



A GUIDE TO

Tourist Development Tax

Rental requirements for Monroe County
property owners and property managers



SAM C. STEELE, CFC

Constitutional Tax Collector
Monroe County, Florida

A message from
The Honorable Sam Steele



It is no secret... the Florida Keys are special!

Those of us who are fortunate enough to call this paradise "home" must share these islands with roughly 5 million visitors each year.

A recent study revealed 40% of visitors to the Florida Keys chose to stay at a local B&B, guest house, inn, or vacation rental.

Are you considering offering your property for rent but are not sure how to get started? Perhaps you currently offer accommodations for rent and want to make sure you are doing so in accordance with state and county requirements.

Whichever scenario best describes your interest in property rental, this helpful guide is for you!

Inside you will find a checklist of requirements based on rental duration, a brief explanation of Tourist Development Tax, answers to frequently asked questions, and a list of Florida Statutes which govern such rentals.

If you have any questions after reviewing this information, my team and I are here to help.

Respectfully,

A handwritten signature in blue ink, consisting of stylized, overlapping loops and lines, representing the name Sam C. Steele.

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Constitutional Tax Collector
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Rental Requirements

The following state and county requirements are based on rental duration. Check with your local municipality for any additional requirements before advertising or renting a property.

ALL RENTAL PROPERTIES

- ✓ Local Business Tax Receipt

RENTING FOR SIX MONTHS OR LESS

- ✓ Local Business Tax Receipt
- ✓ Tourist Development Tax Account
- ✓ Florida Sales and Use Tax with the Florida Department of Revenue

RENTING LESS THAN 30 DAYS OR ONE MONTH

- ✓ Local Business Tax Receipt
- ✓ Tourist Development Tax Account
- ✓ Florida Sales and Use Tax with the Florida Department of Revenue
- ✓ License from the FL Department of Business and Professional Development (DBPR)

Get Started

Everything you need to begin offering your property for rent can be found on our website at MonroeTaxCollector.com. You may also scan this QR code to get started:



About Tourist Development Tax

Anyone **collecting rent on any living quarters for a period of six months or less**, must collect TDT from their renter and remit it to the Monroe County Tax Collector each month.

TDT is 5% of the total taxable rental amount. It is collected from the renter in addition to the 7.5% sales tax, which is paid directly to the Florida Department of Revenue.

When to File and Remit Payment

File and remit TDT by the 20th of the month following the reporting period (i.e., TDT collected in April is due between May 1 and May 20).

Periods with No Rental Activity

For reporting periods where there is no rental activity, you must file a return by the 20th indicating no taxes were collected.

Taxable Charges Include (but are not limited to)

- Room rate
- Cleaning fees
- Pet fees
- Traveler service fees
- Processing fees
- Resort fees
- Rollaway cots
- In-room safe fees

Non-Taxable Charges

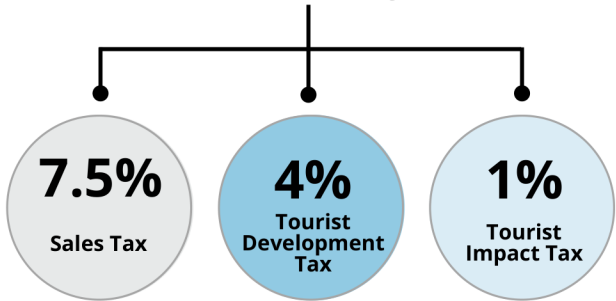
- Damage deposits
- Optional travel insurance

Failure to File and Pay TDT

Penalties will be assessed for each month a TDT return is not filed, including months with no rental activity. Failure to collect and remit TDT is a theft of state funds and carries criminal charges. The Monroe County Tax Collector has the power and authority to audit any and all short term rentals, file liens on properties, and freeze bank accounts for failure to remit Tourist Development Tax.

12.5%

Is charged to visitors for overnight accommodations in the Florida Keys



6% state sales tax
+
0.5% discretionary sales surtax approved by Florida voters in 1996
+
1% infrastructure tax approved by voters voters in 1989

Funds the Monroe County Tourist Development Council (TDC)

2% supports marketing, promotional activities, events, and admin
+
2% supports district expenditures ("2 penny funds")

Approved by Monroe County voters in 1988, this tax does NOT support the TDC

Split equally between the County General Fund and the Land Trust, a portion of which is distributed to the City of Key West

Advertising Your Property

Before advertising your property for rent, please become familiar with Monroe County Code of Ordinances, Chapter 23, Articles III and IV, and Section 125, Florida Statutes. You can view the County Ordinance online at library.municode.com.

The Monroe County Tax Collector does not have an agreement with any online hosting platforms to collect TDT. It is the property owner's responsibility to collect TDT from the guest, file a monthly return, and remit payment to the tax collector.



Frequently Asked Questions

Q: Does TDT apply to just the "base rent" or the entire amount paid by the guest?

A: TDT applies to anything a guest is required to pay as a condition of occupying the property such as a nonrefundable pet deposit, cleaning fee, and charges for additional guests. Extra furniture provided to your guests for an additional fee (crib, rollaway cot, etc.) are also subject to TDT.

Q: My properties are handled by a property manager. What are my responsibilities?

A: Your property manager must submit an Application for Collective Registration for each property they manage. Please note that under Florida law, a property owner is ultimately responsible for filing and paying TDT if their property manager fails to pay on their behalf.

Q: Do I need to pay TDT for renting a boat?

A: Yes. Florida law requires you to pay TDT if renting houseboats or boats that are permanently docked and not operated on the water.

Q: Who is exempt from paying TDT?

A: Anyone who has entered into a bona fide written lease for longer than six months.

Anyone who has continuously resided at a property for six months and has paid the tax is exempt on the seventh month and every month thereafter.

Some government employees traveling on business are exempt if certain conditions apply.

Q: How can I report vacation rental fraud?

A: Please call our hotline at 1-855-422-4540 or email us at rentalfraud@monroetaxcollector.com. Please note emails are considered public record and may be subject to public disclosure.



TouristExpress

Save time and money when you manage your TDT account online with TouristExpress.

You can deduct 2.5% of the first \$1,200 of tax due, or a maximum of \$30. To qualify for this discount, you must file and pay by the 20th of the month following the reporting period.



If you have a TDT account, visit MonroeTaxCollector.com or scan this QR code to sign up for TouristExpress.

Property Managers and Rental Companies

Property managers and rental companies are responsible for collecting TDT from the renter, filing returns, and remitting payment by the 20th of the month following the reporting period.

The following forms are required and available to download from our website:

- Application for Collective Registration
- Owner/Agent Agreement
- Consolidated tax returns must be submitted if filing a paper return, otherwise, must be kept as a record)

It's Florida Law

FS 125.0104(3)(a) - Every person who rents, leases or lets for consideration any living quarters or accommodations for six (6) months or less is exercising a privilege that is subject to taxation under this section.

FS 125.0104(8)(a) - Any person who is taxable and who fails or refuses to charge and collect the tax is held personally liable for the payment of the tax, and guilty of a misdemeanor of the first degree.

FS 212.12(2)(c) - Any person or business who knowingly, and with willful intent to evade taxes, fails to file six (6) consecutive returns commits a felony of the third degree.

FS 212.13(2), (5)(a) - Each dealer shall secure, maintain, and keep a complete record of property leased or rented and shall make the records available for inspection upon 60 days written notification by the Monroe County Tax Collector.

FS 212.15(1) - Tourist Development Tax becomes state funds at the moment of collection and shall for each month be due between the first and twentieth day of the following month. Taxes are considered delinquent if submitted on the 21st day of such month.

FS 212.15(2) - Any person who, with intent to unlawfully deprive or defraud the state of its moneys or the use or benefit thereof, fails to remit taxes collected or paid on behalf of a purchaser under this chapter commits theft of state funds.

**For additional information, please visit our
Tourist Development Tax page:**



MonroeTaxCollector.com