



Tax Information Publication

TIP

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Gross Receipts Tax Updated Index Price for Industrial Natural Gas

Each year on July 1, the index prices used by distribution companies to calculate gross receipts tax on the sale or transportation of natural or manufactured gas to retail consumers are adjusted according to law.

Section 203.01(1)(e)2., Florida Statutes, directs the Department to use the last posted index price until the United States Department of Energy Information Administration (EIA) posts a current index in Natural Gas Monthly or the Department adopts a comparable index by rule.

The 2016 natural gas **industrial** index price was not available when TIP 16B06-01 was issued in May 2016; therefore, the 2015 **industrial** index price was published. In September 2016, the EIA Natural Gas Monthly published an updated **industrial** index price.

Beginning with the December *Gross Receipts Tax Return* (Form DR-133) and payment due in January 2017, the index price for industrial consumers is \$6.43 per 1,000 cubic feet.

Natural/Manufactured Gas Index Prices for Industrial Consumers per 1,000 cubic feet

July 1, 2016 - November 30, 2016	December 1, 2016 - June 30, 2017
\$7.25	\$6.43

Natural/Manufactured Gas Index Prices for Residential and Commercial Consumers per 1,000 cubic feet effective July 1, 2016 through June 30, 2017 (There is no change to these rates as published in TIP 16B06-01.)

Residential	Commercial
\$19.29	\$10.74

The gross receipts tax due on the sale or transportation of natural or manufactured gas to retail consumers in Florida is calculated by multiplying the quantity sold or transported by the appropriate index prices listed above and then applying the 2.5% gross receipts tax rate. See the instructions on the *Gross Receipts Tax Return* (Form DR-133).

Reference: Section 203.01(1)(e), Florida Statutes

For More Information

This document is intended to alert you to the requirements contained in Florida laws and administrative rules. It does not by its own effect create rights or require compliance.

For forms and other information, visit our website at www.floridarevenue.com or call Taxpayer Services at 800-352-3671, Monday through Friday (excluding holidays).

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services, MS 3-2000, 5050 West Tennessee Street, Tallahassee, FL 32399-0112.

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