Amendment No. ___ (for drafter's use only)

CHAMBER ACTION

Senate		House
	.	

ORIGINAL STAMP BELOW

Representative(s) Cosgrove, Wasserman Schultz, Bloom, Bush, and Brown offered the following:

Amendment (with title amendment)

On page 1, line 27

remove from the bill: everything after the enacting clause

and insert in lieu thereof:

Section 1. Section 199.185, Florida Statutes, is amended to read:

199.185 Property exempted from annual and nonrecurring taxes.--

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

(a) Money.

(b) Franchises.

(c) Any interest as a partner in a partnership, either general or limited, other than any interest as a limited partner in a limited partnership registered with the Securities and Exchange Commission pursuant to the Securities

Amendment No. ___ (for drafter's use only)

Act of 1933, as amended.

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

(e) Intangible personal property held in trust pursuant to any stock bonus, pension, or profit-sharing plan or any individual retirement account which is qualified under s. 530, s. 401, s. 408, or s. 408A of the United States Internal Revenue Code, 26 U.S.C. ss. 530, 401, 408, and 408A, as amended.

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

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

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

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

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

(k) Interests in real estate securitizations, including, but not limited to, real estate mortgage investment conduits (REMIC) and financial asset securitization trusts (FASITS), which are directly or indirectly secured by or payable from notes and obligations that are in turn secured solely by a mortgage, deed of trust, or other lien upon real property situated in or outside the state, including, but not limited to, mortgage pools, participations, and derivatives.

(l) All ~~One-third of the~~ accounts receivable arising or acquired in the ordinary course of a trade or business which are owned, controlled, or managed by a taxpayer on January 1, 2000 ~~1999~~, and thereafter. ~~It is the intent of the Legislature that, pursuant to future legislative action, the portion of such accounts receivable exempt from taxation be increased to two-thirds for taxes levied on January 1, 2000, and further increased to all such accounts receivable on January 1, 2001, and thereafter.~~This exemption does not apply to accounts receivable which arise outside the taxpayer's ordinary course of trade or business. For the purposes of this chapter, the term "accounts receivable" means a business debt that is owed by another to the taxpayer or the taxpayer's assignee in the ordinary course of trade or business and is not supported by negotiable instruments. Accounts receivable include, but are not limited to, credit card receivables, charge card receivables, credit receivables, margin receivables, inventory or other floor plan financing, lease payments past due, conditional sales contracts, retail installment sales agreements, financing lease contracts, and a claim against a debtor usually arising from sales or services rendered and which is not necessarily due or past due. The examples specified in this paragraph shall be deemed not to be supported by negotiable instruments. The term "negotiable instrument" means a written document that is legally capable of being transferred by indorsement or delivery. The term "indorsement" means the act of a payee or holder in writing his or her name on the back of an instrument without further qualifying words other than "pay to the order of" or "pay to" whereby the property is assigned and transferred to another.

(m) Stock options granted to employees by their employer pursuant to an incentive plan, if the employees cannot transfer, sell, or mortgage the options. Stock purchased by an employee from an employer pursuant to an incentive plan shall be treated as a nontaxable stock option if part of the purchase price of the stock is nonrecourse debt secured by the stock and the stock cannot be sold, transferred, or assigned by the employee until the nonrecourse debt is discharged. Such stock becomes taxable stock when it can be sold, transferred, or assigned by the employee.

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

~~(b)~~ With respect to the ~~last mill of the~~ annual tax, every natural person is entitled each year to an exemption of the first $100,000 of the value of property otherwise subject to said tax. A husband and wife filing jointly are entitled to

~~shall have~~ an exemption of $200,000. Every taxpayer that is not a natural person is entitled each year to an exemption of the first $100,000 of the value of property otherwise subject to the tax.

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

(3) Every natural person who is a widow or widower, or who is blind, or who is totally and permanently disabled, is entitled each year to an additional exemption of $500 of property otherwise subject to the annual or nonrecurring tax. This exemption is afforded by s. 3, Art. VII of the State Constitution and is available only to the extent not used against real property or tangible personal property taxes.

(4) Charitable trusts, 95 percent of the income of which is paid to organizations exempt from federal income tax pursuant to s. 501(c)3 of the Internal Revenue Code, shall be exempt from 1 mill of the tax imposed in s. 199.032.

(5) Those organizations defined in s. 220.62(1), (2), (3), or (4) are exempt from the tax imposed by s. 199.032.

~~(6) Every liquor distributor that is domiciled in this state, that is authorized to do business under the Beverage Law, and that has paid the license taxes required by s.~~

Amendment No. ___ (for drafter's use only)

~~565.03(2) is exempt from paying tax on accounts receivable owned by the taxpayer which are derived from, arise out of, or are issued in connection with a sale of alcoholic beverages transacted in another state with a customer in another state.~~

(6)~~(7)~~ A national bank that has its principal place of business in another state, processes credit card credit applications in this state or performs customer service or collection operations in this state, and is not a bank under 12 U.S.C. s. 1941(c)(2)(F), is exempt from paying tax on credit card receivables owed to the bank by a credit card holder domiciled outside this state.

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

Section 2. Subsection (3) of section 199.292, Florida Statutes, is amended to read:

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

(3) Of the remaining intangible personal property taxes collected, an amount equal to 45.67 ~~35.3~~ percent ~~in state fiscal year 1998-1999 and an amount equal to 37.7 percent in each year thereafter,~~ shall be transferred to the Revenue Sharing Trust Fund for Counties. Of the remaining taxes collected, an amount equal to 54.33 ~~64.7~~ percent ~~in state fiscal year 1998-1999 and an amount equal to 62.3 percent in each year thereafter,~~ shall be transferred to the General Revenue Fund of the state.

Section 3. This act shall take effect July 1, 1999.

Amendment No. ___ (for drafter's use only)

================ T I T L E   A M E N D M E N T ===============

And the title is amended as follows:

On page 1, lines 3-23

remove from the title of the bill: all of said lines

and insert in lieu thereof:

taxes; amending ss. 199.185, F.S.; exempting accounts receivable; increasing exemptions for taxpayers who are natural persons; creating exemptions for taxpayers who are not natural persons; amending s. 199.292, F.S.; changing distributions of tax proceeds to the General Revenue Fund and the Revenue Sharing Trust Fund for Counties; providing an effective date.