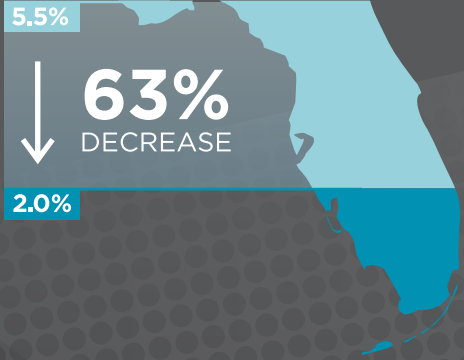


REDUCES THE TAX RATE ON COMMERCIAL LEASES



How does this affect

COMMERCIAL REAL ESTATE?



FLORIDA TAXES COMMERCIAL RENT

with Gross Rental payments subject to Florida sales tax of 5.5%

Discretionary sales surtax may vary by the county where the property is located.



Understanding Florida

SALES TAX & COMMERCIAL RENT



ANY RENT BEING PAID IS SUBJECT TO FLORIDA SALES TAX



SALES TAX IS APPLIED TO THE GROSS LEASE AMOUNT:

For a triple net lease, that includes both the base rent & OPEX pass throughs, including any charges for utility costs paid directly to the landlord



It is the **RESPONSIBILITY OF THE LANDLORD TO COLLECT REAL ESTATE TAX** from office tenants and remit the correct amounts to the Florida Department of Revenue

Preparing For 2024 TAX SAVINGS



Potential savings for tenants will occur in 2024, only after the **UNEMPLOYMENT COMPENSATIONS FUND** exceeds \$4.07 billion



Increased tax revenue from online sales would be added to the fund, which is expected to bring in **OVER \$1 BILLION IN TAX REVENUE ANNUALLY**

ONLINE SALES TAX



Sales tax must be applied to **ALL ONLINE SALES FOR RETAILERS WITH SALES OVER \$100K** in online sales, whether the retailer has a physical presence or not in Florida



ONLINE SALES ARE NOW TAXED THE SAME as brick & mortar transactions in the state of Florida



CHRIS OWEN
Florida Research Director
Direct: +1 407 541 4417
chris.owen@cushwake.com

CUSHMAN & WAKEFIELD OF FLORIDA, INC.
One Tampa City Center, Suite 3300
Tampa, Florida 33602