

By Senator Campbell

33-1497-02

See HB

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; providing for emergency rules of
7 the Department of Revenue for certain purposes;
8 providing effective dates.

9
10 Be It Enacted by the Legislature of the State of Florida:

11
12 Section 1. It is the intent of the Legislature that
13 the annual intangible personal property tax be ultimately
14 eliminated as a tax in this state. Through a series of
15 amendments to chapter 199, Florida Statutes, the Legislature
16 has consistently reduced the burden of the tax upon the
17 citizens of this state. In order to effectuate the
18 Legislature's intent to accomplish the goal over a period of
19 time, but in the meantime to protect those elderly, disabled,
20 and financially disadvantaged individuals in this state who
21 cannot afford such a tax, the Legislature desires to provide
22 for a method to exempt such individuals from the tax
23 completely.

24 Section 2. Effective upon this act becoming a law and
25 operating retroactively to January 1, 2002, subsection (2) of
26 section 199.185, Florida Statutes, as amended by section 1 of
27 chapter 2001-371, Laws of Florida, is amended to read:

28 199.185 Property exempted from annual and nonrecurring
29 taxes.--

30 (2)(a) Except as provided in paragraph (b), every
31 natural person is entitled each year to an exemption of the

1 first \$20,000 of the value of property otherwise subject to
2 the annual tax. A husband and wife filing jointly shall have
3 an exemption of \$40,000 of the value of property otherwise
4 subject to the annual tax.

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

13
14 Agents and fiduciaries, other than guardians and custodians
15 under a gifts-to-minors act, filing as such may not claim this
16 exemption on behalf of their principals or beneficiaries;
17 however, if the principal or beneficiary returns the property
18 held by the agent or fiduciary and is a natural person, the
19 principal or beneficiary may claim the exemption. No taxpayer
20 shall be entitled to more than one exemption under this
21 subsection. This exemption shall not apply to that intangible
22 personal property described in s. 199.023(1)(d).

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

26 199.185 Property exempted from annual and nonrecurring
27 taxes.--

28 ~~(2)(a) Except as provided in paragraph (b),~~ Every
29 natural person is entitled each year to an exemption of the
30 first ~~\$250,000~~ ~~\$20,000~~ of the value of property otherwise
31 subject to the annual tax. A husband and wife filing jointly

1 shall have an exemption of \$500,000~~\$40,000~~ of the value of
2 property otherwise subject to the annual tax. Every taxpayer
3 that is not a natural person is entitled to an exemption of
4 the first \$250,000 of the value of property otherwise subject
5 to the annual tax.

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

14
15 Agents and fiduciaries, other than guardians and custodians
16 under a gifts-to-minors act, filing as such may not claim this
17 exemption on behalf of their principals or beneficiaries;
18 however, if the principal or beneficiary returns the property
19 held by the agent or fiduciary and is a natural person, the
20 principal or beneficiary may claim the exemption. No taxpayer
21 shall be entitled to more than one exemption under this
22 subsection. This exemption shall not apply to that intangible
23 personal property described in s. 199.023(1)(d).

24 Section 4. The executive director of the Department of
25 Revenue is authorized, and all conditions are deemed met, to
26 adopt emergency rules under sections 120.536(1) and 120.54,
27 Florida Statutes, to implement chapter 199, Florida Statutes,
28 as provided in section 199.202, Florida Statutes.
29 Notwithstanding any other provision of law, such emergency
30 rules shall remain effective for 6 months after the date of

31

1 adoption and may be renewed during the pendency of procedures
2 to adopt rules addressing the subject of the emergency rules.

3 Section 5. Except as otherwise provided in this act,
4 this act shall take effect upon becoming a law.

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

LEGISLATIVE SUMMARY

Exempts natural persons whose household total gross
income is less than \$14,500 or husbands and wives filing
jointly whose household total gross income is less than
\$29,000 from payment of the annual intangible personal
property tax. Phases out such exemption July 1, 2003,
concurrent with the scheduled increase in the exempt
value of property subject to the tax. (See bill for
details.)