

Bill No. CS for SB 318

Amendment No.

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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11	Senator Horne moved the following amendment:		
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13	Senate Amendment (with title amendment)		
14	On page 1, line 13,		
15			
16	insert:		
17	Section 1. Subsection (8) of section 199.023, Florida		
18	Statutes, 1998 Supplement, is amended to read:		
19	199.023 Definitions.--As used in this chapter:		
20	(8) "Affiliated group of corporations " means one or		
21	more chains of corporations <u>or limited liability companies</u>		
22	connected through stock ownership <u>or membership interest in a</u>		
23	<u>limited liability company with a common parent corporation or</u>		
24	<u>limited liability company, for which providing that:</u>		
25	(a) Stock <u>or membership interest in a limited</u>		
26	<u>liability company</u> possessing at least 80 percent of the voting		
27	power of all classes of stock <u>or membership interest in a</u>		
28	<u>limited liability company</u> and at least 80 percent of each		
29	class of the nonvoting stock <u>or membership interest in a</u>		
30	<u>limited liability company of each corporation or limited</u>		
31	<u>liability company, except for the common parent corporation or</u>		

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1 limited liability company, is owned directly by one or more of
 2 the other corporations; and
 3 (b) The common parent corporation or limited liability
 4 company directly owns stock or membership interest in a
 5 limited liability company possessing at least 80 percent of
 6 the voting power of all classes of stock or membership
 7 interest in a limited liability company and at least 80
 8 percent of each class of the nonvoting stock or membership
 9 interest in a limited liability company of at least one of the
 10 other corporations or limited liability companies.

11
 12 As used in this subsection, the terms term "nonvoting stock"
 13 and "membership interest in a limited liability company" do
 14 ~~does~~ not include nonvoting stock or membership interest in a
 15 limited liability company which is limited and preferred as to
 16 dividends. For purposes of this chapter, a common parent may
 17 be a corporation or a limited liability company.

18 Section 2. Subsection (10) of section 199.052, Florida
 19 Statutes, 1998 Supplement, is amended to read:

20 199.052 Annual tax returns; payment of annual tax.--
 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 or
 29 membership interest in limited liability companies which do
 30 not qualify under the stock ownership or membership interest
 31 in a limited liability company requirements as members of an

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

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23 (Redesignate subsequent sections.)

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

27 And the title is amended as follows:

28 On page 1, line 2, after the semicolon,

29

30 insert:

31 amending s. 199.023, F.S.; changing the term

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1 "affiliated group of corporations" to the term
2 "affiliated group" and including limited
3 liability companies within its meaning;
4 amending s. 199.052, F.S.; providing that
5 limited liability companies may elect to file a
6 consolidated intangibles tax return;
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