



This Week in State Tax (TWIST)

April 15, 2024



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Florida: Commercial Rental Sales Tax Rate Reduced June 1, 2024

The Department of Revenue recently issued guidance (TIP No. 24A01-02) reminding taxpayers that the state sales tax imposed on the total rent charged for renting, leasing, letting or granting a license to use real property will be reduced from 4.5 percent to 2.0 percent effective June 1, 2024. Taxable rentals include, but are not limited to, rentals of commercial office or retail space, warehouses, and self-storage units or mini warehouses. The total rent charged includes all consideration due and payable by the tenant for the privilege or right to use or occupy the real property. The local option discretionary sales surtax imposed by the county in which the real property is located continues to apply to the total rent charged. The guidance clarifies that sales tax is due at the rate in effect during the time the tenant occupies or is entitled to occupy the real property, regardless of when the rent is paid. The reduced state sales tax rate on commercial rentals does not apply to transient rentals, parking, or storage spaces for motor vehicles in parking lots or garages, docking or storage spaces for boats in boat docks or marinas, or tie-down or storage space for aircraft at airports. Please contact [Amanda Ribeiro](#) with questions.

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