of the client.
- **Discuss what sampling methods might be used**
 - Usually based on industry and available records
 - If you know of a problem area, then tread lightly trying to steer the sample period because it will likely have the opposite affect.

WHAT TO GIVE THE AUDITOR?



WHAT TO GIVE THE AUDITOR?

- **There are many things the auditor is entitled to, so you might as well give them:**
 - Federal Income Tax Returns (at first meeting)
 - Bank Statements (wait for request)
 - Fixed Asset Purchases Invoices (wait for specific request)
 - Real estate rental contracts (wait for specific request)
 - Sales Journal (wait for specific request)
 - Know what the exposure might be before giving the auditor anything!
- **The auditor will ask for an electronic copy of your entire records. Don't do it.**
 - Make the auditor to request very specific items from the books or records, then provide print outs of only that information
 - Otherwise, it is too easy to sort through all your data guessing at what might be taxable and making you provide otherwise. Don't make this easy.

“ARE WE THERE YET”

- For the typical audit, only give the auditor a day or two at a time.
 - This gives you time to find answers/documents
 - This also helps the auditor realize to only focus on the material items if they plan to finish any time soon.
- Ask questions regularly:
 - What items have you found of interest?
 - What are you working on now?
 - Plant the seed of doubt that the items may not be taxable, but don't over argue.
 - My favorites – finished already? So we are getting a refund right?
- Either way – keep a good rapport going with the auditor.

EXTEND THE SOL?

- Complicated sales and use tax audits or audits of big companies can often exceed the 1 year the SOL is tolled by the DR-840.
- Should you sign the DR-872 – Consent to Extend the Time to Issue an Assessment?
 - If you don't sign, then the auditor will likely throw a dart on the wall and guess (high) at what you owe before the SOL runs out. You prove them wrong on Protest.
 - We are usually willing to extend at least once unless there is a concern that has not been noticed yet.
 - Do not extend a year. Extend a two or three months, then reassess.

THE AUDIT ENDS - FINALLY

- The beginning of the end: Form DR-1215 – Notice of Intent to Make Audit Changes
- This is the point many taxpayers have a coronary.
- DON'T PANIC, the tentative tax due is usually much higher than the actual amount due
- Reflected are items that the auditor thinks “might” be taxable.
- Paperwork Game: If you can provide documentation to prove otherwise, then the amounts get removed
- The state will often waive 100% of the penalties
- Gray areas of law – spend very little time on

Anatomy of the DR-1215

- Exhibit A's
 - Exempt Sales
 - Tax collected but not remitted
 - Differences between federal income tax returns and sales tax returns
 - Unexplained bank deposits
- Exhibit B's
 - Fixed Asset Purchases
 - Consumable Items
 - Fabrication
- Each section explains why the auditor thinks that tax may be due.

CONFERENCE WITH THE AUDITOR

- After processing the proposed extortion amount on the DR-1215...
- Schedule a conference with the auditor and the auditor's supervisor to discuss each section. Often they will tell you exactly what they want to make certain items be removed from the audit.
- If the penalties have not already been removed, then ask that the penalties be removed in this conference.
- Remember – if any of the items are legally gray, then don't spend a lot of time on the items. These issues can be addressed on Protest. The auditor level usually does not have the authority to settle gray areas.

NOTICE OF PROPOSED ASSESSMENT

- The Notice of Proposed Assessment is, for all practical purposes, the end of the audit.
- In 60 days, the assessment becomes FINAL ASSESSMENT.
- File a administrative “Protest” within 60 days, or
- Initiate litigation against the Florida Dept. of Revenue within 60 days of the NOPA become final.



NOTICE OF PROPOSED ASSESSMENT

DR-831
R. 02/11
Page 1 of 2

08/02/2012

C/O LAW OFFICES MOFFA, GAINOR &

Audit Number :
Tax : Sales and Use Tax
ID Number :
Audit Period : 08/01/2008 - 07/31/2011

The *Notice of Proposed Assessment* ("Notice") identifies the deficiency resulting from an audit of your books and records for the audit period indicated. The Department has previously provided you with schedules of the various transactions supporting the basis for the proposed assessment.

Assessment Authority: Chapter 212, F.S.

Tax		\$	40,752.07
Penalty		\$	45.84
Penalty - Fraud		\$	0.00
Penalty - Other		\$	0.00
Interest Through	08/02/2012	\$	6,941.84
Total Deficiency		\$	47,739.75
Less: Payment(s)		\$	0.00
Less: Offset (s)		\$	0.00
Balance Due		\$	47,739.75

Plus additional daily interest at 7.79 per day from 08/03/2012, through the payment date. See Page 2, "Addendum to Notice of Proposed Assessment" for explanation of interest rates (if applicable).

If you do not agree with the proposed assessment, you may request a review through one of the following:

- informal protest
- administrative hearing
- judicial proceeding

The enclosed brochure provides you with the procedures for requesting a review.

If you file an **informal written protest**, you must file it with the Department no later than 10/01/2012, unless you request and receive an extension prior to this date. If you fail to file an informal written protest, the proposed assessment will become a FINAL ASSESSMENT on 10/01/2012.

If you request an **administrative hearing** or **judicial proceeding**, you must file your request no later than 11/30/2012 or 60 days from the date the assessment becomes a Final Assessment. Florida Statutes mandate this time limit and the Department cannot extend it. You must file the petition for an administrative hearing with the Department of Revenue. For judicial proceedings, you must file a complaint with the appropriate Clerk of the Court.

If a balance is due and you agree with the proposed assessment, please pay the balance due within 60 days from the notice date. Please return your payment in the enclosed envelope and include the NOPA remittance coupon.

The amount shown on this notice may not include: credits, payments, notices of tax action, delinquency notices or other billings previously issued by the Department.

NOTE: If you are protected by Federal Bankruptcy Law, you are not required to pay except as provided by Title 11 United States Code (U.S. Bankruptcy Code).

Refer questions and correspondence to:

Compliance Support Process
P.O. Box 5139
Tallahassee, FL 32314-5139
Phone: 850-617-8565 Fax: 850-245-5981

ADMINISTRATIVE PROTEST

- After the NOPA is issued, you should take the opportunity to file an administrative appeal to the audit assessment.
- This is the first venue where “gray areas of law” can be addressed.
- Compromises can be made (e.g. doubt as to collectability)
- A payment plan can be negotiated
- Do NOT miss your opportunity to whittle away at the assessment on Protest.

PETITION FOR RECONSIDERATION

**“If at first you don’t succeed,
then try, try again”**

- If the protest doesn’t give a just result, file a “PETITION FOR RECONSIDERATION”
 - Effectively another administrative appeal very similar to the protest except you have to allege new facts or arguments.



September 23, 2005

General Tax Administration
Child Support Enforcement
Property Tax Administration
Administrative Services
Information Services

Mr. Joseph C. Moffa, Esq.
One Financial Plaza
Suite 2202
100 S.E. Third Avenue
Ft. Lauderdale, Florida 33394

Re: Notice of Reconsideration

Taxpayer:
DTA #:
Source #: A0129012697-010
Sales and Use Tax
Period: 11/01/96 - 10/31/01
Proposed Assessment Amount: \$ 1,546,970.29
Sustained Amount: \$ 717,166.30
Balance Due: \$ 810,969.94

* Includes payments and updated interest through 09/19/2005. Interest continues to accrue at \$126.42 per day until the postmark date of payment.

Source #: A0129012697-013
Sales and Use Tax
Period: 11/01/96 - 10/31/01
Proposed Assessment Amount: \$ 17,949.10
Sustained Amount: \$ 8,321.20
Balance Due: \$ 9,411.94

* Includes payments and updated interest through 09/19/2005. Interest continues to accrue at \$1.47 per day until the postmark date of payment.

Dear Mr. Moffa:

This is the Department's response to your Petition for Reconsideration dated July 2, 2004, which you filed against the referenced assessments. Your Petition for Reconsideration, the case file, and other available information have been carefully reviewed. This reply constitutes the issuance of our Notice of Reconsideration, pursuant to the provisions of Rule 12-6.003, F.A.C. It represents our position based on applicable law to the issues under protest.

Tallahassee, Florida 32399-0100

FLORIDA SALES AND USE TAX

QUESTIONS ?

FLORIDA SALES AND USE TAX

THANK YOU FOR JOINING US TODAY

James Sutton, CPA, Esq.
Moffa, Gainor, & Sutton, PA
www.FloridaSalesTax.com

PLEASE DON'T HESITATE ASKING QUESTIONS
DURING LUNCH!