



## MERCHANT LOCAL BUSINESS TAX RECEIPT INFORMATION

The issuance of a merchant local business tax receipt requires the collection of the one-percent (1%) merchant fee on all gross retail sales. This 1% Merchant Fee applies to ALL retail sales including, but not limited to the following: restaurants, grocery stores, retail shops, hotels, short-term rentals and medical marijuana. The Merchant Fee is not a tax and must still be collected on tax-exempt items.

### CALCULATING THE FEE

The city ordinance does not require separation of the merchant fee from the sales price and may be included within the gross sales price or shown as a separate item as a charge to the customer. Many of our local merchants have decided to pass this amount on to the consumer at the 1% rate and show the charge as a separate line item on receipts.

However, according to the Florida Department of Revenue, the State Sales Tax should be computed on the sales price plus the Merchant Fee. The computation should match one of the below options:

- (A) If the merchant chooses to separately list the 1% Merchant Fee, the computation should look like the following:

\$499.98	Amount of Sale
<u>+ 5.00</u>	<b>1% Merchant Fee</b>
\$504.98	Total Sales Price
<u>+ 35.35</u>	7% State Sales Tax
\$540.33	Total

OR

- (B) If the merchant chooses to include the 1% in the Sales Price, the computation should look like the following:

\$504.98	Amount of Sale ( <b>includes the 1% fee</b> )
<u>+ 35.35</u>	7% Sales Tax
\$540.33	Total

### PAYMENT DATES

Payments must be made monthly. If there are no sales for the month, a minimum amount of \$1.50 must be remitted with the coupon to keep the merchant's Business Tax Receipt current.

Due Date: Payments are due by the last day of the month, for the preceding month .  
(Example: January is due by the last day of February, February is due by last day of March)

Discounts: If payment is received by the 20<sup>th</sup> of the month in which they are due, you will receive a three-percent (3%) discount on the fee amount.

Penalties: If the fee is paid after the last day of the month in which it is due, an 8% penalty will be added to the total payment due. The 8% penalty will continue to accrue up to 24% at which time the Business Tax Receipt will be revoked. The penalty will be applied to each and every monthly payment that is delinquent.

30 Days = 8% penalty

31-60 Days = 16% penalty

61 Days+ = 24% penalty

After 60 Days of delinquency, a FEE VIOLATION sticker will be placed on the front door of the business until the account is made current. This violation sticker can only be removed by a representative of the Business Services or Code Enforcement Departments.

After 90 Days of delinquency, your business may be subject to revocation of the Business Tax Receipt, civil actions, and penalties that may include court costs, attorney fees, and administrative costs. Reinstatement will be at the discretion of the City.

## **HOW TO PAY**

All businesses must use the GovOS online portal for filing merchant fee returns. Paper coupons or payments made without online filings will not be accepted. You will be able to pay online through the GovOs portal.

You can access the portal at **<https://panamacity.munirevs.com/>**.

Alternative Payment Options (only after filing local business tax return online):

- In Person: Visit City Hall to pay by cash, check, or money order. Card payments are only accepted online.
- Drop Box: Place your payment in an envelope labeled "*ATTN: Business Services Department*" in the drop box behind City Hall on Grace Avenue.
- Mail: Send a check or money order to:

City of Panama City  
Attn. Business Services Department  
501 Harrison Avenue  
Panama City, FL 32401

## **QUESTIONS?**

If you have any questions about this process or accessing your GovOS portal, please contact the Business Services Department at (850) 691-4603 or via email at [BusinessServices@panamacity.gov](mailto:BusinessServices@panamacity.gov).