FREE REFERENCE

# Florida business taxes, explained for 2026

Small businesses in Florida register with the state revenue agency for sales tax, and with the Florida Department of Revenue, Reemployment Tax for unemployment tax. Florida has no state income tax on wages, a 6% state sales tax and a $7,000 unemployment wage base for 2026.

QUICK FACTS

- **Income tax.** No state income tax on wages for 2026
- **Sales tax.** 6% state rate, about 6.98% combined with local
- **Unemployment.** Employers pay Florida unemployment tax on the first $7,000 of each worker's 2026 wages

## What taxes does a small business pay in Florida?

Most Florida businesses deal with four: federal and state payroll taxes once they hire, sales tax if they sell taxable items, income tax on profit, and the state's annual report or franchise filing for an LLC or corporation, filed with the Secretary of State.

## How do I register for payroll taxes in Florida?

Before your first payroll in Florida:

1. Get a federal EIN and enroll in EFTPS for federal deposits.
2. Register for unemployment insurance with the Florida Department of Revenue, Reemployment Tax. For 2026, the tax applies to the first $7,000 of each employee's wages, at a rate the state sets for new employers and then adjusts to your history.
3. Report each new hire to Florida's new hire registry, usually within 20 days.

Our state payroll registration guide explains each step, and our payroll service handles it for you.

## Do I need a Florida sales tax permit?

If you sell taxable goods or services in Florida, yes. Register with the Florida revenue agency before your first taxable sale. Out-of-state sellers need one once they pass Florida's economic nexus



General information, not tax advice for your situation.

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| SALES TAX IN FLORIDA, MIDYEAR 2026 | RATE |
|---|---|
| **State rate** | 6% |
| **Average local rate** | 0.98% |
| **Average combined rate** | 6.98% |
| **Highest local rate** | 2% |

The state sets how often you file. Our sales tax permit guide covers what to have ready, and the sales tax calculator adds tax to a price.

## How does Florida tax business owners?

Florida doesn't tax wages or pass-through business income. Owners still pay federal income and self-employment tax.

## Where are Florida's tax forms and refund status?

- Florida tax forms
- Florida revenue agency
- Florida Department of Revenue, Reemployment Tax

Every state's links are on our state tax forms page.

## Which calculators work for Florida?

- Florida paycheck calculator: take-home pay after every deduction
- Florida income tax calculator: your 2026 state income tax
- Payroll cost calculator: what a hire costs you, with Florida unemployment

## Common questions

**Do I need a sales tax permit in Florida?**
Yes, if you sell taxable goods or services there. Register with the Florida revenue agency before your first taxable sale.

**What is the Florida unemployment wage base for 2026?**
$7,000. Employers pay Florida unemployment tax on that much of each employee's wages, at a rate the state assigns.

**Does Florida have a state income tax?**
No, not on wages.

**Who runs payroll taxes in Florida?**
The Florida Department of Revenue, Reemployment Tax handles unemployment tax.

## Want payroll handled?

We set it up, run it and file the returns. Book a free 30-minute call at eminenttax.com/contact or call (972) 347-4590.

eminenttax.com



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