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## Eligibility

An exemption from sales and use tax applies to the amount charged to customers for labor associated with the maintenance or repair of:

- **New Manufacturers** - In order to qualify for the new business exemption, the machinery and equipment must have been purchased, or a purchase agreement made, prior to the date the business first begins to produce a product for inventory or immediate sale. Purchased machinery and equipment must be received within twelve months of the date that production began.
- **Expanding Manufacturers** - Industrial machinery and equipment is exempt from tax when purchased by an expanding business.
- **Mining Activities** - Machinery and equipment purchased for use in phosphate or other solid minerals severance, mining, or processing operations is also eligible for the above tax exemptions.
- 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 due 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 are located is within the industries classified under manufacturing NAICS (North American Classification System) codes 31, 32, and 33. 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.
- The tax exemption statute specifically excludes electric utility companies, communications companies, oil or gas exploration or production operations, publishing firms that do not export at least 50 percent of their finished product out of the state, any firm subject to regulation by the Division of Hotels and Restaurants of the Department of Business Regulation, or any firm that does not manufacture, process, compound, or produce for sale items of tangible personal property or that does not use such machinery and equipment in spaceport activities as specified.
- The selling dealer (vendor) should obtain a signed certificate from the purchaser certifying the purchaser’s entitlement to tax exemption under the exemption statute (***Certificate provided at end of document***).

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## Application Process

Enterprise Florida, Inc. (EFI) staff will shepherd businesses through the entire application process, ensuring that the company understands what is required for a complete, effective application.

To access this exemption, the following process is required:

1. Register for sales and use tax purposes with the Florida Department of Revenue (Form DR-1) and obtain a certificate of registration for each business location conducting business in Florida.
- 2A. Complete the suggested exemption certificate and present to vendor of equipment, found here: <http://dor.myflorida.com/dor/tips/tip13a01-06.html> (**Used for current purchases**)

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- 2B. Submit an Application for Temporary Tax Exemption Permit (Form DR-1214). Businesses are encouraged to file this form as early as possible before purchasing machinery and equipment. (**Used to claim exemption on purchases retroactively for up to 3 years prior**)

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## Approval Process

For forms and other information, visit the Department of Revenue (DOR) website at [dor.myflorida.com](http://dor.myflorida.com) or call Taxpayer Services, 8:00 a.m. to 7:00 p.m., ET, Monday through Friday, excluding holidays, at 800.352.3671.

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## Award

Upon approval by the Department of Revenue, a Temporary Tax Exemption Permit will be issued to the qualifying business, or instructions will be given on how to obtain a refund of previously paid taxes. Once purchases of qualified machinery and equipment have been completed, the Temporary Tax Exemption Permit shall be returned to the department.

*Statutory Reference: [Section 212.08\(5\)\(b\), Florida Statutes](#)*

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## Suggested Exemption Certificate

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 non-qualifying purchases. On the next page is a suggested certificate the selling dealer can have the purchaser complete to document the exempt nature of the sales transaction.

**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.**