Sales and Use Tax

Florida imposes a 6.0% sales tax rate on the sale of most goods and certain services and the tax is also imposed upon commercial leases and licenses to use real property. In addition, Florida counties can impose a local option surtax on top of the 6.0% and that varies by county.

Florida Discretionary Sales Surtax

Discretionary sales surtax, also called a county tax, is imposed by most Florida counties and applies to most transactions subject to sales tax. Florida International University and its departments must collect the surtax in addition to Florida's general sales tax of 6.0%. The discretionary sales surtax is based on the rate in the county where taxable goods or services are delivered. Accordingly, the sales tax rate for the Florida counties in which FIU has taxable activities is:

- Miami-Dade County – 7.0% due to the additional 1.0% surtax
- Broward County – 7.0% due to the additional 1.0% surtax
- Pinellas County – 7.0% due to the additional 1.0% surtax

Real Property Rental, Lease, or License

Effective January 1, 2019, the state sales tax rate imposed under section 212.031, Florida Statutes, on the total rent charged for renting, leasing, letting, or granting a license to use real property decreases from 5.8% to 5.7%, plus any applicable discretionary sales surtax. See Florida Tax Information Publication (TIP) #18A01-14 for additional information.

Some examples of real property rentals that are subject to tax include (commercial office or retail space, conference rooms, ballrooms, stadiums, arenas, etc.). The current rate for the Florida counties in which FIU has taxable rental activities is:

- Miami-Dade County – 6.7% due to the additional 1.0% surtax
- Broward County – 6.7% due to the additional 1.0% surtax
- Pinellas County – 6.7% due to the additional 1.0% surtax

Sales tax is due at the rate in effect during the time the tenant occupies, or is entitled to occupy, the real property regardless of when the rent is paid. The decrease in the state sales tax rate for renting, leasing, letting, or granting a license to use real property (commercial rentals) does not apply to the tax imposed on parking or storage of motor vehicles, docking or storage of boats, or tie-down or storage of aircraft.

Sales tax reporting and deposits

Once it has been determined that an activity will give rise to sales tax, the department will need to determine if the (general/non-rental) or (rental activity) sales tax rate will be used and in which Florida county the activity took place in order to collect the correct amount of sales tax from the customer.

Once the taxable activity has occurred and the department has collected the payment, the department should deposit the sales tax collected at the Cashier’s Office, located at SASC 101, within 48 hours. The sales tax amount should be deposited in Department Number 110401000 using Activity Number
The department will select one of the sales tax liability general ledger accounts listed below, depending on which is the most appropriate.

- **Account number 311315 (Sales Tax Liability Miami Dade NOT Rental)** – this account is used to record/deposit sales tax for goods or services being sold in Miami-Dade County which are subject to the 7.0% sales tax rate.

- **Account number 311317 (Sales Tax Liability Broward NOT Rental)** – this account is used to record/deposit sales tax for goods or services being sold in Broward County which are subject to the 7.0% sales tax rate.

- **Account number 311318 (Sales Tax Liability Miami Dade Property Rental)** – this account is used to record/deposit sales tax for rental activity taking place in Miami-Dade County, that is subject to the reduced 6.7% sales tax rate.

- **Account number 311319 (Sales Tax Liability Broward Property Rental)** – this account is used to record/deposit sales tax for rental activity taking place in Broward County, that is subject to the reduced 6.7% sales tax rate.

- **Account number 311320 (Sales Tax Liability Pinellas Property Rental)** – this account is used to record/deposit sales tax for rental activity taking place in Pinellas County, that is subject to the reduced 6.7% sales tax rate.

Departments with sales tax related activities are responsible for ensuring the appropriate sales tax is charged at the time of sale, collected, and deposited into the correct University account. The Tax Compliance Section of the Controller’s Office is responsible for remitting the sales tax monthly by the 20th of the following month.