

By Senator Ostalkiewicz

12-137A-98

1 A bill to be entitled
2 An act relating to taxation of intangible
3 personal property; amending s. 199.185, F.S.;
4 increasing the value of property that is
5 exempted from the annual tax of taxpayers who
6 are natural persons; providing an exemption
7 from the annual tax for taxpayers that are not
8 natural persons; excluding accounts receivable
9 from the property subject to taxation; amending
10 s. 199.032, F.S.; providing an exemption from
11 the tax for certain intangible personal
12 property that is secured by mortgage, deed of
13 trust, or other lien upon real estate;
14 repealing ss. 199.012, 199.023, 199.032,
15 199.042, 199.052, 199.057, 199.062, 199.103,
16 199.104, 199.106, 199.133, 199.135, 199.143,
17 199.145, 199.155, 199.175, 199.183, 199.185,
18 199.202, 199.212, 199.218, 199.232, 199.262,
19 199.272, 199.282, 199.292, 199.303, F.S.,
20 relating to the tax on intangible personal
21 property; abolishing the tax; providing duties
22 and powers of the Department of Revenue with
23 respect to collection of unpaid taxes;
24 providing effective dates.

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

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28 Section 1. Paragraph (1) is added to subsection (1) of
29 section 199.185, Florida Statutes, and subsection (2) of that
30 section is amended, to read:

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1 199.185 Property exempted from annual and nonrecurring
2 taxes.--

3 (1) The following intangible personal property shall
4 be exempt from the annual and nonrecurring taxes imposed by
5 this chapter:

6 (1) One-fifth of the accounts receivable owned by a
7 taxpayer on January 1, 1999; two-fifths of the accounts
8 receivable owned by a taxpayer on January 1, 2000;
9 three-fifths of the accounts receivable owned by a taxpayer on
10 January 1, 2001; and four-fifths of the accounts receivable
11 owned by a taxpayer on January 1, 2002.

12 (2)(a) With respect to the ~~first mill of the~~ annual
13 tax, every natural person is entitled each year to an
14 exemption of the first ~~\$50,000~~ ~~\$20,000~~ of the value of
15 property otherwise subject to the said tax on January 1, 1999;
16 \$100,000 of the value of property otherwise subject to the tax
17 on January 1, 2000; \$150,000 of the value of property
18 otherwise subject to the tax on January 1, 2001; and \$200,000
19 of the value of property otherwise subject to the tax on
20 January 1, 2002. A husband and wife filing jointly shall have
21 an exemption of ~~\$100,000~~ ~~\$40,000~~ on January 1, 1999; \$200,000
22 on January 1, 2000; \$300,000 on January 1, 2001; and \$400,000
23 on January 1, 2002.

24 (b) With respect to the annual tax, every taxpayer
25 that is not a natural person is entitled to the following
26 exemption:

27 1. The first \$100,000 of the value of property
28 otherwise subject to the tax on January 1, 1999;

29 2. The first \$200,000 of the value of property
30 otherwise subject to the tax on January 1, 2000;

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1 3. The first \$300,000 of the value of property
2 otherwise subject to the tax on January 1, 2001; and

3 4. The first \$400,000 of the value of property
4 otherwise subject to the tax on January 1, 2002.~~With respect~~
5 ~~to the last mill of the annual tax, every natural person is~~
6 ~~entitled each year to an exemption of the first \$100,000 of~~
7 ~~the value of property otherwise subject to said tax. A husband~~
8 ~~and wife filing jointly shall have an exemption of \$200,000.~~

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10 Agents and fiduciaries, other than guardians and custodians
11 under a gifts-to-minors act, filing as such may not claim this
12 exemption on behalf of their principals or beneficiaries;
13 however, if the principal or beneficiary returns the property
14 held by the agent or fiduciary and is a natural person, the
15 principal or beneficiary may claim the exemption. No taxpayer
16 shall be entitled to more than one exemption under this
17 subsection ~~paragraph (a) and one exemption under paragraph~~
18 ~~(b)~~. This exemption shall not apply to that intangible
19 personal property described in s. 199.023(1)(d).

20 Section 2. Section 199.032, Florida Statutes, is
21 amended to read:

22 199.032 Levy of annual tax.--An annual tax of 2 mills
23 is hereby imposed on each dollar of the just valuation of all
24 intangible personal property that ~~which~~ has a taxable situs in
25 this state, except for notes and other obligations for the
26 payment of money, other than bonds, which are secured by
27 mortgage, deed of trust, or other lien upon real property
28 situated in the state. This tax shall be assessed and
29 collected as provided in this chapter. The first \$100,000 of
30 the value of the property subject to the tax is exempt on
31 January 1, 1999; the first \$200,000 of the value of the

1 property subject to the tax is exempt on January 1, 2000; the
2 first \$300,000 of the value of property subject to the tax is
3 exempt on January 1, 2001; and the first \$400,000 of the value
4 of property subject to the tax is exempt on January 1, 2002.

5 Section 3. Effective January 1, 2003, sections
6 199.012, 199.023, 199.032, 199.042, 199.052, 199.057, 199.062,
7 199.104, 199.106, 199.133, 199.145, 199.155, 199.175, 199.202,
8 199.212, 199.218, 199.232, 199.282, 199.292, and 199.303,
9 Florida Statutes; section 199.103, F.S., as amended by section
10 1 of chapter 95-244, Laws of Florida, and by section 14 of
11 chapter 97-287, Laws of Florida; section 199.135, Florida
12 Statutes, as amended by section 1480 of chapter 95-147, Laws
13 of Florida; section 199.143, Florida Statutes, as amended by
14 section 1 of chapter 97-123, Laws of Florida; section 199.183,
15 Florida Statutes, as amended by section 2 of chapter 96-283,
16 Laws of Florida, and by section 4 of chapter 97-197, Laws of
17 Florida; section 199.185, Florida Statutes, as amended by
18 section 1 of chapter 96-283, Laws of Florida, by section 13 of
19 chapter 96-320, by section 1 of chapter 97-191, Laws of
20 Florida, and by this act; section 199.262, Florida Statutes,
21 as amended by section 1046 of chapter 95-147, Laws of Florida;
22 and section 199.272, Florida Statutes, as amended by section
23 1047 of chapter 95-147, Laws of Florida, are repealed.

24 Section 4. The Department of Revenue is authorized to
25 take any action after January 1, 2003, which it was authorized
26 to take before that date to collect any tax that was due
27 before that date under chapter 199, Florida Statutes, and that
28 was unpaid, underpaid, or otherwise avoided.

29 Section 5. Except as otherwise expressly provided in
30 this act, this act shall take effect January 1, 1999.

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SENATE SUMMARY

Provides exemptions from the intangibles tax which increase every year beginning January 1, 1999, and culminate in the complete abolition of the tax effective January 1, 2003. Allows the Department of Revenue to take action to collect after the latter date taxes that were due but unpaid before that date.