

Appropriations Subcommittee On Finance and Tax

HB 7093 — Corporate Income Tax

by Ways and Means Committee; and Rep. Renner (CS/SB 502 by Appropriations Committee and Senator Stargel)

The bill adopts provisions of the Internal Revenue Code in effect on January 1, 2018, for purposes of Florida's corporate income tax; however, the bill decouples from the bonus depreciation provisions of the Tax Cuts and Jobs Act of 2017. A taxpayer must add back the bonus depreciation amount deducted in the first year but is allowed to subtract one-seventh of the amount from Florida taxable income over seven years.

The bill provides that, if Fiscal Year 2018-2019 corporate income tax receipts exceed the corporate income tax estimate by more than seven percent, the amount over seven percent must be refunded to taxpayers, and the corporate income tax rate is decreased for taxable years beginning on or after January 1, 2019, but before January 1, 2020.

The bill requires the Department of Revenue to study the effects of the Tax Cuts and Jobs Act of 2017 on Florida's corporate income tax structure and revenues. The department is required to hold public workshops, receive public input, and file reports with the Legislature and Governor.

If approved by the Governor, these provisions take effect upon becoming law and operate retroactively to January 1, 2018.

Vote: Senate 25-11; House 81-26