



Memo

To: Florida Contractors/Serviceers
From: Protection Plus Administration (c/o New Hampshire Insurance Co.)
CC: Rheem Manufacturing Sales, Inc. and New Hampshire Insurance Co.
Date: January 29, 2004
Re: Program Change: Florida Sales Tax

Dear Florida Servicer,

Rheem Manufacturing Company's Law and Tax Departments have informed us that payment to warranty service providers (and homeowners) under taxable service warranty contracts (Protection Plus c/o New Hampshire Insurance Co.) are not subject to Florida Sales Tax.

The Florida Department of Revenue Rule, *12A-1.105, Service Warranties* provides in part:

"(4)(a) The payment of any claim arising under a taxable service warranty by the person issuing the service warranty made to a person performing repairs or maintenance of a product listed under the taxable service warranty, or made directly to a lessor of the product listed under a taxable service warranty, is not subject to sales tax."

The Florida Department of Revenue Rule website covering the Administrative Code on Sales and Use Tax, *12A-1.105, Service Warranties* can be viewed at:

www.eog.state.fl.us/dor/taxes/repair_services_sut.html

Starting February 16, 2004, all Protection Plus c/o New Hampshire Insurance Co. contractors/serviceers should cease collecting sales tax under the Protection Plus Extended Warranty Program and will cease invoicing Protection Plus Administration for warranty service sales tax. Reimbursement of such sales tax will be denied.

To receive a copy of Rule *12A-1.105, Service Warranties*, please call Florida Taxpayer Services.

Monday through Friday, 8 a.m. to 7 p.m. (EST) at: 1-800-352-3671 or 1-850-488-6800.
Contact access for the hearing or speech impaired at: 1-800-367-8331 or 1-850-922-1115.

For a written response to your questions, write to:

TAX INFORMATION SERVICES
FLORIDA DEPARTMENT OF REVENUE
1379 BLOUNTSTOWN HWY.
TALLAHASSEE FL 32304-2716

Website: www.myflorida.com/dor

If you have further questions about this change, please do not hesitate to call Protection Plus Administration at 1-877-276-4294.

Sincerely,

Protection Plus
www.protectionplusonline.com