



DEALER ADVISORY
DIVISION OF MOTORIST SERVICES
BUREAU OF ISSUANCE OVERSIGHT

To: All Dealers

Subject: Mandatory Entry of Net Selling Price by Motor Vehicle Dealers

Advisory

Date: May 11, 2012

Implementation

Date: Immediate

Julie Baker, Bureau Chief

A handwritten signature in black ink, appearing to read "Julie Baker".

Advisory Number: BIO/12-04

The Department of Highway Safety and Motor Vehicles (DHSMV) and the Department of Revenue (DOR) have a collaborative relationship for collecting data and state funds to best serve the businesses and residents of Florida. DHSMV recently met with representatives of DOR, General Tax Administration, to discuss methods to assist DOR in auto dealer sales tax administration.

Section 212.19, F.S., allows DOR to call upon any agency for information, which may assist DOR with the administration of its requirements. Additionally, section 212.06(10), F.S., specifically designates all county tax collectors and all persons or firms authorized to sell motor vehicles as agents for DOR.

Therefore, to ensure proper payments to the state for sales tax on motor vehicles, vessels, and mobile homes, DOR requested that DHSMV modify the Florida Real-Time Vehicle Information System (FRVIS) and the Electronic Filing System (EFS). These modifications will require licensed motor vehicle dealers to enter the net selling price prior to the completion of a title transaction. Currently, fields are available to provide this information; however, doing so is not mandatory. The proposed change will make entering the net selling price mandatory, and DHSMV will share this data with DOR.

Under the current process, a dealer sells a motor vehicle and collects sales tax directly from the buyer. The dealer is then responsible for submitting state fees to both DHSMV and DOR. DHSMV collects various title and registration fees while DOR collects sales tax from the dealers on the vehicles, vessels, and mobile homes they sell. However, the selling price, which DHSMV collects during the title and registration process, is not mandatory information and therefore, is not available to share with DOR.

Gathering and sharing this information will allow DOR to create efficiencies in its dealer sales tax administration process. DHSMV plans to roll out this change along with programming to implement legislative requirements that are effective July 1, 2012. We anticipate this late in June and ready for July 1.

We look forward to working with you on this initiative to ensure its smooth implementation.