

Bill No. CS for SB 2032

Barcode 415908

CHAMBER ACTION

Senate

House

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Senator Atwater moved the following amendment:

Senate Amendment (with title amendment)

On page 44, lines 25 and 26, delete those lines

and insert:

5. A service company that is a subsidiary of a mutual insurance holding company, which mutual insurance holding company was in existence on or before January 1, 2000, shall allocate the salary of each service company employee covered by contracts with members of the mutual insurance holding company system to the companies for which the employees perform services. The salary allocation is based on the ratio of the amount of time during the tax year which the individual employee spends performing services or otherwise working for each company to the total amount of time the employee spends performing services or otherwise working for all companies. The total amount of salary allocated to an insurance company within the mutual insurance holding company system shall be included as that insurer's employee salaries for purposes of this section. However, this subparagraph does not apply for

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1 any tax year unless funds sufficient to offset the anticipated
2 salary credits have been appropriated to the General Revenue
3 Fund prior to the due date of the final return for that year.

4 a. The term "mutual insurance holding company system"
5 means two or more corporations that are subsidiaries of a
6 mutual insurance holding company and in compliance with part
7 IV of chapter 628.

8 b. The term "service company" means a separate
9 corporation within the mutual insurance holding company system
10 whose employees provide services to other members of the
11 mutual insurance holding company system and are treated as
12 service company employees for unemployment compensation and
13 common-law purposes. The mutual insurance holding company may
14 not qualify as a service company.

15 c. If an insurance company fails to substantiate,
16 whether by means of adequate records or otherwise, its
17 eligibility to claim the service company exception under this
18 section, or its salary allocation under this section, no
19 credit shall be allowed.

20 (c) The department may adopt rules pursuant to ss.
21 120.536(1) and 120.54 to administer this subsection.

22 Section 26. The sum of \$2.6 million is appropriated
23 from the Workers' Compensation Administration Trust Fund to
24 the General Revenue Fund for the 2005-2006 fiscal year.

25
26 (Redesignate subsequent sections.)

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29 ===== T I T L E A M E N D M E N T =====

30 And the title is amended as follows:

31 On page 3, lines 25-27, delete those lines

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1 and insert:

2 of calculating such a credit; allowing a salary
3 credit for employees of a service company
4 subsidiary of a mutual insurance holding
5 company; providing an exception; authorizing
6 the department to adopt rules to administer
7 such a credit; providing an appropriation;
8 providing legislative intent regarding

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