

STORAGE NAME: h0489z.ag
DATE: May 4, 2000

****FAILED TO PASS THE LEGISLATURE****

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
AGRICULTURE
FINAL ANALYSIS**

BILL #: HB 489
RELATING TO: Corporate Income Tax
SPONSOR(S): Representative Bronson
TIED BILL(S): None

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) AGRICULTURE (not considered)
 - (2) FINANCE & TAXATION
 - (3) GENERAL GOVERNMENT APPROPRIATIONS
 - (4)
 - (5)
-

I. SUMMARY:

HB 489 authorizes a tax credit for a portion of the expenses incurred by an eligible buyer in connection with the use of qualified pooled and reusable pallets and container systems. The maximum credit allowable for a taxpayer per year is \$500,000.

The bill also provides definitions for the following terms:

- qualified pooled and reusable pallets and container systems;
- eligible buyer;
- equipment pooling company, and
- expenses.

The fiscal impact of HB 489 has not been determined.

HB 489 was not considered and, therefore, died in the Agriculture Committee.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|------------------------------|--|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

HB 489 provides a tax credit associated with the expenses related to the use of pallets and plastic containers for food and/or pallet related firms.

B. PRESENT SITUATION:

There is no current corporate income tax credit associated with the expenses related to the use of pallets and plastic containers for food and/or pallet related firms.

C. EFFECT OF PROPOSED CHANGES:

HB 489 provides a credit of 10% of the expenses related to the use of pallets and plastic containers for firms doing business related to the food and/or pallet industry.

D. SECTION-BY-SECTION ANALYSIS:

Section 1: Creates s. 220.193, F.S., provides a credit of 10 percent of expenses related to the use of qualified pallets and container systems incurred by an eligible buyer in any taxable year; provides the maximum credit allowable not to exceed \$500,000; provides credit for any taxable year may not exceed tax payable; provides explanation of what constitutes a single taxpayer; provides definitions; and provides qualifying language.

Section 2: Provides an effective date.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

N/A

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2. Expenditures:

N/A

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

N/A

2. Expenditures:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

N/A

D. FISCAL COMMENTS:

N/A

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

HB 1489 does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenue in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce any state tax shared with counties or municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

N/A

B. RULE-MAKING AUTHORITY:

N/A

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C. OTHER COMMENTS:

N/A

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

COMMITTEE ON AGRICULTURE:

Prepared by:

Staff Director:

Debbi Kaiser

Susan D. Reese

FINAL ANALYSIS PREPARED BY THE COMMITTEE ON AGRICULTURE:

Prepared by:

Staff Director:

Debbi Kaiser

Susan D. Reese