

By Representative Starks

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. 199.32, 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 (k) is added to subsection (1) of  
29   section 199.185, Florida Statutes, 1996 Supplement, and  
30   subsection (2) of that 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           (k) One-fifth of the accounts receivable owned by a  
7 taxpayer on January 1, 1998; two-fifths of the accounts  
8 receivable owned by a taxpayer on January 1, 1999;  
9 three-fifths of the accounts receivable owned by a taxpayer on  
10 January 1, 2000; and four-fifths of the accounts receivable  
11 owned by a taxpayer on January 1, 2001.

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, 1998;~~  
16 \$100,000 of the value of property otherwise subject to the tax  
17 on January 1, 1999; \$150,000 of the value of property  
18 otherwise subject to the tax on January 1, 2000; and \$200,000  
19 of the value of property otherwise subject to the tax on  
20 January 1, 2001. A husband and wife filing jointly shall have  
21 an exemption of \$100,000 \$40,000 on January 1, 1998; \$200,000  
22 on January 1, 1999; \$300,000 on January 1, 2000; and \$400,000  
23 on January 1, 2001.

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, 1998;

29           2. The first \$200,000 of the value of property  
30 otherwise subject to the tax on January 1, 1999;

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1           3. The first \$300,000 of the value of property  
2 otherwise subject to the tax on January 1, 2000; and

3           4. The first \$400,000 of the value of property  
4 otherwise subject to the tax on January 1, 2001.~~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 which has a taxable situs in this  
25 state, except for notes and other obligations for the payment  
26 of money, other than bonds, which are secured by mortgage,  
27 deed of trust, or other lien upon real property situated in  
28 the state. This tax shall be assessed and collected as  
29 provided in this chapter. The first \$100,000 of the value of  
30 the property subject to the tax is exempt on January 1, 1998;  
31 the first \$200,000 of the value of the property subject to the

1 tax is exempt on January 1, 1999; the first \$300,000 of the  
2 value of property subject to the tax is exempt on January 1,  
3 2000; and the first \$400,000 of the value of property subject  
4 to the tax is exempt on January 1, 2001.

5           Section 3. Effective January 1, 2002, sections  
6 199.012, 199.023, 199.032, 199.042, 199.052, 199.057, 199.062,  
7 199.104, 199.106, 199.133, 199.143, 199.145, 199.155, 199.175,  
8 199.202, 199.212, 199.218, 199.232, 199.282, 199.292, and  
9 199.303, Florida Statutes; section 199.103, F.S., as amended  
10 by section 1 of chapter 95-244, Laws of Florida; section  
11 199.135, Florida Statutes, as amended by section 1480 of  
12 chapter 95-147, Laws of Florida; section 199.183, Florida  
13 Statutes, as amended by section 2 of chapter 96-283, Laws of  
14 Florida; section 199.185, Florida Statutes, as amended by  
15 section 1 of chapter 96-283, Laws of Florida, section 13 of  
16 chapter 96-320, Laws of Florida, and this act; section  
17 199.262, Florida Statutes, as amended by section 1046 of  
18 chapter 95-147, Laws of Florida; and section 199.272, Florida  
19 Statutes, as amended by section 1047 of chapter 95-147, Laws  
20 of Florida, are repealed.

21           Section 4. The Department of Revenue is authorized to  
22 take any action after January 1, 2002, which it was authorized  
23 to take before that date to collect any tax that was due  
24 before that date under chapter 199, Florida Statutes, and that  
25 was unpaid, underpaid, or otherwise avoided.

26           Section 5. Except as otherwise expressly provided in  
27 this act, this act shall take effect January 1, 1998.  
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SENATE SUMMARY

Provides exemptions from the intangibles tax which increase every year beginning January 1, 1998, and culminate in the complete abolition of the tax effective January 1, 2002. Allows the Department of Revenue to take action to collect after the latter date taxes that were due but unpaid before that date.