

By Senators Bankhead, Lee, Clary, Hargrett, Sullivan, McKay
and Crist

8-746A-98

1 A bill to be entitled
2 An act relating to intangible personal property
3 taxes; amending s. 199.023, F.S.; defining the
4 terms "ministerial function" and "processing
5 activity" for purposes of ch. 199, F.S.;
6 amending s. 199.052, F.S.; increasing the
7 minimum amount of annual intangible personal
8 property tax which a person may be required to
9 pay; providing taxable status of intangible
10 personal property held by a trust for which a
11 bank or savings association acts as trustee or
12 as an agent other than a trustee; providing
13 responsibilities of Florida residents with a
14 beneficial interest in a trust for which a bank
15 or savings association acts as trustee;
16 providing taxable status of assets purchased
17 by, and property managed by, an investment
18 adviser under specified conditions; repealing a
19 provision relating to returns filed by banking
20 organizations; amending s. 199.175, F.S.,
21 relating to taxable situs; conforming
22 provisions; amending s. 199.185, F.S.;
23 exempting accounts receivable arising out of a
24 trade or business from intangible personal
25 property taxes and providing a schedule for
26 implementing the exemption; providing a full,
27 rather than partial, exemption from the annual
28 tax for banks and savings associations;
29 exempting insurers from the annual tax;
30 repealing provisions relating to exemptions for
31 international banking transactions and real

1 estate mortgage investment conduits; repealing
2 s. 199.104, F.S., which provides a credit
3 against the annual tax for banks and savings
4 associations; repealing s. 220.68, F.S., which
5 provides a credit against the franchise tax
6 imposed on banks and savings associations based
7 on intangible tax paid; amending s. 199.282,
8 F.S.; revising the penalty for late filing of
9 an annual intangible tax return; providing a
10 limitation on combined delinquency and late
11 filing penalties; revising the penalty for
12 omitting or undervaluing property on an annual
13 return; amending s. 199.292, F.S.; revising the
14 distribution of intangible tax revenues;
15 amending s. 220.02, F.S., relating to order of
16 credits against the corporate income tax or
17 franchise tax, ss. 213.053 and 213.054, F.S.,
18 relating to information regarding the exemption
19 for international banking transactions, and s.
20 624.509, F.S., relating to the insurance
21 premium tax; conforming provisions; providing
22 application; providing effective dates.

23

24 Be It Enacted by the Legislature of the State of Florida:

25

26 Section 1. Subsections (13) and (14) are added to
27 section 199.023, Florida Statutes, to read:

28 199.023 Definitions.--As used in this chapter:

29 (13) "Ministerial function" means an act the
30 performance of which does not involve the use of discretion or
31 judgment.

1 (14) "Processing activity" means an activity
2 undertaken to administer or service intangible personal
3 property in accordance with such terms, guidelines, criteria,
4 or directions as are provided solely by the owner of the
5 property. Methods, systems, or techniques chosen by the
6 processor to implement such terms, guidelines, criteria, or
7 directions are not considered the exercise of management or
8 control.

9 Section 2. Section 199.052, Florida Statutes, is
10 amended to read:

11 199.052 Annual tax returns; payment of annual tax.--

12 (1) An annual intangible tax return must be filed with
13 the department by every corporation authorized to do business
14 in this state or doing business in this state and by every
15 person, regardless of domicile, who on January 1 owns,
16 controls, or manages intangible personal property which has a
17 taxable situs in this state. For purposes of this chapter,
18 "control" or "manage" does not include any ministerial
19 function or any processing activity. The return shall be due
20 on June 30 of each year. It shall list separately the
21 character, description, and just valuation of all such
22 property.

23 (2) No person shall be required to pay the annual tax
24 in any year when the aggregate annual tax upon the person's
25 intangible personal property, after exemptions, would be less
26 than ~~\$60~~\$5. In such case, an annual return is not required
27 unless the taxpayer is a corporation, ~~a banking organization~~
28 ~~claiming the exemption provided in s. 199.185(1)(i),~~ or an
29 agent or fiduciary of whom the department requires an
30 informational return. Agents and fiduciaries shall report for
31 each person for whom they hold intangible personal property if

1 the aggregate annual tax on such person is \$60 or more ~~than~~
2 ~~\$5~~.

3 (3) A corporation having no intangible tax liability,
4 and required to file an annual report pursuant to s. 607.1622,
5 is not required to file the annual intangible tax return
6 required by this section.

7 (4) A husband and wife may file a joint return with
8 regard to all intangible personal property held jointly or
9 individually by them. They shall then be jointly liable for
10 the payment of the annual tax.

11 (5) The trustee of a Florida-situs trust is primarily
12 responsible for returning the trust's intangible personal
13 property and paying the annual tax on it. The trust's
14 beneficiaries, however, may individually return their
15 equitable shares of the trust's intangible personal property
16 and pay the tax on such shares, in which case the trustee need
17 not return such property or pay such tax, although the
18 department may require the trustee to file an informational
19 return.

20 (6) Each Florida resident with a beneficial interest,
21 as defined in s. 199.023(7), in a foreign-situs trust, that
22 is, a trust with situs outside of this state, is primarily
23 responsible for returning the resident's equitable share of
24 the trust's intangible personal property and paying the annual
25 tax on it. The trustee of a foreign trust may return and pay
26 the tax on the equitable shares of all Florida residents
27 having beneficial interests, in which case the residents need
28 not return such property or pay such tax.

29 (7) The personal representative or curator of a
30 Florida estate is primarily responsible for returning the
31 estate's intangible personal property and paying the annual

1 tax on it. The heirs or devisees, however, may individually
2 return their equitable shares of the estate's intangible
3 personal property and pay the tax on such shares, in which
4 case the personal representative or curator need not return
5 such property or pay such tax, although the department may
6 require the personal representative or curator to file an
7 informational return.

8 (8) The guardian of the property of a Florida
9 incompetent shall return the incompetent's intangible personal
10 property and pay the annual tax on it. The custodian of a
11 Florida minor under a gifts to minors or similar act shall
12 return the minor's intangible personal property which is
13 subject to the custodianship and pay the annual tax on it.

14 (9) Where an agent has control or management of
15 intangible personal property, the principal is primarily
16 responsible for returning such property and paying the annual
17 tax on it, but the agent shall return such property on behalf
18 of the principal and pay the annual tax on it if the principal
19 fails to do so. The department may in any case require the
20 agent to file an informational return.

21 (10) An affiliated group of corporations may elect to
22 make a consolidated return for any year. The election shall
23 be made by timely filing a consolidated return. Once made, an
24 election may not be revoked, and it is binding for the tax
25 year. The mere making of a consolidated return shall not in
26 itself provide a business situs in this state for intangible
27 personal property held by a corporation. The fact that
28 members of an affiliated group own stock in corporations which
29 do not qualify under the stock ownership requirements as
30 members of an affiliated group shall not preclude the filing
31 of a consolidated return on behalf of the qualified members.

1 Where a consolidated return is made, intercompany accounts,
2 including the capital stock of an includable corporation,
3 other than the parent, owned by another includable
4 corporation, shall not be subject to annual taxation. However,
5 capital stock and other intercompany accounts of a
6 nonqualified member of the affiliated group shall be subject
7 to annual tax. Each consolidated return shall be accompanied
8 by documentation identifying all intercompany accounts and
9 containing such other information as the department shall
10 require. Failure to timely file a consolidated return shall
11 not prejudice the taxpayer's right to file a consolidated
12 return, provided that the failure to file a consolidated
13 return is limited to 1 year and the taxpayer's intent to file
14 a consolidated return is evidenced by the taxpayer having
15 filed a consolidated return for the 3 years prior to the year
16 the return was not timely filed.

17 ~~(11) The return filed by each banking organization~~
18 ~~shall set out the character, description, and just valuation~~
19 ~~by category of all intangible personal property which is~~
20 ~~issued in or arises out of international banking transactions~~
21 ~~and which is owned by the banking organization.~~

22 (11)~~(12)~~ Securities held in margin accounts by a
23 security broker not acting as a fiduciary shall be returned,
24 and the annual tax on such securities shall be paid, by the
25 customer owning them. The security broker shall not be
26 required to return or pay the tax on such securities.

27 (12)~~(13)~~ Except as otherwise provided in this section,
28 the owner of intangible personal property is liable for the
29 payment of annual tax on it, and any other person required to
30 return such property is liable for the tax if the owner fails
31 to pay it.

1 ~~(13)(14)~~ The annual intangible tax return shall
2 include language permitting a voluntary contribution of \$5 per
3 taxpayer, which contribution shall be transferred into the
4 Election Campaign Financing Trust Fund. A statement providing
5 an explanation of the purpose of the trust fund shall also be
6 included.

7 (14) If a bank or savings association, as defined by
8 s. 220.62, acts as a trustee of a trust, the bank or savings
9 association shall not be required to return and pay the annual
10 tax on intangible personal property held by the trust. If a
11 bank or savings association, as defined by s. 220.62, acts as
12 a fiduciary or agent of a trust other than as a trustee,
13 intangible personal property of the trust shall not have
14 taxable situs in this state pursuant to s. 199.175 solely by
15 virtue of the management or control of the bank or savings
16 association. For purposes of this chapter, where a bank or
17 savings association, as defined by s. 220.62, is the trustee
18 of a trust, the trust shall not be considered a Florida-situs
19 trust and each Florida resident with a beneficial interest, as
20 defined by s. 199.023(7), shall be responsible for returning
21 the resident's equitable share of the trust's intangible
22 personal property and paying the annual tax on it.

23 (15) If an investment adviser, as defined by s.
24 517.021, does not own but has discretionary authority to
25 invest moneys on behalf of a principal, the investment adviser
26 shall not be required to return and pay the annual tax on
27 intangible personal property with respect to the assets the
28 adviser purchases with such funds of the principal. If an
29 investment adviser acts as a fiduciary or an agent of a
30 principal, intangible personal property of the principal shall
31 not have taxable situs in this state pursuant to s. 199.175

1 solely by virtue of the management or control of that property
2 by the investment adviser.

3 Section 3. Paragraph (a) of subsection (1) and
4 paragraph (b) of subsection (2) of section 199.175, Florida
5 Statutes, are amended to read:

6 199.175 Taxable situs.--For purposes of the annual tax
7 imposed under this chapter:

8 (1) Intangible personal property shall have a taxable
9 situs in this state when it is owned, managed, or controlled
10 by any person domiciled in this state on January 1 of the tax
11 year. Such intangibles shall be subject to annual taxation
12 under this chapter, unless the person who owns, manages, or
13 controls them is specifically exempt or unless the property is
14 specifically exempt. This provision shall apply regardless of
15 where the evidence of the intangible property is kept; where
16 the intangible is created, approved, or paid; or where
17 business may be conducted from which the intangible arises.
18 The fact that a Florida corporation owns the stock of an
19 out-of-state corporation and manages and controls such
20 corporation from a location in this state shall not operate to
21 give a taxable situs in this state to the intangibles owned by
22 the out-of-state corporation, which intangibles arise out of
23 business transacted outside this state.

24 (a) For the purposes of this chapter, the term "any
25 person domiciled in this state" means:

26 1. Any natural person who is a legal resident of this
27 state;

28 2. Any ~~bank or financial institution,~~ business,
29 business trust as described in chapter 609, company,
30 corporation, ~~insurance company,~~ partnership, or other
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1 artificial entity organized or created under the law of this
2 state, except a trust; or

3 3. Any person, including a trust, who has established
4 a commercial domicile in this state.

5 (2) Intangible personal property shall have a taxable
6 situs in this state when it is deemed to have a business situs
7 in this state and it is owned, managed, or controlled by a
8 person transacting business in this state, even though the
9 owner may claim a domicile elsewhere. This provision shall
10 apply regardless of where the evidence of the intangible is
11 kept or where the intangible is created, approved, or paid.

12 (b) Notwithstanding the provisions of this subsection:

13 1.a. Intangibles that are credit card or charge card
14 receivables or related lines of credit or loans shall be
15 deemed to have business situs in this state only when the debt
16 represented by such intangibles is owed by a customer who is
17 domiciled in this state.

18 b. The performance of ministerial functions relating
19 to, or the processing of, credit card or charge card
20 receivables in this state for the owner of such receivables is
21 not sufficient to support a finding that the owner is
22 transacting business in this state.

23 c. The term "credit card or charge card receivables"
24 does not include trade or service receivables as defined in s.
25 864 of the Internal Revenue Code of 1986, as amended.

26 2. An intangible owned by a real estate mortgage
27 investment conduit, a real estate investment trust, or a
28 regulated investment company, as those terms are defined in
29 the United States Internal Revenue Code of 1986, as amended,
30 shall not be deemed to have a taxable situs in this state

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1 unless such entity has its legal or commercial domicile in
2 this state.

3 3. The ownership of any interest in a participation or
4 syndication loan or pool of loans, notes, or receivables shall
5 not be sufficient to support a finding that the owner of such
6 interest is transacting business in this state. For the
7 purposes of this subparagraph, a participation or syndication
8 loan is a loan in which more than one lender is a creditor to
9 a common borrower, and a participation or syndication interest
10 in a pool of loans, notes, or receivables is an interest
11 acquired from the originator or initial creditor with respect
12 to the loans, notes, or receivables constituting the pool.

13 ~~4. Assets owned by a foreign insurance company, as~~
14 ~~defined in s. 624.06, shall not be deemed to have a business~~
15 ~~situs in this state if they are managed and controlled outside~~
16 ~~this state.~~

17 Section 4. Subsections (1) and (5) of section 199.185,
18 Florida Statutes, are amended, and subsection (8) is added to
19 that section, to read:

20 199.185 Property exempted from annual and nonrecurring
21 taxes.--

22 (1) The following intangible personal property shall
23 be exempt from the annual and nonrecurring taxes imposed by
24 this chapter:

25 (a) Money.

26 (b) Franchises.

27 (c) Any interest as a partner in a partnership, either
28 general or limited, other than any interest as a limited
29 partner in a limited partnership registered with the
30 Securities and Exchange Commission pursuant to the Securities
31 Act of 1933, as amended.

1 (d) Notes, bonds, and other obligations issued by the
2 State of Florida or its municipalities, counties, and other
3 taxing districts, or by the United States Government and its
4 agencies.

5 (e) Intangible personal property held in trust
6 pursuant to any stock bonus, pension, or profit-sharing plan
7 or any individual retirement account which is qualified under
8 s. 401 or s. 408 of the United States Internal Revenue Code,
9 26 U.S.C. ss. 401 and 408, as amended.

10 (f) Intangible personal property held under a
11 retirement plan of a Florida-based corporation exempt from
12 federal income tax under s. 501(c)(6) of the United States
13 Internal Revenue Code, 26 U.S.C., if the primary purpose of
14 the corporation is to support the promotion of professional
15 sports and the retirement plan is either a qualified plan
16 under s. 457 of the United States Internal Revenue Code or the
17 contributions to the plan, pursuant to a ruling by the United
18 States Internal Revenue Service, are not taxable to plan
19 participants until actual receipt or withdrawal by the
20 participant.

21 (g) Notes and other obligations, except bonds, to the
22 extent that such notes and obligations are secured by
23 mortgage, deed of trust, or other lien upon real property
24 situated outside the state.

25 (h) The assets of a corporation registered under the
26 Investment Company Act of 1940, 15 U.S.C. s. 80a-1-52, as
27 amended.

28 ~~(i) All intangible personal property issued in or~~
29 ~~arising out of any international banking transaction and owned~~
30 ~~by a banking organization.~~

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1 ~~(i)(j)~~ Units of a unit investment trust organized
2 under an agreement or declaration of trust and registered
3 under the Investment Company Act of 1940, as amended, whose
4 portfolio of assets consists solely of assets exempt under
5 this section.

6 ~~(j)(k)~~ Real estate mortgage investment conduits
7 (REMIC) that are directly or indirectly secured by or payable
8 from notes and obligations that are in turn secured by a
9 mortgage, deed of trust, or other lien upon real property
10 situated in or outside of the state, including but not limited
11 to mortgage pools, participations, and derivatives and are
12 held as investments by banks or savings associations in
13 compliance with regulatory agency guidelines. This paragraph
14 expires July 1, 2000.

15 (k) One-third of the accounts receivable arising in
16 the ordinary course of a trade or business which are owned,
17 controlled, or managed by a taxpayer on January 1, 1999;
18 two-thirds of the accounts receivable owned, controlled, or
19 managed by a taxpayer on January 1, 2000; and all of such
20 accounts receivable owned, controlled, or managed by a
21 taxpayer on January 1, 2001. This exemption does not apply to
22 accounts receivable which arise outside the taxpayer's
23 ordinary course of trade or business. For the purposes of this
24 chapter, the term "accounts receivable" means a business debt
25 that is owed by another in the taxpayer's ordinary course of
26 trade or business and is not supported by negotiable
27 instruments. Accounts receivable include, but are not limited
28 to, credit and charge card receivables, margin receivables,
29 inventory or other floor plan financing, lease payments past
30 due, conditional sales contracts, and financing lease
31 contracts.

1 (5) Every bank and savings association, as defined in
2 s. 220.62, for taxes due before July 1, 1999, is exempt from
3 .5 mill of the tax imposed by s. 199.032 and, for taxes due on
4 or after July 1, 1999, is exempt from the tax imposed by s.
5 199.032.

6 (8) Every insurer, as defined in s. 624.03, whether
7 the insurer is authorized or unauthorized as defined in s.
8 624.09, is exempt from the tax imposed by s. 199.032.

9 Section 5. Sections 199.104 and 220.68, Florida
10 Statutes, are repealed.

11 Section 6. Subsections (3) and (4) of section 199.282,
12 Florida Statutes, are amended to read:

13 199.282 Penalties for violation of this chapter.--

14 (3)(a) If any annual or nonrecurring tax is not paid
15 by the due date, a delinquency penalty shall be charged. The
16 delinquency penalty shall be 10 percent of the delinquent tax
17 for each calendar month or portion thereof from the due date
18 until paid, up to a limit of 50 percent of the total tax not
19 timely paid.

20 (b) If any annual tax return required by this chapter
21 is not filed by the due date, a penalty of 10 ~~30~~ percent of
22 the tax due with the return shall be charged for each calendar
23 month or portion thereof during which the return remains
24 unfiled, up to a limit of 50 percent of the total tax due for
25 each year or portion of the year during which the return
26 remains unfiled.

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28 For any penalty assessed under this subsection, the combined
29 total for all penalties assessed under paragraphs (a) and (b)
30 shall not exceed 10 percent per calendar month, up to a limit
31 of 50 percent of the total tax due.

1 (4) If an annual tax return is filed and property is
2 either omitted from it or undervalued, then a specific penalty
3 shall be charged. The specific penalty shall be 10 ~~30~~ percent
4 of the tax attributable to each omitted item or to each
5 undervaluation. No delinquency or late filing penalty shall be
6 charged with respect to any undervaluation.

7 Section 7. Subsection (3) of section 199.292, Florida
8 Statutes, is amended to read:

9 199.292 Disposition of intangible personal property
10 taxes.--All intangible personal property taxes collected
11 pursuant to this chapter shall be placed in a special fund
12 designated as the "Intangible Tax Trust Fund." The fund shall
13 be disbursed as follows:

14 (3) An amount equal to 35.7 ~~33.5~~ percent of the
15 remaining intangible personal property taxes collected shall
16 be transferred to the Revenue Sharing Trust Fund for Counties.
17 An amount equal to 64.3 ~~66.5~~ percent of the remaining taxes
18 collected shall be transferred to the General Revenue Fund of
19 the state.

20 Section 8. Subsection (10) of section 220.02, Florida
21 Statutes, is amended to read:

22 220.02 Legislative intent.--

23 (10) It is the intent of the Legislature that credits
24 against either the corporate income tax or the franchise tax
25 be applied in the following order: ~~those enumerated in s.~~
26 ~~220.68,~~ those enumerated in s. 631.719(1), those enumerated in
27 s. 631.705, those enumerated in s. 220.18, those enumerated in
28 s. 631.828, those enumerated in s. 220.181, those enumerated
29 in s. 220.183, those enumerated in s. 220.182, those
30 enumerated in s. 220.1895, those enumerated in s. 221.02,
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1 those enumerated in s. 220.184, those enumerated in s.
2 220.186, and those enumerated in s. 220.188.

3 Section 9. Subsection (4) of section 213.053, Florida
4 Statutes, is amended to read:

5 213.053 Confidentiality and information sharing.--

6 (4) Nothing contained in this section shall prevent
7 the department from publishing statistics so classified as to
8 prevent the identification of particular accounts, reports,
9 declarations, or returns or prevent the department from
10 disclosing to the Comptroller the names and addresses of those
11 taxpayers who have claimed ~~an exemption pursuant to s.~~
12 ~~199.185(1)(i) or~~ a deduction pursuant to s. 220.63(5).

13 Section 10. Section 213.054, Florida Statutes, is
14 amended to read:

15 213.054 Persons claiming tax ~~exemptions or~~ deductions;
16 annual report.--The Department of Revenue shall be responsible
17 for monitoring the utilization of tax exemptions and tax
18 deductions authorized pursuant to chapter 81-179, Laws of
19 Florida. On or before September 1 of each year, the
20 department shall report to the Comptroller the names and
21 addresses of all persons who have claimed ~~an exemption~~
22 ~~pursuant to s. 199.185(1)(i) or~~ a deduction pursuant to s.
23 220.63(5).

24 Section 11. Subsections (4), (7), and (8) of section
25 624.509, Florida Statutes, are amended to read:

26 624.509 Premium tax; rate and computation.--

27 (4) ~~The intangible tax imposed under chapter 199, The~~
28 income tax imposed under chapter 220, and the emergency excise
29 tax imposed under chapter 221 which are paid by any insurer
30 shall be credited against, and to the extent thereof shall
31 discharge, the liability for tax imposed by this section for

1 the annual period in which such tax payments are made. As to
2 any insurer issuing policies insuring against loss or damage
3 from the risks of fire, tornado, and certain casualty lines,
4 the tax imposed by this section, as intended and contemplated
5 by this subsection, shall be construed to mean the net amount
6 of such tax remaining after there has been credited thereon
7 such gross premium receipts tax as may be payable by such
8 insurer in pursuance of the imposition of such tax by any
9 incorporated cities or towns in the state for firefighters'
10 relief and pension funds and police officers' retirement funds
11 maintained in such cities or towns, as provided in and by
12 relevant provisions of the Florida Statutes. For purposes of
13 this subsection, payments of estimated income tax under
14 chapter 220 and of estimated emergency excise tax under
15 chapter 221 shall be deemed paid either at the time the
16 insurer actually files its annual returns under chapter 220 or
17 at the time such returns are required to be filed, whichever
18 first occurs, and not at such earlier time as such payments of
19 estimated tax are actually made.

20 (7) Credits and deductions against the tax imposed by
21 this section shall be taken in the following order: deductions
22 for assessments made pursuant to s. 440.51; credits for taxes
23 paid under ss. 175.101 and 185.08; credits for income taxes
24 paid under chapter 220, the emergency excise tax paid under
25 chapter 221 and the credit allowed under subsection (5), as
26 these credits are limited by subsection (6); ~~credits for~~
27 ~~intangible taxes paid under chapter 199~~ all other available
28 credits and deductions.

29 (8) From and after July 1, 1980, the premium tax
30 authorized by this section shall not be imposed upon receipts
31 of annuity premiums or considerations paid by holders in this

1 ~~state and from and after July 1, 1991, the intangible tax~~
2 ~~imposed by chapter 199 shall not be imposed on assets equal to~~
3 ~~the statutory legal reserves of annuity products maintained by~~
4 ~~insurance companies on behalf of their holders if the tax~~
5 savings derived are credited to the annuity holders. Upon
6 request by the Department of Revenue, any insurer availing
7 itself of this provision shall submit to the department
8 evidence which establishes that the tax savings derived have
9 been credited to annuity holders. As used in this subsection,
10 the term "holders" shall be deemed to include employers
11 contributing to an employee's pension, annuity, or
12 profit-sharing plan.

13 Section 12. For tax years beginning on or after
14 January 1, 1999, no credit under section 624.509(4), Florida
15 Statutes, or section 220.68, Florida Statutes, shall be
16 available for intangible tax imposed under chapter 199,
17 Florida Statutes.

18 Section 13. This act shall take effect July 1, 1998.
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LEGISLATIVE SUMMARY

Defines the terms "ministerial function" and "processing activity" for purposes of determining application of intangible personal property taxes. Increases from \$5 to \$60 the minimum amount of annual intangible personal property tax which a person may be required to pay. Specifies the taxable status of intangible personal property held by a trust for which a bank or savings association acts as trustee or as an agent other than a trustee, and provides responsibilities of Florida residents with a beneficial interest in a trust for which a bank or savings association acts as trustee. Specifies the taxable status of assets purchased by, and property managed by, an investment advisor. Deletes a provision relating to returns filed by banking organizations.

Provides an exemption from intangible personal property taxes for accounts receivable arising out of a trade or business. Increases the present exemption from 0.5 mill of the annual tax for banks and savings associations to a full exemption. Exempts insurers from the annual tax. Removes provisions relating to various credits and exemptions.

Revises the penalty for late filing of an annual intangible tax return. Provides a limitation on combined delinquency and late filing. Revises the penalty for omitting or undervaluing property on an annual return. Revises the distribution of intangible tax revenues.