



Florida Taxes on Dry-Cleaning Facilities

GT-800021
R. 11/18

Florida Gross Receipts Tax on Dry-Cleaning Facilities

A 2% tax is imposed on all charges by dry-cleaning and dry drop-off facilities for dry-cleaning and laundering clothing and other fabrics. The gross receipts tax on dry-cleaning and laundering services is reported using a *Solid Waste and Surcharge Return* (Form DR-15SW).

The tax is **not** due on:

- Coin-operated laundry machines
- Laundry done on a wash, dry, and fold basis
- Uniform rentals
- Linen supply services

Entities exempt from paying sales and use tax, such as political subdivisions or nonprofit organizations, are **not** exempt from the gross receipts tax on dry-cleaning facilities.

Dry-cleaning facilities may elect to separately itemize the gross receipts tax on customer receipts. However, when the tax is separately itemized, the following statement must be included on each customer receipt: **The imposition of this tax was requested by the Florida Drycleaners Coalition.** Any amount separately stated as gross receipts tax becomes part of the total charges subject to tax.

Gross receipts from charges for dry-cleaning and laundering services to any person who charges for the same service are exempt as a purchase for resale. The selling facility must obtain a resale certificate from the purchasing facility. The selling facility is only required to obtain one certificate from each purchasing facility. Below is a suggested resale certificate.

Resale Certificate for Gross Receipts Tax on Laundering and Dry-Cleaning Services

This is to certify that the services purchased on or after _____ (date) from _____ (name) are being purchased for the purposes of resale pursuant to section 376.70(6), Florida Statutes.

Name of Purchasing Facility _____

Purchasing Facility's Address _____

Certificate of Registration Number _____

Effective Date of Certificate _____

I understand that when any person fraudulently issues, for the purpose of evading tax, a certificate or statement in writing to a vendor or to any agent of the state in which he or she claims exemption from the gross receipts tax on dry-cleaning services, in addition to being liable for payment of the tax plus a penalty of 200% of the tax, will be liable for fine and punishment provided by law for conviction of a third-degree felony, as provided in section 775.082, section 775.083, or section 775.084, Florida Statutes.

Signature of Purchaser or Purchaser's Agent

Title

Date

Pollutant Taxes on Dry-Cleaning Solvents

The following taxes are imposed on pollutants, including dry-cleaning solvents:

- \$5.00 per gallon on anyone who sells perchloroethylene to a dry-cleaning facility located in Florida and on any dry-cleaning facility that imports perchloroethylene (tetrachloroethylene) into Florida for use
- 5.9 cents (\$.059) per gallon on the first sale or first removal of perchloroethylene from storage for use in Florida

Any person who sells, produces, imports, or causes to be imported pollutants in Florida must obtain a pollutants license from the Department to report and pay pollutant tax. More information about obtaining a Florida pollutant tax license and reporting and paying pollutant tax is available on the Department's website at floridarevenue.com/taxes/fuel.

Sales and Use Tax

Charges to customers for dry-cleaning or laundry services or for the use of washing machines or clothes dryers are **not** subject to sales and use tax.

Charges for alterations, tailoring, repairs, dyeing, waterproofing, mothproofing, and similar services are subject to sales and use tax, plus any applicable discretionary sales surtax. Materials that become a part of the item being repaired or altered (e.g., dye, thread, or cloth) may be purchased for resale tax exempt by the dealer. For more information on purchasing items for resale tax exempt, review *Florida Annual Resale Certificate for Sales Tax* (GT-800060).

All materials and supplies, such as soap powder, detergent, washers, dryers, and tools, used or consumed in providing dry-cleaning and laundering services are subject to Florida sales and use tax, plus any applicable discretionary sales surtax.

Sales of laundry detergent, fabric softener, and other items sold through vending machines are subject to sales tax. For more information on reporting sales of items made through a vending machine, review *Sales and Use Tax on Vending Machines* (GT-800041).

Registration Requirements

Dry-cleaning facilities and dry drop-off facilities must register to report and pay the gross receipts tax on dry-cleaning and laundering services. Any facility that charges for alterations, tailoring, repairs, dyeing, waterproofing, mothproofing, or similar services subject to sales tax and surtax must register as a sales and use tax dealer. Dry-cleaning facilities that register to collect sales tax must complete a separate application for each location; however, only one registration application is required for dry-cleaning and dry drop-off facilities to pay the gross receipts tax for all Florida locations.

You can register to collect, report and pay sales tax, discretionary sales surtax, and the gross receipts tax on dry-cleaning and laundering services online at floridarevenue.com/taxes/registration. The online system will guide you through a series of questions to help determine your tax obligations. If you do not have internet access, you can complete a paper *Florida Business Tax Application* (Form DR-1).

As a registered sales and use tax dealer, a *Certificate of Registration* (Form DR-11) and a *Florida Annual Resale Certificate for Sales Tax* (Form DR-13) will be mailed to you. If you are not filing electronically, paper tax returns will be mailed to you. The *Certificate of Registration* must be displayed in a clearly visible place at your business location. The *Florida Annual Resale Certificate for Sales Tax* is used for tax-exempt purchases you intend to resell. If the goods bought for resale are later used (not resold), you must report and pay use tax and surtax on those items. Florida law provides for criminal and civil penalties for fraudulent use of a *Florida Annual Resale Certificate for Sales Tax*.

As a dry-cleaning facility or dry drop-off facility registered to report and pay the gross receipts tax on dry-cleaning and laundering services, paper tax returns to report the gross receipts tax (*Solid Waste and Surcharge Return*, Form DR-15SW) will be mailed to you if you are not filing electronically.

Filing and Paying Tax

You can file returns and pay sales and use tax, plus any applicable surtax, and the gross receipts tax on dry cleaning and laundering using the Department's online file and pay website at floridarevenue.com/taxes/filepay or you may purchase software from a software vendor. A list of software vendors is available on the Department's website at floridarevenue.com/taxes/eservices.

Returns and payments are due the 1st and late after the 20th of the month following each reporting period, whether you are filing monthly, quarterly, twice a year, or yearly. If the 20th falls on a Saturday, Sunday, or state or federal holiday, returns are timely if filed electronically, postmarked, or hand-delivered on the first business day after the 20th. **Florida law requires you to file a tax return even if you do not owe sales and use tax.**

When you electronically pay only or you electronically file and pay at the same time, you must initiate your electronic payment and receive a confirmation number no later than 5:00 p.m., ET, on the business day prior to the 20th. Keep the confirmation number in your records. The *Florida eServices Calendar of Electronic Payment Deadlines* (Form DR-659) provides a list of deadlines for initiating electronic payments on time and is available on the Department's website at floridarevenue.com/forms.

If you file your return or pay tax late, a late penalty of 10% of the amount of tax owed, but not less than \$50, may be charged. The \$50 minimum penalty applies even if no tax is due. Penalty will also be charged if your return is incomplete. A floating rate of interest applies to underpayments and late payments of tax. Interest rates are available on the Department's website at floridarevenue.com/taxes/rates.

Updating Your Business Information

The quickest way to notify the Department of changes to your account, such as updates to your name, address or location, and when you temporarily suspend or resume business operations, is online at floridarevenue.com/taxes/updateaccount.

If you close or sell your business, **you must file a final return and pay all taxes due within 15 days** after closing or selling the business. Your final return must cover the period from your most recent return filing to the closing date.

Resources for Business Success: Partnership with SCORE

The Department is proud to partner with SCORE to provide tools and resources to help businesses succeed. SCORE is a nonprofit association of volunteer business counselors supported by the U.S. Small Business Administration. In partnership with SCORE, the Department presents webinars on topics that provide important information for your business. Webinars are available through the Department's website at floridarevenue.com/taxes/education.

Reference Material

Rules – The following administrative tax rules and rule chapters from the Florida Administrative Code are available at flrules.org:

- 12A-1.042 - *Dry Cleaners and Laundries*
- 12A-1.076 - *Sales of Articles of Clothing, Clothing Accessories, and Jewelry*
- Chapter 12B-11 - *Tax on Gross Receipts on Dry Cleaning*
- Chapter 12B-12 - *Tax on Perchloroethylene*

Brochures – Download these brochures from floridarevenue.com/forms:

- *Florida's Sales and Use Tax* (GT-800013)
- *Florida's Discretionary Sales Surtax* (GT-800019)
- *Florida Annual Resale Certificate for Sales Tax* (GT-800060)
- *Sales and Use Tax on Vending Machines* (GT-800041)
- *Solid Waste Fees, Motor Vehicle Fees, and Gross Receipts Tax on Dry Cleaning* (GT-800037)
- *Florida's Pollutants Tax* (GT-800032)

Contact Us

Information, forms, and tutorials are available on the Department's website at floridarevenue.com.

To speak with a Department of Revenue representative, call Taxpayer Services at 850-488-6800, Monday through Friday, excluding holidays.

Subscribe to Receive Updates by Email

Visit floridarevenue.com/dor/subscribe to sign up to receive an email when the Department posts:

- Tax Information Publications (TIPs)
- Proposed rules, including notices of rule development workshops and emergency rulemaking
- Due date reminders for reemployment tax and sales and use tax