





Taxpayer Name: \_\_\_\_\_

Telephone Number: ( \_\_\_\_\_ ) \_\_\_\_\_  
Area Code

County Property Identification Number: \_\_\_\_\_

FEIN \_\_\_\_\_

County Where Property Located: \_\_\_\_\_

SSN (if no FEIN): \_\_\_\_\_

**Schedule A**

Factors for valuation of each leasehold estate. Complete this supplemental schedule and mail with your return.

1. a. Name the governmental unit owning the property. \_\_\_\_\_  
 b. To what governmental agency is the consideration or "rent" paid? \_\_\_\_\_  
 c. Physical location of governmental property occupied (street, city, ZIP). \_\_\_\_\_
2. What is the legal description of the property? \_\_\_\_\_
3. a. Describe the property occupied. \_\_\_\_\_  
 b. Describe the improvements belonging to the governmental unit. \_\_\_\_\_
4. a. Have you made improvements to this property? ( ) yes ( ) no  
 b. Describe those improvements. \_\_\_\_\_  
 c. Do your improvements become the property of the governmental unit owning the location? ( ) yes ( ) no  
 d. What is your estimate of the value of improvements you have made to this property? \$ \_\_\_\_\_
5. a. Describe your use of this property or the type of activity conducted at this location, and the number of years you have been at this location. \_\_\_\_\_  
 b. How long do you intend to occupy the property? \_\_\_\_\_
6. a. Is there a written agreement between you and the governmental unit owning the property? ( ) yes ( ) no  
 b. Is this agreement recorded in the official records of the county? ( ) yes ( ) no  
 c. If so, what is the official record book and page number where recorded? \_\_\_\_\_
7. a. Does the governmental entity that owns the property share in the profit as a form of rent? ( ) yes ( ) no  
 b. If so, what is the basis or formula used to determine the percentage or amount payable to the governmental unit? \_\_\_\_\_
8. a. What is the term of your lease (in years)? \_\_\_\_\_  
 b. How many years remaining as of January 1 of this tax year? \_\_\_\_\_
9. What is the amount actually paid for the privilege of using this property? \_\_\_\_\_
10. What is the basis for determining the amount of the rent stated in your lease agreement? \_\_\_\_\_
11. Is this consideration or "rent" paid weekly, monthly, yearly, or other? \_\_\_\_\_
12. Does the rent include payments for improvements? ( ) yes ( ) no
13. a. Do you file a tangible personal property tax return with the county property appraiser? ( ) yes ( ) no  
 b. What county(ies)? \_\_\_\_\_

Location address (if different than mailing address):

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_ County \_\_\_\_\_

Telephone Number: ( \_\_\_\_\_ ) \_\_\_\_\_

Indicate changes to mailing address below:

Name \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_ County \_\_\_\_\_

Telephone Number: ( \_\_\_\_\_ ) \_\_\_\_\_

## Instructions

### GENERAL INFORMATION

Florida law classifies a lessee's interest in property leased from a governmental unit as intangible property, where the lessee makes rental payments in consideration of the leasehold estate or possessory interest, whether the leased property is undeveloped or is used for a residential or a commercial purpose.

A leasehold interest created by an original lease for 100 years or more, regardless of renewal options, is considered as creating an ownership right in the leased property and the property will not be classified as intangible property. Property financed, acquired or maintained using funds resulting from the issuance of bonds by Florida industrial development authorities or research and development authorities under Parts II, III, or V of Chapter 159, Florida Statutes, is considered to be owned and the lessee's interest is not classified as intangible property.

A lessee of governmental property will be exempt from annual intangible tax, provided the lease contract requires that the lessee provide space on the leasehold estate for use by a governmental entity. The provision applies retroactively, but does not open any closed period for refund.

Lessees leasing property **classified as agricultural land or land used exclusively for noncommercial public recreational purposes**, or leasing property used for a public purpose or function, and lessees qualified as an organization which uses the property for literary, scientific, religious or charitable purposes, are not subject to intangible tax on their leasehold interest.

If no rental payments are due under the agreement creating a leasehold estate, the leasehold estate is taxed as real property, not as intangible property. Personal property, buildings or other real property improvements owned by a lessee are assessed under Ad Valorem tax provisions, not as intangible property.

**Taxpayers with more than one lease MUST FILE a separate return for each location.**

### WHO MUST FILE

Every lessee of governmental property used for a residential or commercial purpose, or that is undeveloped, is subject to the intangible tax each year on the value of the leasehold estate on January 1 of each tax year, if rental payments are due in consideration for the leasehold estate.

If the 1/2 mill (\$.50 per \$1000 value) annual tax levy on the value of the leasehold estate results in a tax of sixty dollars (\$60) or more, the lessee is required to file this return (Form DR-601G) and pay the tax.

If the tax due is less than sixty dollars (\$60), the taxpayer should file this return without payment of the tax to avoid unnecessary contact by the Department of Revenue.

Taxpayers are not entitled to the exemption for the governmental leasehold intangible personal property tax.

### FILING DATE

The Governmental Leasehold Intangible Personal Property Tax Return (Form DR-601G) covering the leasehold estate is due January 1 and late after June 30. Returns not filed and taxes not paid by this date are delinquent. The date of postmark or date delivered to the Department is considered the date of payment.

A **discount** may be claimed for early filing provided payment is postmarked on or before the last day of the month of one of the following filing periods: January - February 4%; March 3%; April 2%; May 1%; June 0%

**Example:** \$64.33 (tax) X .04 (January discount) = \$ 2.57 (discount allowed)

### EXTENSION OF TIME

A request for an extension of time for filing may be submitted for review. Form DR-602G must be received by the Department on or before June 30 of the tax year.

### PENALTY

The return, with full payment of tax, must be postmarked **no later than** June 30 of the applicable tax year to avoid penalty. If June 30 falls on a Saturday, Sunday, or a legal state or federal holiday and the return is postmarked or delivered to the Department on the next workday, it is considered timely.

**Delinquency penalty** is assessed on tax not paid by June 30. The penalty rate is 10% per month or portion of a month, not to exceed a maximum of 50% of the tax due.

**Specific late filing penalty** is assessed on tax returns postmarked after June 30. The penalty rate is 10% per month or portion of a month until the return is filed, not to exceed a maximum of 50% of the tax due.

The combined total of the delinquency penalty and specific late filing penalty will not exceed 10% per month or portion of a month, not to exceed a maximum of 50% of the tax due.

### INTEREST

If the tax is not paid by June 30, you owe interest on the amount of tax due. Florida law provides a floating rate of interest for late payments of tax due. Interest rates, including daily rates, are published in Tax Information Publications that are updated semiannually on January 1 and July 1 each year and posted online at [www.myflorida.com/dor](http://www.myflorida.com/dor).

### OVERPAYMENTS OF TAX

If you have overpaid your tax and want a refund of the overpayment, you must submit an Application for Refund (Form DR-26). The Application for Refund must be submitted within three (3) years of the date the tax was paid. The Department cannot process a claim for refund without this form. Filing an amended return does not qualify as a claim for refund.

If you have any questions, please call the Refund Subprocess at 850-617-8585 or write to: Florida Department of Revenue, Refund Subprocess, P.O. Box 6470, Tallahassee, FL 32314-6470.

### AMENDED RETURNS/UNDERPAYMENTS OF TAX

If you discover that intangible property was undervalued on, or omitted from, your tax return, you should file an amended return. The amended return is to be completed in its entirety, as if it was an original filing. Pay only the additional tax due. If the return is postmarked after June 30, you will be subject to penalty and interest. Explain by separate letter, attached to the amended return, whether the property was undervalued or omitted.

**Tax information and forms are available online at: [www.myflorida.com/dor](http://www.myflorida.com/dor)**  
**For assistance, call Taxpayer Services, Monday - Friday, 8 a.m. – 7 p.m., ET, at 800-352-3671.**  
**From the option menu, select *Information on Taxes or Forms*.**

**VALUATION OF LEASEHOLD ESTATE**

The just value of a lessee's leasehold estate or possessory interest to be reported on the return is determined by the rent payments for the remaining term of the lease, at the Federal Reserve - Atlanta - discount rate on the last business day of the previous year, plus one (1) percent.

Valuation Factor Tables determined annually by the Department based on that discount rate, plus one (1) percent, are published in Taxpayer Information Publications on the Department's Internet site at [www.myflorida.com/dor](http://www.myflorida.com/dor). The Valuation Factor Table for the tax year indicated on the front page of this tax return is provided below.

Nominal or token payments are not used to value the lessee's interest. In such cases, the fair market rental for the leased property is the amount to be valued. If lease rental payments are based on some factor, such as a percentage of sales or profits, the average annual rental actually paid for a period not to exceed the previous five years should be used, provided the amount is not nominal or significantly less than fair market rental. If the average amount is a nominal or token amount,

the lease rental payment to be valued shall be the fair market rental for the property. Market rent is the amount which would be paid annually for use of a property in the open market, as indicated by current rentals being paid for comparable property. This should be net rent to the owner or lessor after allowance for taxes, insurance or other expenses specifically itemized as part of the rental payment. Do not deduct any such payments that you as the user make.

The period for which the lease payments should be valued is the number of years remaining under the lease on January 1 of the tax year, exclusive of renewal options. The year in which the lease expires should be considered a full year for the purpose of determining the number of years remaining under the lease agreement. If, on January 1 of the tax year, less than one year remains under the lease agreement, the value is determined as if a full year remained and is then prorated for the number of months remaining under the lease agreement.

<b>Valuation Factor Table -</b>					
<b>YEARS REMAINING</b>	<b>FACTOR</b>	<b>YEARS REMAINING</b>	<b>FACTOR</b>	<b>YEARS REMAINING</b>	<b>FACTOR</b>