

By Representative Simmons

1 A bill to be entitled
 2 An act relating to the annual intangible
 3 personal property tax; providing legislative
 4 intent; amending s. 199.185, F.S.; exempting
 5 certain natural persons from payment of the
 6 annual tax; increasing the exempt value of
 7 property of natural persons subject to the
 8 annual tax; exempting certain value of property
 9 of nonnatural persons subject to the annual
 10 tax; providing for emergency rules of the
 11 Department of Revenue for certain purposes;
 12 repealing s. 1, ch. 2001-225, Laws of Florida,
 13 relating to exempt values of property subject
 14 to the annual tax; providing effective dates.

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

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 18 Section 1. It is the intent of the Legislature that
 19 the annual intangible personal property tax be ultimately
 20 eliminated as a tax in this state. Through a series of
 21 amendments to chapter 199, Florida Statutes, the Legislature
 22 has consistently reduced the burden of the tax upon the
 23 citizens of this state. In order to effectuate the
 24 Legislature's intent to accomplish the goal over a period of
 25 time, but in the meantime to protect those elderly, disabled,
 26 and financially disadvantaged individuals in this state who
 27 cannot afford such a tax, the Legislature desires to provide
 28 for a method to exempt such individuals from the tax
 29 completely.

30 Section 2. Effective January 1, 2002, subsection (2)
 31 of section 199.185, Florida Statutes, is amended to read:

1 199.185 Property exempted from annual and nonrecurring
2 taxes.--

3 (2)(a) Except as provided in paragraph (b), every
4 natural person is entitled each year to an exemption of the
5 first \$20,000 of the value of property otherwise subject to
6 the annual tax. A husband and wife filing jointly shall have
7 an exemption of \$40,000 of the value of property otherwise
8 subject to the annual tax.

9 (b) Every natural person whose annual household total
10 gross income, as defined under the United States Internal
11 Revenue Code, is less than \$14,500 in a tax year shall be
12 exempt from payment of the annual tax that year. A husband and
13 wife filing a joint return whose combined total gross income,
14 as defined under the United States Internal Revenue Code, is
15 less than \$29,000 in a tax year shall be exempt from payment
16 of the annual tax that year.

17
18 Agents and fiduciaries, other than guardians and custodians
19 under a gifts-to-minors act, filing as such may not claim this
20 exemption on behalf of their principals or beneficiaries;
21 however, if the principal or beneficiary returns the property
22 held by the agent or fiduciary and is a natural person, the
23 principal or beneficiary may claim the exemption. No taxpayer
24 shall be entitled to more than one exemption under this
25 subsection. This exemption shall not apply to that intangible
26 personal property described in s. 199.023(1)(d).

27 Section 3. Effective July 1, 2003, subsection (2) of
28 section 199.185, Florida Statutes, as amended by this act, is
29 amended to read:

30 199.185 Property exempted from annual and nonrecurring
31 taxes.--

1 ~~(2)(a) Except as provided in paragraph (b),~~Every
2 natural person is entitled each year to an exemption of the
3 first~~\$250,000~~~~\$20,000~~ of the value of property otherwise
4 subject to the annual tax. A husband and wife filing jointly
5 shall have an exemption of~~\$500,000~~~~\$40,000~~ of the value of
6 property otherwise subject to the annual tax. Every taxpayer
7 that is not a natural person is entitled to an exemption of
8 the first \$250,000 of the value of property otherwise subject
9 to the annual tax.

10 ~~(b) Every natural person whose annual household total~~
11 ~~gross income, as defined under the United States Internal~~
12 ~~Revenue Code, is less than \$14,500 in a tax year shall be~~
13 ~~exempt from payment of the annual tax that year. A husband and~~
14 ~~wife filing a joint return whose combined total gross income,~~
15 ~~as defined under the United States Internal Revenue Code, is~~
16 ~~less than \$18,000 for a tax year shall be exempt from payment~~
17 ~~of the annual tax that year.~~

18
19 Agents and fiduciaries, other than guardians and custodians
20 under a gifts-to-minors act, filing as such may not claim this
21 exemption on behalf of their principals or beneficiaries;
22 however, if the principal or beneficiary returns the property
23 held by the agent or fiduciary and is a natural person, the
24 principal or beneficiary may claim the exemption. No taxpayer
25 shall be entitled to more than one exemption under this
26 subsection. This exemption shall not apply to that intangible
27 personal property described in s. 199.023(1)(d).

28 Section 4. The executive director of the Department of
29 Revenue is authorized, and all conditions are deemed met, to
30 adopt emergency rules under ss. 120.536(1) and 120.54, Florida
31 Statutes, to implement chapter 199, Florida Statutes, as

1 provided in s. 199.202, Florida Statutes. Notwithstanding any
2 other provision of law, such emergency rules shall remain
3 effective for 6 months after the date of adoption and may be
4 renewed during the pendency of procedures to adopt rules
5 addressing the subject of the emergency rules.

6 Section 5. Section 1 of chapter 2001-225, Laws of
7 Florida, is repealed.

8 Section 6. Except as otherwise provided herein, this
9 act shall take effect December 31, 2001, but if it becomes a
10 law after December 31, 2001, it shall operate retroactively to
11 December 31, 2001.

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14 HOUSE SUMMARY

15 Exempts natural persons whose household total gross
16 income is less than \$14,500 or husbands and wives filing
17 jointly whose household total gross income is less than
18 \$29,000 from payment of the annual intangible personal
19 property tax. Increases, effective July 31, 2003, from
20 \$20,000 to \$250,000 for natural persons, from \$40,000 to
21 \$500,000 for husbands and wives filing jointly, and from
22 \$0 to \$250,000 for taxpayers who are not natural persons,
23 the value of property exempt from the annual intangible
24 personal property tax. Grants the Department of Revenue
25 emergency rulemaking authority. See bill for details.