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CM.CM.02276

Proposed Committee Substitute by the Committee on Commerce

A bill to be entitled

An act relating to corporate income tax; amending s. 220.11 and s. 220.63, F.S.; lowering the corporate income tax rate for certain levels of taxable income; providing an effective date.

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

Section 1. Section 220.11, Florida Statutes, is amended to read:

220.11 Tax imposed.—

(1) A tax measured by net income is hereby imposed on every taxpayer for each taxable year commencing on or after January 1, 1972, and for each taxable year which begins before and ends after January 1, 1972, for the privilege of conducting business, earning or receiving income in this state, or being a resident or citizen of this state. Such tax shall be in addition to all other occupation, excise, privilege, and property taxes imposed by this state or by any political subdivision thereof, including any municipality or other district, jurisdiction, or authority of this state.

(2) The tax imposed by this section shall be an amount equal to 4.5 percent of the taxpayer's net income of up to \$1 million for the taxable year and 5.5 ~~5-1/2~~ percent of the taxpayer's net income in excess of \$1 million for the taxable year.

(3) The tax imposed by this section, for taxpayers determining taxable income under s. 220.13(2)(k), shall be an amount equal to 2.7 percent of the taxpayer's net income of up



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29 to \$1 million for the taxable year and 3.3 percent of the
30 taxpayer's net income in excess of \$1 million for the taxable
31 year.

32 (4) In the case of a taxpayer to which s. 55 of the
33 Internal Revenue Code is applied for the taxable year, the
34 amount of tax determined under this section shall be the greater
35 of the tax determined under subsection (2) without the
36 application of s. 55 of the Internal Revenue Code or the tax
37 determined under subsection (3).

38 Section 2. Subsection (2) of section 220.63, Florida
39 Statutes, is amended to read:

40 220.63 Franchise tax imposed on banks and savings
41 associations.—

42 (2) The tax imposed by this section shall be an amount
43 equal to 4.5 percent of the first \$1 million for the taxable
44 year and 5.5 ~~5-1/2~~ percent of the remaining franchise tax base
45 of the bank or savings association for the taxable year.

46 Section 3. This act shall take effect upon becoming law and
47 shall operate retroactively to January 1, 2010.