

Tourist Development Tax



Jeffrey K. Barton
**Clerk of Circuit
Court**

What is the Tourist Development

The Tourist Development Tax is a tax on the total payment received for the rental or lease of living quarters and accommodations in a hotel, motel, rooming house, trailer camp, condominium, apartment, multiple-unit structure, mobile home, trailer, single-family home, or any other sleeping accommodations that are rented for a period of six months or less. The authorization to levy and administer Tourist Development Tax of up to six percent is stated in Section 125.0104, Florida Statutes, and in Chapter 212, Florida Statutes.

How much is the Tourist Development Tax?

The current tax rate is 4%.

How is the Tourist Tax Used?

Funds are used to advertise and promote cultural and fine arts entertainment, festivals, programs, and activities which promote the Indian River County tourism industry. Funds are also used for beach maintenance, preservation, restoration, erosion control and capital improvements.

Who must pay?

Any person who rents or leases any accommodation for six months or less must pay a total of 11% tax (7% state sales and 4% tourist development tax) on the rent payment. This tax applies to hotels, motels, apartment buildings, single or multi-family dwellings, mobile home parks, condominiums and vessels.

Who collects this tax?

All owners and/or managers ("Dealers") of the above mentioned facilities have the responsibility to collect the Tourist Development Tax from their tenants or guests and remit them to the Indian River County Clerk of Circuit Court Office.

When is the tax due?

The tourist development tax is due to the Clerk of the Circuit Court office on the 1st day of the month following the collection and delinquent after the 20th day.

What do dealers receive for collecting the tax?

If their Tourist Development Tax return is postmarked on or before the 20th of the month following the collection month, the Dealers receive a collections allowance as compensation for collecting the tax. The collection allowance is 2.5% of the first \$1,200 of taxes collected to a maximum of \$30.

What is the role of the property managers?

If a property manager handles your property, the property manager may have their own Tourist Development Tax account and will submit the Tourist Development Tax payments for all of their clients in a consolidated return. You should verify this with your property manager. In addition to the consolidated return, all property managers are required to provide an itemized list of all properties and rental amounts collected each month. However, you should be aware that as the property owner,

you are ultimately responsible for the required tax being paid. Any failure by your property manager to pay the tax may result in penalties being applied against you, as the property owner. If a property manager handles your property, but you also directly rent the property yourself, you are responsible for submitting Tourist Development Tax returns for the tax you collect from these rentals. You will need an individual Tourist Development Tax account on which to report these rentals.

What records must be kept?

Any business dealing in guest/tenant/transient accommodations is responsible for collecting and remitting this tax and for maintaining records such as guest checks, general ledgers, tax payments and federal income tax returns. All tourist development tax records must be kept for five years and made available for audit at the place of business. Any records located outside the county must be returned to the audit site prior to an audit.

Who is Exempt?

Anyone who has entered into a bona fide written lease in excess of six months is exempt from sales tax and tourist development tax on the lease payments.

Anyone who is exempt from paying state sales tax is also exempt from the tourist development tax. These exemptions include full-time students, active duty military personnel, churches, and non-profit organizations that have a sales tax exemption number from the Florida Department of Revenue. Contact the Clerk of Circuit Court office for further information.

Clerk of the Circuit Court Indian River County, Florida

Mailing Address

P.O. Box 1028
Vero Beach, FL 32961-1028

Physical Address

2000 16th Avenue
Vero Beach, FL 32960

What happens if the tax becomes delinquent?

If the return and payment are not postmarked by the 20th of the month following the reporting period, the collection allowance is forfeited. In addition, a penalty and interest are assessed. The penalty is 10% of the tax due for each month or fraction of a month that the return is delinquent. The penalty is a minimum of \$50, up to a maximum of 50% of the tax due. The interest rate is variable. You will need to contact our office at (772) 226-3111 for instructions.

Telephone Number – (772) 226-3111

Fax Number – (772) 226-3261

Hours of Operation

8:00 A.M. – 5:00 P.M.