

By Senator Klein

28-875-99

See HB

1                                   A bill to be entitled  
2           An act relating to intangible personal property  
3           taxes; providing a short title; amending s.  
4           199.052, F.S.; decreasing the minimum amount of  
5           annual intangible personal property tax which a  
6           person may be required to pay; amending s.  
7           199.185, F.S.; increasing the exemption from  
8           the annual tax granted to natural persons;  
9           providing effective dates.

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

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13           Section 1. This act may be cited as the "Intangible  
14 Tax Equity and Simplification Act of 1999."

15           Section 2. Subsection (2) of section 199.052, Florida  
16 Statutes, 1998 Supplement, is amended to read:

17           199.052 Annual tax returns; payment of annual tax.--

18           (2) No person shall be required to pay the annual tax  
19 in any year when the aggregate annual tax upon the person's  
20 intangible personal property, after exemptions, would be less  
21 than \$560. In such case, an annual return is not required  
22 unless the taxpayer is a corporation, a banking organization  
23 claiming the exemption provided in s. 199.185(1)(i), or an  
24 agent or fiduciary of whom the department requires an  
25 informational return. Agents and fiduciaries shall report for  
26 each person for whom they hold intangible personal property if  
27 the aggregate annual tax on such person is \$560 or more.

28           Section 3. Effective July 1, 2000, subsection (2) of  
29 section 199.052, Florida Statutes, 1998 Supplement, as amended  
30 by section 3 of chapter 98-132, Laws of Florida, is amended to  
31 read:

1 199.052 Annual tax returns; payment of annual tax.--

2 (2) No person shall be required to pay the annual tax  
3 in any year when the aggregate annual tax upon the person's  
4 intangible personal property, after exemptions, would be less  
5 than \$5\$60. In such case, an annual return is not required  
6 unless the taxpayer is a corporation or an agent or fiduciary  
7 of whom the department requires an informational return.  
8 Agents and fiduciaries shall report for each person for whom  
9 they hold intangible personal property if the aggregate annual  
10 tax on such person is \$5\$60 or more.

11 Section 4. Subsection (2) of section 199.185, Florida  
12 Statutes, 1998 Supplement, is amended to read:

13 199.185 Property exempted from annual and nonrecurring  
14 taxes.--

15 (2)(a) With respect to the ~~first mill of the~~ annual  
16 tax, every natural person is entitled each year to an  
17 exemption of the first \$75,000~~\$20,000~~ of the value of  
18 property otherwise subject to said tax. A husband and wife  
19 filing jointly shall have an exemption of \$150,000~~\$40,000~~.

20 ~~(b) With respect to the last mill of the annual tax,~~  
21 ~~every natural person is entitled each year to an exemption of~~  
22 ~~the first \$100,000 of the value of property otherwise subject~~  
23 ~~to said tax. A husband and wife filing jointly shall have an~~  
24 ~~exemption of \$200,000.~~

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26 Agents and fiduciaries, other than guardians and custodians  
27 under a gifts-to-minors act, filing as such may not claim this  
28 exemption on behalf of their principals or beneficiaries;  
29 however, if the principal or beneficiary returns the property  
30 held by the agent or fiduciary and is a natural person, the  
31 principal or beneficiary may claim the exemption. No taxpayer

1 shall be entitled to more than one exemption under this  
2 subsection paragraph (a) and one exemption under paragraph  
3 ~~(b)~~. This exemption shall not apply to that intangible  
4 personal property described in s. 199.023(1)(d).

5 Section 5. Except as otherwise provided in this act,  
6 this act shall take effect January 1, 2000.

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9 LEGISLATIVE SUMMARY

10 Creates the "Intangible Tax Equity and Simplification Act  
11 of 1999." Decreases from \$60 to \$5 the minimum amount of  
12 annual intangible personal property tax which a person  
13 may be required to pay. Increases the value of intangible  
14 personal property owned by a natural person which is  
15 exempt from the annual tax thereon from \$20,000, with  
16 respect to the first mill of tax, and \$100,000, with  
17 respect to the second mill of tax, to a flat \$75,000 with  
18 respect to both mills (these amounts are doubled for a  
19 husband and wife filing jointly).

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