

NEWS

Taxpayers get break in amnesty

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Published 12:01 a.m. ET July 1, 2003 | Updated 9:37 p.m. ET June 30, 2003

Florida taxpayers who owe unpaid state taxes can avoid higher interest rates and penalties by signing up for the Florida 2003 tax-amnesty agreement.

Starting today, taxpayers can go online to MyFlorida.com/dor to learn more about the amnesty agreement. Online filing will be available mid-month, but taxpayers can print, fill out and sign the agreement beginning today to paper-file the agreement.

"This is really a win-win situation for the taxpayer and the state," said Dave Bruns, spokesman for the state Department of Revenue. "Taxpayers can save big bucks for taking advantage of the amnesty."

Taxpayers, including both citizens and businesses, still pay 100 percent of the taxes due, but interest rates are reduced and penalties are waived, Bruns said.

For example, if a business owes \$10,000 in unpaid state taxes, the interest rate can grow as high as 30 percent and penalties can amount to 50 percent, Bruns said. That can make the \$10,000 payment jump to as much as \$18,000, Bruns said.

Bruns said the state benefits because the amnesty, which ends Oct. 31 is estimated to raise \$75.3 million, and the unpaid taxes are already built into the state budget.

If taxpayers identify an unpaid tax that DOR wasn't aware of, they will pay half as much interest as they would if DOR found the unpaid tax later, Bruns said.

Lalla Sheehy, program manager for the University of North Florida's Small Business Development Center in Gainesville, said small businesses may forget to pay some state taxes or get confused interpreting the tax codes.

For example, a cleaning business does not have to pay a sales tax if it cleans residential homes, but it does have to pay a sales tax if it cleans commercial businesses, Sheehy said. She said tax amnesty may help new businesses that haven't checked up on what taxes they need to pay the state.

"Anytime you can increase cash in the business and lessen the tax burden, it helps," Sheehy said.

After Oct. 31 the interest rate will double from 4 percent to 8 percent, and penalties will apply, according to MyFlorida.com/dor.

"We're gearing up to enforce tax law more uniformly and aggressively after the amnesty period," Bruns said.

A new, integrated tax-administration system, SUNTAX, will help the DOR track taxpayers, Bruns said.

After the amnesty expires, the DOR will launch efforts aimed at, but not limited to, collecting unpaid taxes in several areas: sales tax on commercial rentals; sales and use taxes on purchases of business equipment; use taxes on purchases from out-of-state vendors; and communications services tax on substitute communications systems.

The amnesty applies to all DOR-administered taxes due before today, except the unemployment tax, which is excluded from the amnesty, according to MyFlorida.com/dor. Taxes included in the amnesty are the sales tax, fuel taxes, corporate income tax, communications services tax, gross receipts tax and intangible tax.

