

CHAMBER ACTION

1 The Committee on Appropriations recommends the following:

2
3 **Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to the annual intangible personal property
7 tax; amending s. 199.032, F.S.; reducing the tax rate for
8 one year; providing for reversion of the tax rate;
9 providing construction; providing an effective date.

10
11 WHEREAS, in 1998, the Legislature enacted chapter 98-132,
12 Laws of Florida, which raised the minimum payment of intangible
13 tax due from \$5 to \$60, exempted one-third of accounts
14 receivable from the tax, and expressed the Legislature's intent
15 to completely exempt accounts receivable from the tax, and

16 WHEREAS, in 1999, the Legislature enacted chapter 99-243,
17 Laws of Florida, which reduced the rate of the tax to 1.5 mills,
18 increased the exemption for accounts receivable to two-thirds,
19 and again expressed the Legislature's intent to completely
20 exempt accounts receivable from the tax on January 1, 2001, and

21 WHEREAS, in 2000, the Legislature enacted chapter 2000-173,
22 Laws of Florida, which further reduced the rate of the tax to 1

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23 mill and completely exempted accounts receivable from the tax,
24 and

25 WHEREAS, in 2001, the Legislature enacted chapter 2001-225,
26 Laws of Florida, which increased the exemption against the
27 annual tax to \$250,000 for each natural taxpayer and each
28 spouse, and created a \$250,000 exemption for all other taxpayers
29 commencing January 1, 2002, and

30 WHEREAS, financial circumstances in December 2001 resulted
31 in the Florida Legislature delaying the effective date of the
32 changes enacted in chapter 2001-225, Laws of Florida, until the
33 2004 tax year, and

34 WHEREAS, through these enactments, the Legislature has
35 previously demonstrated its commitment to reducing the tax
36 burden of Floridians and to completely phasing out the tax as
37 soon as possible, and

38 WHEREAS, the current Florida Legislature is also committed
39 to the goals of reducing the intangible tax burden and phasing
40 out the intangible tax as soon as possible, and

41 WHEREAS, the Legislature is in a position to currently
42 enact a further reduction in the intangible tax, NOW, THEREFORE,

43

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

45

46 Section 1. Section 199.032, Florida Statutes, is amended
47 to read:

48 199.032 Levy of annual tax.--An annual tax of 0.66 ± mill
49 is imposed on each dollar of the just valuation of all
50 intangible personal property that has a taxable situs in this

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51 | state, except for notes and other obligations for the payment of
52 | money, other than bonds, which are secured by mortgage, deed of
53 | trust, or other lien upon real property situated in the state.
54 | This tax shall be assessed and collected as provided in this
55 | chapter.

56 | Section 2. The amendment of s. 199.032, Florida Statutes,
57 | by this act shall expire on December 31, 2005, and the text of
58 | that section shall revert to that in existence on December 31,
59 | 2004, except that any amendments to such text enacted other than
60 | by this act shall be preserved and continue to operate to the
61 | extent that such amendments are not dependent upon the portions
62 | of such text which expired pursuant to the provisions of this
63 | act.

64 | Section 3. This act shall take effect January 1, 2005.