



LEADERS HOLDING CO.TM

Est. 1971

Monthly Focus

What: Designer Sales

Why: Designer Sales are a great way to increase sales by giving qualified designers & decorators a discount as an incentive to bring their clients into a Leader Casual Furniture® showroom


When: Leader's Casual Furniture® can offer this to any designer or decorator that works in the state of Florida.

Who: All store team members are able to work with designers & decorators and are required to know the proper documentation required in order to qualify for the discount.

FAQ?

- ✓ What is the proper document required in order for a designer or decorator to qualify for the discount?
 - A State of Florida re-sale certificate and/or a business card.





2015 Florida Annual Resale Certificate for Sales Tax

THIS CERTIFICATE EXPIRES ON DECEMBER 31, 2015

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R. 10/14

<p><u>Business Name and Location Address</u></p> <p>Business Name _____</p> <p>Business Address _____</p>	<p><u>Certificate Number</u></p> <p>Certificate Number _____</p> <p>99-999999999-9</p>
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By extending this certificate or the certificate number to a selling dealer to make eligible purchases of taxable property or services exempt from sales tax and discretionary sales surtax, the person or business named above certifies that the taxable property or services purchased or rented will be resold or re-rented for one or more of the following purposes:

- Resale as tangible personal property.
- Re-rental as tangible personal property.
- Resale of services.
- Re-rental as commercial real property.
- Incorporation into and sale as part of the repair of tangible personal property by a repair dealer.
- Re-rental as transient rental property.
- Incorporation as a material, ingredient, or component part of tangible personal property that is being produced for sale by manufacturing, compounding, or processing.

Florida law provides for criminal and civil penalties for fraudulent use of a Florida Annual Resale Certificate.

The Florida Annual Resale Certificate is issued to active, registered sales and use tax dealers. **As a buyer**, use your certificate to purchase or rent property or services tax exempt that you intend to resell or re-rent to your customers. You cannot use this certificate to purchase or rent property or services that you will use in your business. **As a seller**, you must collect sales tax and discretionary sales surtax imposed on retail sales or rentals of taxable property or services, unless the transaction is exempt.

Seller Certificate Verification - Verify resale or exemption certificates using a customer's sales tax certificate number:

- Phone: **877-FL-RESALE** (877-357-3725)
- Online: Go to www.myflorida.com/dor and select "More e-Services" and then "Verify resale and exemption certificate"
- Mobile App: **Florida Tax (FL Tax)** mobile app for iPhone, iPad, Android phones and tablets, Windows Phone

If you obtain an authorization number for each tax-exempt sale, or for all sales to a specific customer, you do not need to keep a copy of the customer's Florida Annual Resale Certificate.

- ✓ Is the re-sale certificate good forever?
 - No, the certificate is good for 1 calendar year. Leader's Casual Furniture® will need the current certificate each year.
- ✓ If a designer is from out of state can we extend the designer discount to them?
 - Yes, but they cannot use their re-sale certificate. We can only accept re-sale certificates from the state of Florida.
- ✓ When a designer purchases product for their client, is it entered into FROG any differently than a normal sale?
 - The customer account info will be the designer. The "deliver to" address is the client of the designer.
- ✓ Is there a discount multiplier on designer sales like we use on Contract sales?
 - Yes, there is a multiplier to use to calculate the discount, depending on the vendor; however it is not based on how many pieces purchased like with contract.
 - Discount is calculated on "The Everyday Low" prices, never on "Group Prices"
- ✓ Are we able to extend the discount to a designer or decorator even if they are purchasing for themselves and not a client?
 - Yes, although if they are usually tax exempt this would NOT be a tax exempt sale
- ✓ Is there a "LEAD" line entered into FROG on these types of sales?

- “LEAD-DESIGNER” which will go into OVR when it is entered, so the pricing can be approved by a member of the Sales Leadership Team
 - Once the sales invoice is put into FROG, Please email the invoice number(s) to the Sales Leadership Team for approval to expedite this process.
- ✓ How is the tax removed on a sale in FROG, if the customer is tax-exempt?
 - The sale will automatically be generated with tax when it is entered into FROG, Accounts Receivable will remove the tax from the invoice, once it’s confirmed the customer is tax exempt.
 - The sales team member will need to refund the tax on the initial sale; once AR updates the tax rate, all future invoices for that calendar year will be tax exempt.
- ✓ Can any portion of this type of sale be financed?
 - No, LEAD-DESIGNER sales cannot be financed.
- ✓ Can the Fabric Protection and Protection Plus plans be purchased by the designer for their client?
 - Yes, as long as it is being delivered to a residential client, they both can be purchased. However, both plans do not have multipliers and are priced at our Everyday Low price.

For any further questions, please reference the complete Designer Sale Procedure 2.250 <R:\Procedure Manual\2.0 General Store Procedure\2.250 Designer Sales.pdf>