



Florida Department of Revenue
Tax Information Publication

TIP

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**Sales and Use Tax Exemption for
Purchases of Industrial Machinery and Equipment**

Effective April 30, 2014, an exemption from sales and use tax is available for purchases of industrial machinery and equipment used at a fixed location in Florida by an eligible manufacturing business that will manufacture, process, compound, or produce for sale items of tangible personal property. The exemption also includes parts and accessories for the industrial machinery and equipment if they are purchased before the date the machinery and equipment are placed in service.

An “eligible manufacturing business” means any business whose primary business activity at the location where the industrial machinery and equipment are located is within the industries classified under manufacturing NAICS (North American Industry Classification System) codes 31, 32, and 33 published in 2007 by the Office of Management and Budget, Executive Office of the President. The primary business activity of an eligible business is that activity which represents more than 50 percent of the activities conducted at the location where the industrial machinery and equipment are located.

Examples of types of manufacturing establishments represented by the applicable NAICS codes include, but are not limited to, food, apparel, wood, paper, printing, chemical, pharmaceutical, plastic, rubber, metal, transportation, and furniture. A search of qualifying establishments by keyword or NAICS code can be conducted via the internet at <http://www.census.gov/cgi-bin/sssd/naics/naicsrch>.

The selling dealer (vendor) should obtain a signed certificate from the purchaser certifying the purchaser’s entitlement to tax exemption under the exemption statute. The signed certificate will relieve the selling dealer of any potential tax liability on nonqualifying purchases. Attached is a suggested certificate the selling dealer can have the purchaser complete to document the exempt nature of the sales transaction.

Qualifying purchases made after the effective date of the exemption are eligible for refund of any tax paid under the refund provisions provided by section 215.26, Florida Statutes (F.S.), *Repayment of Funds Paid into State Treasury Through Error*, and Rule 12A-1.014, Florida Administrative Code (F.A.C.), *Refunds and Credits for Sales Tax Erroneously Paid*.

The exemption is scheduled for repeal effective April 30, 2017.

This exemption does not replace the exemption provided for qualifying purchases by a new or expanding business under section 212.08(5)(b) and (d), F.S. Each of these exemptions remains in effect under current statute without change. See also Rule 12A-1.096, F.A.C.

References: Section 6, Chapter 2013-39, Laws of Florida; and Section 212.08(7)(kkk), Florida Statutes

For More Information

This document is intended to alert you to the requirements contained in Florida laws and administrative rules. It does not by its own effect create rights or require compliance.

For forms and other information, visit our Internet site 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.

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services, Mail Stop 3-2000, 5050 West Tennessee Street, Tallahassee, FL 32399-0112.

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**SUGGESTED EXEMPTION CERTIFICATE
FOR PURCHASES OF INDUSTRIAL MACHINERY AND EQUIPMENT,
PARTS, AND ACCESSORIES**

[Note: This certificate may be a separate document attached to a purchase order, or may be incorporated within a purchase order itself.]

I certify that the industrial machinery and equipment, parts, or accessories purchased on or after _____ (Date) from _____ (Vendor's Name) are exempt from sales tax under paragraph 212.08(7)(kkk), F.S.

The machinery and equipment will be used by an eligible manufacturing business at a fixed location in Florida at _____ (Street Address and City), Florida, to manufacture, process, compound, or produce items of tangible personal property for sale. The parts and accessories purchased for the machinery and equipment will be used at such location and are purchased prior to the date the machinery and equipment are placed into service.

I certify that _____ (Name of Purchasing Business) is a business establishment contained within an industry classified under NAICS codes 31, 32, or 33, as contained in the North American Industry Classification System, as published in 2007 by the Office of Management and Budget, Executive Office of the President.

I understand that if I use the machinery, equipment, parts, or accessories for any nonexempt purpose, I must pay tax on the purchase price directly to the Florida Department of Revenue.

I understand that if I fraudulently issue this Certificate to evade payment of sales tax, I will be liable for payment of the sales tax, plus a penalty of 200% of the tax, and may be subject to conviction of a third degree felony.

Purchaser's Name (Print or Type)

Title

Purchaser's Signature

Florida Sales Tax Number

Federal Employer Identification

Date

Telephone Number

This certificate relieves the vendor from the responsibility of collecting tax on exempt sales amounts. The Department will look solely to the purchaser for recovery of tax if the purchaser was not entitled to the exemption.

**Form to be retained in vendor's records.
Do not send to the Florida Department of Revenue.**