




















Effective July 1, 2006

	 What is the exemption?	 Do I qualify?	 How do I receive the credit?	 For more information
<p>MANUFACTURING MACHINERY AND EQUIPMENT §212.08(5)(b), Florida Statutes</p>	<p>Machinery and Equipment purchased by new and expanding businesses that use such equipment at a fixed location to manufacture, process, compound, or produce tangible personal property for sale, or for exclusive use in spaceport activities, is sales and use tax exempt.</p>	<p>In order to qualify for the new business exemption, the machinery and equipment must have been purchased, or a purchase agreement made, prior to the date the business first begins to produce a product for inventory or immediate sale. Expanding manufacturers must increase productive output by not less than ten percent to be able to claim the exemption.</p>	<p>Submit an Application for Temporary Tax Exemption Permit (Form DR-1214). Upon approval by the Department of Revenue, a Temporary Tax Exemption Permit will be issued to the qualifying business or instructions will be given on how to obtain a refund of previously paid taxes.</p>	<p>Visit http://www.myflorida.com/dor/forms/2006/dr1214.pdf to download Form DR-1214.</p>
<p>REPAIR AND LABOR CHARGES §212.08(7)(xx), Florida Statutes</p>	<p>Labor charges for the repair of, and parts and materials used in the repair of and incorporated into, industrial machinery and equipment used by certain industries for manufacturing, processing, compounding, or production of items of tangible personal property at a fixed location in Florida, are sales and use tax exempt.</p>	<p>The taxpayer's business activity must be within the following SIC Industry Major Group numbers: 10, 12, 13, 14, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, and 39, or Industry Group Number 212.</p>	<p>Purchasers may extend to the seller a completed Purchaser's Exemption Certificate to claim this exemption.</p>	<p>See Tax Information Publication 00A01-15 at http://taxlaw.state.fl.us/sut_search_tip.asp for additional information and suggested certificate format.</p>

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<p>SEMICONDUCTOR, DEFENSE AND SPACE TECHNOLOGY §212.08(5)(j), Florida Statutes</p>	<p>Certified semiconductor, defense and space technology facilities are exempt from sales and use tax on qualifying purchases or leases of machinery and equipment used in the production process.</p>	<p>Machinery used to produce goods that meet the statutory definitions of "Semiconductor technology products", "Defense technology products" or "Space technology products" qualifies.</p>	<p>Applications for this exemption are submitted to Enterprise Florida. Eligible applications are recommended to the Governor's Office of Tourism, Trade, and Economic Development (OTTED) for approval. If approved, the certification will be transmitted to the DOR which issues the business a tax exemption permit that the business shall extend to dealers or suppliers for tax exempt purchasing or leasing.</p>	<p>See program information sheet for further details on receiving the exemption or contact Enterprise Florida at 407.316.4600.</p>
<p>BOILER FUELS §212.08(7)(b), Florida Statutes</p>	<p>When purchased for use as a combustible fuel, purchases of natural gas, residual oil, recycled oil, waste oil, solid waste material, coal, sulfur, wood, wood residues or wood bark used in an industrial manufacturing, processing, compounding, or production process at a fixed location in this state are exempt from the sales tax.</p>	<p>This exemption does not apply to the use of boiler fuels that are not used in manufacturing, processing, compounding, or producing items of tangible personal property for sale, or to the use of boiler fuels used by any firm subject to regulation by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation. Propane is not a tax exempt boiler fuel.</p>	<p>The purchaser must sign a certificate stating that the fuel to be exempted is to be used exclusively for the purposes designated in statute.</p>	<p>Search for 12A-1.059 or "boiler fuels" in the Florida Administrative Code-Rules at http://taxlaw.state.fl.us/sut1.asp for additional information and suggested certificate format.</p>



				
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<p>RESEARCH AND DEVELOPMENT §212.08(18), Florida Statutes</p>	<p>Machinery and equipment, including but not limited to molds, dies, machine tooling, other appurtenances or accessories to machinery and equipment, testing and measuring equipment, test beds, computers and software, whether purchased or self-fabricated, includes materials and labor for design, fabrication and assembly, used predominantly for research and development and used to meet a qualifying research and development goal are exempt from sales and use tax.</p>	<p>The term “research and development” does not include ordinary testing or inspection of materials or products used for quality control, market research, efficiency surveys, consumer surveys, advertising and promotions, management studies, or research in connection with literary, historical, social science, psychological, or other similar non-technical activities.</p>	<p>To make tax exempt purchases or leases of qualifying machinery and equipment for use in research and development, the purchaser or lessee must present an exemption certificate or direct pay permit to the selling dealer.</p>	<p>See program information sheet for further details on receiving the exemption and suggested certificate format or contact Enterprise Florida at 407.316.4600.</p>
<p>POLLUTION CONTROL §212.051, Florida Statutes</p>	<p>Any facility or machinery used primarily for the control of pollution in manufacturing, processing, compounding, or producing for sale items of tangible personal property at a fixed location, is exempt from sales and use taxes.</p>	<p>To qualify, such facility or machinery must be installed to meet a law implemented by the Department of Environmental Protection.</p>	<p>The purchaser must sign a certificate stating that the facility or machinery to be exempted is required to meet such law or condition.</p>	<p>See Tax Information Publication 00A01-17 at http://taxlaw.state.fl.us/sut_search_tip.asp for additional information and suggested certificate format.</p>

				
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<p>ELECTRICITY AND STEAM §212.08(7)(ff), Florida Statutes</p>	<p>Charges for electricity and steam used directly and exclusively at a fixed location to operate machinery and equipment that is used to manufacture, process, compound or produce items of tangible personal property for sale, or to operate pollution control equipment, recycling equipment, maintenance equipment, or monitoring or control equipment used in such operations, may be exempt from the sales tax.</p>	<p>The Standard Industrial Classification (SIC) Code for the taxpayer claiming the exemption must be within the following Industry Major Group numbers: 10, 12, 13, 14, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, and 39, or Industry Group Number 212.</p>	<p>To claim the exemption, file a Purchasers' Exemption Certificate with the utility provider. The utility provider will adjust the monthly statement to reflect the amended sales tax.</p>	<p>See program information sheet for further details on receiving the exemption and suggested certificate format.</p>

For forms and other information, visit The Department of Revenue's website at www.myflorida.com/dor or call Taxpayer Services, 8:00 a.m., to 7:00 p.m., ET, Monday through Friday, excluding holidays, at 800.352.3671 or 850.488.6800.