

# Florida Taxes on Laundering, Dry Cleaning, Tailoring, and Shoe Repair

*What launderers, dry cleaners, tailors, and cobblers need to know about sales and use tax and gross receipts tax.*

## What is Taxable?

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### Laundering and Dry Cleaning

**Gross Receipts Tax** - A 2 percent gross receipts tax is imposed on all charges by dry-cleaning and dry drop-off facilities that are in the business of:

- Laundering of clothing and other fabrics.
- Dry cleaning of clothing and other fabrics.

When other charges are separately stated, only charges for dry cleaning or laundering are subject to the tax. Alteration and repair charges that are separately stated on a customer's invoice are not subject to the gross receipts tax on dry cleaning but are subject to sales and use tax.

There is a \$5 per gallon tax on the sale of perchloroethylene to dry-cleaning facilities located in Florida.

**Sales Tax** - All materials and supplies consumed in providing dry-cleaning and laundering services are subject to sales tax. Such materials include, but are not limited to: soap powder, naphtha, detergent, washers, dryers, tools, and office equipment. Dry cleaners and launderers who purchase these materials must pay sales tax on them.

The state sales tax rate is 6 percent. In counties that impose a discretionary sales surtax, this must be collected as well. The rate varies, depending on the county. For more information, ask for a *Discretionary Sales Surtax* brochure ([Form GT-800019](#)) and a list of surtax counties and rates ([Form DR-15DSS](#)).

Sales of laundry detergent, fabric softener, and other items of tangible personal property sold through vending machines are subject to sales tax. If you have an amusement or vending machine located at your business, see the [Vending Machines](#) and [Amusement Machines](#) brochures.

Persons who alter, repair, dye, waterproof, mothproof, or change the original state of an article of clothing must be registered as sales and use tax dealers. These persons must collect sales tax on the total charge made to their customers. Materials that become a part of the item being processed (e.g., thread, cloth) may be purchased by the dealer tax-exempt. The dealer should give the supplier a copy of his or her *Annual Resale Certificate*.

**Use Tax** - Dry-cleaning or laundering equipment that is purchased out of state but is used in Florida is

subject to the "use" component of Florida's sales and use tax. Discretionary sales surtax may also apply. Use tax is due on such equipment brought into Florida within 6 months from the date of purchase. If tax was paid to another state at a rate less than Florida's 6 percent rate, the difference in tax is owed to the State of Florida.

## **Tailoring and Shoe Repair**

**Sales Tax** - The total charge made by a tailor is subject to sales tax, even if the customer furnishes all materials. The total charge made by a cobbler for shoe repair is subject to sales tax. Tailors and cobblers must be registered as sales and use tax dealers. Materials that become a part of the item being repaired or sewn may be purchased tax-exempt for resale. The purchaser should give the supplier a copy of his or her *Annual Resale Certificate*.

## **What Is Exempt?**

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Gross receipts tax is not imposed on:

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

Sales and use tax is not imposed on:

- Dry-cleaning and laundering services.
- The \$5 per gallon tax on perchloroethylene. (However, sales tax should be assessed on the sales price of the perchloroethylene.
- Receipts from coin-operated washing machines and dryers. Entities that are exempt from paying sales and use tax, such as political subdivisions, nonprofit religious institutions, or veterans' organizations, are not exempt from gross receipts tax.

## **Who Must Register to Collect Tax?**

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Businesses must register with DOR to collect gross receipts tax and/or sales and use tax. You can register via the Department's Internet site. Go to [www.myflorida.com/dor](http://www.myflorida.com/dor) and click on [e-Services](#). If you do not have Internet access, you can complete a paper *Application to Collect and/or Report Tax in Florida* ([Form DR-1](#)). Obtain Form DR-1 from your local DOR service center or one of the contacts listed below.

Businesses that register to collect **sales tax** must complete a separate application for each location.

Owners of dry cleaning and dry drop-off facilities must register to collect **gross receipts tax**. However, if you operate multiple locations, you need only a single registration.

After your application is approved, the Department will send you a *Certificate of Registration* and the appropriate tax returns. Depending on the tax(es) you registered for, you will receive a *Sales and Use Tax Return* and/or a *Solid Waste and Surcharge Return* (for reporting gross receipts tax).

## Customer Receipts

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Receipts for dry-cleaning services listing any portion of the gross receipts tax or the tax on perchloroethylene (perc) must also include this statement:

*"The imposition of this tax was requested by the Florida Dry Cleaners Coalition."*

## About Resale Certificates

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**Sales Tax** - After you have registered, you will receive an *Annual Resale Certificate* to use to purchase materials tax-exempt that will be itemized and resold. You must present a signed copy of your certificate to your supplier when making purchases for resale.

If materials purchased for resale are later used (not resold), you must report and pay use tax on those items, plus any applicable discretionary sales surtax, penalties, and interest. There are additional liabilities for intentional misuse of a resale certificate.

**Gross Receipts Tax** - Service providers ("wet sites") do not need to collect gross receipts tax from a purchaser (for example, dry-cleaning or dry drop-off facilities) who:

- Is registered to collect the gross receipts tax,
- Charges others for the taxable service being purchased, **and**
- Extends a resale certificate.

The Department does not issue resale certificates for gross receipts tax on dry cleaning, but purchasers may create their own. A sample of the suggested format is illustrated below.

<b>Resale Certificate for Gross Receipts Tax on Laundering and Dry-Cleaning Services</b>
This is to certify that the services provided on or after _____ (date) from _____ (name) are being purchased for the purpose of resale. This certificate is to continue in force until revoked by written notice to the supplier.
Name of Purchasing Facility _____
Purchaser _____
Title _____

Address _____
By _____
(Signature)
Date _____
Gross Receipts Tax Registration Number _____

## Reference Material

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**Tax Laws** - Call Taxpayer Services to request a copy of Rules 12A-1.042, Florida Administrative Code, *Dry Cleaners and Laundries*; 12A-1.006, F.A.C., *Charges by Dealers Who Adjust, Apply, Alter, Install, Maintain, Remodel, or Repair Tangible Personal Property*; 12A-1.076, F.A.C., *Sales of Articles of Clothing, Clothing Accessories, and Jewelry (includes alterations)*; 12B-11, F.A.C., *Tax on Gross Receipts on Dry Cleaning*; and 12B-12, F.A.C., *Tax on Perchloroethylene*.

**Brochures** - Ask for the following brochures, available from your local DOR service center, the DOR Distribution Center, or Taxpayer Services:

- *Florida's Sales and Use Tax*
- *Discretionary Sales Surtax*
- *Florida's Pollutants Tax*
- *Vending Machines*
- *Amusement Machines*
- *Solid Waste Fees, Motor Vehicle Fees, and Gross Receipts Tax on Dry Cleaning*

## For Information and Forms

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To speak with a Department of Revenue representative, call Taxpayer Services, Monday through Friday, 8 a.m. to 7 p.m., ET, at 800-352-3671, or call the service center nearest you.

Persons with hearing or speech impairments may call the TDD at 800-367-8331 *or* 850-922-1115.

To receive forms by mail:

- Order multiple copies of forms from our Internet site, *or*
- Mail **form requests** to:  
Distribution Center  
Florida Department of Revenue  
168A Blountstown Hwy  
Tallahassee FL 32304-3761

Department of Revenue [service centers](#) host educational seminars about Florida's taxes. Visit our [Free Tax Seminars](#) internet page to get a schedule of upcoming seminars and to register.

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