

1 A bill to be entitled
2 An act relating to taxation; amending s.
3 220.03, F.S.; revising definitions relating to
4 the income tax code to incorporate the most
5 recent changes to the United States Internal
6 Revenue Code; defining "citrus processing
7 company"; amending s. 220.151, F.S.; allowing
8 certain citrus processing companies to elect to
9 determine the apportionment of their adjusted
10 federal income to this state solely by use of
11 the sales factor; providing for retroactive
12 application; providing an effective date.

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

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16 Section 1. Paragraph (n) of subsection (1) and
17 paragraph (c) of subsection (2) of section 220.03, Florida
18 Statutes, 1998 Supplement, are amended and a new subsection
19 (hh) is added to subsection (1) of that section to read:

20 220.03 Definitions.--

21 (1) SPECIFIC TERMS.--When used in this code, and when
22 not otherwise distinctly expressed or manifestly incompatible
23 with the intent thereof, the following terms shall have the
24 following meanings:

25 (n) "Internal Revenue Code" means the United States
26 Internal Revenue Code of 1986, as amended and in effect on
27 January 1, 1999 ~~1998~~, except as provided in subsection (3).

28 (hh) "Citrus processing company" means a corporation
29 which, during the 60-month period ending on December 31, 1997,
30 had derived more than 50 percent of its total gross receipts

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1 from the processing of citrus products and the manufacture of
2 juices.

3 (2) DEFINITIONAL RULES.--When used in this code and
4 neither otherwise distinctly expressed nor manifestly
5 incompatible with the intent thereof:

6 (c) Any term used in this code shall have the same
7 meaning as when used in a comparable context in the Internal
8 Revenue Code and other statutes of the United States relating
9 to federal income taxes, as such code and statutes are in
10 effect on January 1, 1999 ~~1998~~. However, if subsection (3) is
11 implemented, the meaning of any term shall be taken at the
12 time the term is applied under this code.

13 Section 2. Subsection (3) is added to section 220.151,
14 Florida Statutes, to read:

15 220.151 Apportionment; methods for special
16 industries.--

17 (3) For any taxable year beginning on or after January
18 1, 1999, a citrus processing company may, if required to
19 apportion its taxable net income pursuant to the three-factor
20 apportionment method set forth in s. 220.15(1), elect to have
21 such apportionment determined for that taxable year solely by
22 use of the sales factor, as set forth in s. 220.15(5). The
23 election shall be made by the filing of a return for the
24 taxable year utilizing this method.

25 Section 3. This act shall take effect upon becoming a
26 law, and shall operate retroactively to January 1, 1999.

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