



Tax Information Publication

TIP

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INDIAN RIVER COUNTY TAX COLLECTOR
PO BOX 1509
VERO BEACH FL 32961-1509

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New Hope Scholarship Program Begins October 1, 2018

The Hope Scholarship Program provides a public-school student who was subjected to an incident of violence or bullying at school the opportunity to apply for a scholarship to attend an eligible private school rather than remain in an unsafe school environment.

Making a Contribution

Beginning October 1, 2018, anyone who purchases or registers a motor vehicle (as defined below) in Florida may designate \$105 of the state sales tax due at the time of purchase or registration to an eligible nonprofit scholarship-funding organization participating in the Hope Scholarship Program. If the state sales tax due is less than \$105, the designated amount is the full amount of state sales tax due.

“Motor vehicle” means any automobile, truck with a net vehicle weight of 5,000 pounds or less and any other vehicle operated on the roads of Florida, used to transport persons or property, and propelled by power other than muscular power. Heavy trucks, truck tractors, trailers, motorcycles, and mopeds are not “motor vehicles” for purposes of the Hope Scholarship Program.

Motor vehicle dealers, private tag agencies, and county tax collectors are required to provide a *Hope Scholarship Program - Contribution Election (Form DR-HS1)* form to each purchaser or registrant of a qualified motor vehicle. If the purchaser or registrant chooses not to contribute, Form DR-HS1 does not need to be completed or retained.

The dealer, agency, or county tax collector receiving the contribution must remit the contribution directly to the designated eligible nonprofit scholarship-funding organization. Contributions collected during a reporting period must be paid to the designated organization no later than the date the sales and use tax return for the reporting period is due to the Department by the dealer, agency, or county tax collector.

Reporting Contributions

Motor Vehicle Dealers, Private Tag Agencies, and County Tax Collectors

Motor vehicle dealers, private tag agencies, and county tax collectors receiving contributions for the Hope Scholarship Program must report the amount of contributions received during each reporting period to the designated eligible nonprofit scholarship-funding organization and to the Department.

The fastest and easiest way to complete the *Hope Scholarship Program - Dealer Contribution Collection Report* is online. You may also report by submitting the paper *Hope Scholarship Program - Dealer Contribution Collection Report* (Form DR-HS2) available at floridarevenue.com/forms.

Reports by **motor vehicle dealers** and **private tag agencies** are due on the 1st day of the month following the sales and use tax reporting period and are late after the 20th day of the month following each reporting period. If the 20th falls on a Saturday, Sunday, or a state or federal holiday, the report will be timely if received on the first business day following the 20th.

Reports by **county tax collectors** are due at the same time sales and use tax reports and payments are due to the Department, as prescribed in Section 219.07, Florida Statutes.

Nonprofit Scholarship-Funding Organizations

Nonprofit scholarship-funding organizations receiving contributions from motor vehicle dealers, private tag agencies, and county tax collectors must file a *Hope Scholarship Program - Contributions Received by an Eligible Nonprofit Scholarship-Funding Organization* (Form DR-HS3) with the Department each month. The report must contain the contributions received from each motor vehicle dealer, private tag agency, and county tax collector during the preceding calendar month. Reports are due to the Department on or before the 20th day of the month following the month contributions are received. If the 20th falls on a Saturday, Sunday, or a state or federal holiday, the report must be received on the first business day following the 20th.

Penalties

Any motor vehicle dealer, private tag agency, county tax collector, or eligible nonprofit scholarship-funding organization that fails to file a required report is subject to a penalty of \$1,000 each month or a portion of a month, up to \$10,000.

Florida law requires the Department to notify the designated eligible nonprofit scholarship-funding organization if it determines that a motor vehicle dealer, private tag agency, or county tax collector claimed a Hope Scholarship Program sales tax credit and failed to remit the contribution to the designated eligible nonprofit scholarship-funding organization. The notification will include the name, address, federal employer identification number (FEIN), and information related to the difference between the amount of credit claimed by the motor vehicle dealer, private tag agency, or county tax collector and the contribution amount remitted to the organization.

Reporting Tax Credits

For reporting periods beginning on or after October 1, 2018, **motor vehicle dealers, private tag agencies, and county tax collectors** must report the contributions of state sales tax as Hope Scholarship Credits on their sales and use tax returns. The total amount of tax due reported on the tax return for vehicle sales or registrations must include the total state sales tax due before deducting the contribution of state sales tax to the Hope Scholarship Program (see examples on next page).

For more information, visit the Department's Hope Scholarship Program web page at floridarevenue.com/taxes/sfo.

References: Sections 212.1832 and 1002.40, Florida Statutes; Emergency Rule 12AER18-07



Hope Scholarship Program Contribution Election

DR-HS1
N. 08/18
Rule 12AER18-07, F.A.C.
Effective 08/18
Page 1 of 1

The Hope Scholarship Program (Program) provides a public-school student who was subjected to an incident of violence or bullying at school the opportunity to apply for a scholarship to attend an eligible private school rather than remain in an unsafe school environment.

Beginning on or after October 1, 2018, when you purchase or register a motor vehicle qualifying for the Program in Florida, you may designate \$105 per vehicle to an eligible nonprofit scholarship-funding organization participating in the Program. If the state sales tax due is less than \$105, you may designate the amount of state sales tax due. Your motor vehicle dealer, county tax collector, or private tag agent will remit your contribution to the organization and remit the remaining state sales tax and surtax to the Florida Department of Revenue.

To make your contribution to the Program, complete the following. Sign and date.

Eligible Nonprofit Scholarship-Funding Organization: Step Up for Students, Inc.		Contribution Amount (Lesser of \$105, or state sales tax due):	
Vehicle Owner's Name:			
Mailing Address:			
City:		State:	ZIP:
Vehicle Co-Owner's Name:			
Mailing Address:			
City:		State:	ZIP:
Vehicle Year:	Vehicle Manufacturer:	Vehicle Identification Number:	
Signature of Owner:			Date:
Signature of Co-Owner*:			Date:

*For vehicles owned by more than one person, the signature of the owner and the co-owner is required.

For use by motor vehicle dealer, county tax collector, or private tag agency.

Notice of Emergency Rule

DEPARTMENT OF REVENUE

Sales and Use Tax

RULE NO.: RULE TITLE:

12AER18-07 Hope Scholarship Program

SPECIFIC REASONS FOR FINDING AN IMMEDIATE DANGER TO THE PUBLIC HEALTH, SAFETY OR WELFARE: Section 49 of Chapter 2018-6, Laws of Florida, authorizes the Department of Revenue to promulgate emergency rules to implement the provisions of the new Hope Scholarship Program created by Section 16 of Chapter 2018-6, Laws of Florida. Section 49 provides that conditions necessary for an emergency rule have been met. The promulgation of this emergency rule ensures that the public is notified in the most expedient and appropriate manner regarding the new program.

REASON FOR CONCLUDING THAT THE PROCEDURE IS FAIR UNDER THE CIRCUMSTANCES: The Legislature expressly authorized the promulgation of an emergency rule to administer the provisions of Section 49 of Chapter 2018-6, Laws of Florida. Additionally, an emergency rule is the most expedient and appropriate means of notifying dealers and taxpayers of the provisions of Section 16 of Chapter 2018-6, Laws of Florida.

SUMMARY: Emergency Rule 12AER18-07 outlines how a contribution can be made to the Program; how dealers are to remit and report contributions; and how organizations who receive contributions are to report those monies to the Department, as required by statute. The rule provides three new forms and revisions to five forms to be used in the program.

THE PERSON TO BE CONTACTED REGARDING THE EMERGENCY RULE IS: Tammy Miller, Technical Assistance and Dispute Resolution, Department of Revenue, P.O. Box 7443, Tallahassee, Florida 32314-7443, telephone: (850)717-6309.

THE FULL TEXT OF THE EMERGENCY RULE IS:

12AER18-07 Hope Scholarship Program.

(1) Definitions. For purpose of this rule, the following terms mean:

(a) "Contribution" means a monetary contribution from a person purchasing a motor vehicle from a dealer, or registering a motor vehicle purchased from someone other than a dealer, to an eligible nonprofit scholarship-funding organization as provided under the Hope Scholarship Program.

(b) "Department" means the Florida Department of Revenue.

(c) "Eligible nonprofit scholarship-funding organization" or "organization" has the same meaning as provided in s. 1002.40(2)(e), F.S.

(d) "Motor vehicle" means any automobile, truck with a net vehicle weight of 5,000 pounds or less and any other vehicle operated on the roads of Florida, used to transport persons or property, and propelled by power other than muscular power. Heavy trucks, truck tractors, trailers, motorcycles, and mopeds are not "motor vehicles" for purposes of the Program.

(e) "Program" means the Hope Scholarship Program under s. 1002.40, F.S.

(2) Contributing to the Program.

(a) Any person, including persons who are not Florida residents, purchasing a motor vehicle from a dealer or registering a motor vehicle purchased from someone other than a dealer on or after October 1, 2018, may designate the lesser of \$105 or the amount of state sales tax due to the Program. An eligible contribution must be accompanied by Hope Scholarship Program – Contribution Election (Form DR-HS1).

(b) Beginning October 1, 2018 dealers, designated agents, and private tag agents are required to provide a purchaser or registrant with the opportunity to make a contribution and with a copy of Form DR-HS1 at the time of purchase or registration of the motor vehicle. Vehicle purchasers and registrants are not required to complete Form DR-HS1, and dealers, designated agents, and private tag agents are not required to retain Form DR-HS1, if the purchaser or registrant chooses not to make a contribution.

(c) Dealers, designated agents, and private tag agents may, but are not required to, separately state a contribution on a sales invoice or other evidence of the motor vehicle sale, purchase, or registration.

(d) A contribution may not be made for any of the following:

1. Any tax other than the state sales tax imposed by s. 212.05, F.S.
2. Any tax due on a warranty or other taxable item sold in conjunction with a motor vehicle.
3. Any tax due on the lease or rental of a motor vehicle.

(3) Reporting contributions.

(a) Dealers, designated agents, and private tag agents who receive contributions must remit those contributions to the applicable organization. Contributions must also be reported to both the organization and the Department using Hope Scholarship Program – Dealer Contribution Collection Report (Form DR-HS2) no later than the date a return filed under s. 212.11, F.S., is due for the period in which the contributions are received. The fastest and easiest way to complete the Hope Scholarship Program – Dealer Contribution Collection Report is online at www.floridarevenue.com/taxes/sfo. Dealers, designated agents, and private tag agents may also report by using a paper report made available on the Department’s website.

(b) Any dealer, designated agent, or private tag agent required to file Form DR-HS2 who fails to do so may be subject to penalty as prescribed by s. 1002.40(13)(g), F.S. A dealer, designated agent, or private tag agent may also be subject to penalty if it is later discovered that contributions were received but not reported, even if such contributions were paid over to an organization.

(c) Dealers, designated agents, and private tag agents who receive contributions must separately report them on their sales and use tax returns beginning October 1, 2018. The total amount of sales tax that would otherwise be due must be included in the amount of tax reported on the tax return. Contributions must be reported both in total deductions claimed and separately on the appropriate line of the return. Contributions may not be netted against the tax otherwise due on the return.

(4) Reporting of contributions by eligible nonprofit scholarship-funding organizations.

(a) Each organization is required to report to the Department the contributions received during each calendar month using Hope Scholarship Program - Contributions Received by an Eligible Nonprofit Scholarship-Funding Organization (Form DR-HS3). The report is due to the Department on or before the 20th day of the month following the month of collection. If the 20th falls on a Saturday, Sunday, or state or federal holiday, the report must be received on the first business day following the 20th.

(b) The fastest and easiest way to complete the Hope Scholarship Program – Contributions Received by an Eligible Nonprofit Scholarship-Funding Organization is online at www.floridarevenue.com/taxes/sfo. Dealers, designated agents, and private tag agents may also report by using a paper report made available on the Department’s website.

(5) The following forms are hereby incorporated by reference, effective 08/18, for use beginning on or after October 1, 2018. Sales and use tax returns (Form DR-15 and Forms DR-7 and DR-15CON) are to be used for sales tax reporting periods beginning on or after October 1, 2018. These forms are available on the Department’s website at www.floridarevenue.com/forms under the sales and use tax section.

<u>Form Number</u>	<u>Title</u>	<u>Effective Date</u>
<u>(a) DR-HS1</u>	<u>Hope Scholarship Program – Contribution Election</u>	<u>08/18</u>
<u>(b) DR-HS2</u>	<u>Hope Scholarship Program – Dealer Contribution Collection Report</u>	<u>08/18</u>
<u>(c) DR-HS3</u>	<u>Hope Scholarship Program - Contributions Received by an Eligible Nonprofit Scholarship-Funding Organization</u>	<u>08/18</u>
<u>(d) DR-7</u>	<u>Consolidated Sales and Use Tax Return</u>	<u>08/18</u>
<u>(e) DR-15CON</u>	<u>Consolidated Summary Sales and Use Tax Return</u>	<u>08/18</u>
<u>(f) DR-7N</u>	<u>Instructions for Consolidated Sales and Use Tax Return</u>	<u>08/18</u>
<u>(g) DR-15</u>	<u>Sales and Use Tax Return</u>	<u>08/18</u>
<u>(h) DR-15N</u>	<u>Instructions for DR-15 Sales and Use Tax Return</u>	<u>08/18</u>
<u>(i) DR-95B</u>	<u>Schedule of Tax Credits Claimed on Repossessed Tangible Personal Property</u>	<u>08/18</u>

THIS RULE TAKES EFFECT UPON BEING FILED WITH THE DEPARTMENT OF STATE UNLESS A
LATER TIME AND DATE IS SPECIFIED IN THE RULE.