

MEMO# 31730

April 25, 2019

For Your Review: ICI Letter on Florida Sales Tax on Services

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April 25, 2019 TO: Tax Committee RE: For Your Review: ICI Letter on Florida Sales Tax on Services

Attached for your review is a draft opposition letter to Florida's proposed sales tax on services. HB 1377 would impose a 6% sales tax on each sale of service performed wholly within the state or partly within the state where the "greater proportion" of the service is performed within the state.

The letter requests an exemption for services purchased by investment funds and their managers operating in Florida because such a tax would:

- impose additional costs on all investors (including Floridians) seeking to save for their retirement and other long-term needs through mutual funds;
- place Florida-based mutual fund firms operating in this nationwide industry at a competitive disadvantage; and
- be extraordinarily difficult (if not impossible) to administer efficiently and fairly.

Please send any comments to the letter by Wednesday, May 1, 2019.

Katie Sunderland
Assistant General Counsel

[Attachment No. 1](#)

[Attachment No. 2](#)

should not be considered a substitute for, legal advice.