

By Senator Norman

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1 A bill to be entitled
2 An act relating to the incremental reduction and
3 future repeal of the corporate income tax; amending s.
4 220.11, F.S.; providing for incremental reductions of
5 the corporate income tax effective on specified dates;
6 providing for future repeal of part I of chapter 220,
7 F.S., relating to the chapter title, legislative
8 intent, and definitions, and part II of chapter 220,
9 F.S., relating to the imposition and apportionment of
10 the corporate income tax; providing legislative
11 findings, intent, and application; providing for
12 future repeal of part III of chapter 220, F.S.,
13 relating to corporate income tax returns,
14 declarations, and records, part IV of chapter 220,
15 F.S., relating to corporate income tax payments, part
16 V of chapter 220, F.S., relating to corporate income
17 tax accounting, part VI of chapter 220, F.S., relating
18 to miscellaneous corporate income tax provisions, part
19 VIII of chapter 220, F.S., relating to the
20 administrative procedures and judicial review
21 applicable to the corporate income tax, part IX of
22 chapter 220, F.S., relating to the penalties and
23 interest applicable to, and the enforcement of, the
24 corporate income tax, and part X of chapter 220, F.S.,
25 relating to the criminal offenses and penalties
26 applicable to the corporate income tax; amending s.
27 220.64, F.S.; providing for the future application to
28 the franchise tax of specified parts and sections of
29 chapter 220, F.S., as those parts and sections existed

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30 before their repeal; providing direction to the
31 Division of Statutory Revision to assist legislative
32 committee staff in the preparation of conforming
33 legislation for submission at specified future regular
34 sessions; providing effective dates.

35
36 Be It Enacted by the Legislature of the State of Florida:

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

40 220.11 Tax imposed.—

41 (1) A tax measured by net income is hereby imposed on every
42 taxpayer for each taxable year commencing on or after January 1,
43 1972, and for each taxable year which begins before and ends
44 after January 1, 1972, for the privilege of conducting business,
45 earning or receiving income in this state, or being a resident
46 or citizen of this state. Such tax shall be in addition to all
47 other occupation, excise, privilege, and property taxes imposed
48 by this state or by any political subdivision thereof, including
49 any municipality or other district, jurisdiction, or authority
50 of this state.

51 (2) The tax imposed by this section shall be an amount
52 equal to 5 1/2 percent of the taxpayer's net income for the
53 taxable year.

54 (a) Effective January 1, 2012, the tax imposed under this
55 subsection shall be an amount equal to 4 1/2 percent of the
56 taxpayer's net income for the taxable year.

57 (b) Effective January 1, 2013, the tax imposed under this
58 subsection shall be an amount equal to 3 1/2 percent of the

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59 taxpayer's net income for the taxable year.

60 (c) Effective January 1, 2014, the tax imposed under this
61 subsection shall be an amount equal to 2 1/2 percent of the
62 taxpayer's net income for the taxable year.

63 (d) Effective January 1, 2015, the tax imposed under this
64 subsection shall be an amount equal to 1 1/2 percent of the
65 taxpayer's net income for the taxable year.

66 (e) Effective January 1, 2016, the tax imposed under this
67 subsection shall be an amount equal to 1/2 percent of the
68 taxpayer's net income for the taxable year.

69 (3) The tax imposed by this section, for taxpayers
70 determining taxable income under s. 220.13(2)(k), shall be an
71 amount equal to 3.3 percent of the taxpayer's net income for the
72 taxable year.

73 (a) Effective January 1, 2012, the tax imposed under this
74 subsection shall be an amount equal to 2.7 percent of the
75 taxpayer's net income for the taxable year.

76 (b) Effective January 1, 2013, the tax imposed under this
77 subsection shall be an amount equal to 2.1 percent of the
78 taxpayer's net income for the taxable year.

79 (c) Effective January 1, 2014, the tax imposed under this
80 subsection shall be an amount equal to 1.5 percent of the
81 taxpayer's net income for the taxable year.

82 (d) Effective January 1, 2015, the tax imposed under this
83 subsection shall be an amount equal to 0.9 percent of the
84 taxpayer's net income for the taxable year.

85 (e) Effective January 1, 2016, the tax imposed under this
86 subsection shall be an amount equal to 0.3 percent of the
87 taxpayer's net income for the taxable year.

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88 (4) In the case of a taxpayer to which s. 55 of the
89 Internal Revenue Code is applied for the taxable year, the
90 amount of tax determined under this section shall be the greater
91 of the tax determined under subsection (2) without the
92 application of s. 55 of the Internal Revenue Code or the tax
93 determined under subsection (3).

94 Section 2. Effective January 1, 2017, sections 220.02 and
95 220.03, Florida Statutes, designated as part I of chapter 220,
96 Florida Statutes, entitled "TITLE; LEGISLATIVE INTENT;
97 DEFINITIONS"; and sections 220.11, 220.12, 220.13, 220.131,
98 220.14, 220.15, 220.1501, 220.151, 220.152, 220.16, 220.181,
99 220.182, 220.183, 220.184, 220.1845, 220.185, 220.186, 220.1875,
100 220.1895, 220.1896, 220.1899, 220.19, 220.191, 220.192, and
101 220.193, Florida Statutes, designated as part II of chapter 220,
102 Florida Statutes, entitled "TAX IMPOSED; APPORTIONMENT," are
103 repealed.

104 Section 3. Legislative findings; intent; application.—The
105 Legislature recognizes that issues related to the collection and
106 liability for the payment of corporate income taxes imposed
107 before the effective date of the repeals enumerated in section 2
108 of this act will remain unresolved after the effective date of
109 those repeals. To ensure that the resolution of those issues
110 occurs in as orderly a manner as possible, the Legislature finds
111 it necessary to delay for 2 years the repeal of certain other
112 sections of chapter 220, Florida Statutes, related to the
113 corporate income tax. To that end and to the extent that the
114 remaining sections of chapter 220 are not manifestly
115 inapplicable or incompatible with the resolution of issues
116 arising before the effective date of the repeals enumerated in

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117 section 2 of this act, the Legislature intends for the remaining
118 sections to apply.

119 Section 4. Effective January 1, 2019, sections 220.21,
120 220.211, 220.22, 220.221, 220.222, 220.23, 220.24, 220.241, and
121 220.242, Florida Statutes, designated as part III of chapter
122 220, Florida Statutes, entitled "RETURNS; DECLARATIONS;
123 RECORDS"; sections 220.31, 220.32, 220.33, and 220.34, Florida
124 Statutes, designated as part IV of chapter 220, Florida
125 Statutes, entitled "PAYMENTS"; sections 220.41, 220.42, 220.43,
126 and 220.44, Florida Statutes, designated as part V of chapter
127 220, Florida Statutes, entitled "ACCOUNTING"; sections 220.51,
128 220.52, and 220.54, Florida Statutes, designated as part VI of
129 chapter 220, Florida Statutes, entitled "MISCELLANEOUS
130 PROVISIONS"; sections 220.701, 220.703, 220.705, 220.707,
131 220.709, 220.711, 220.713, 220.715, 220.717, 220.719, 220.721,
132 220.723, 220.725, 220.727, 220.731, 220.733, 220.735, 220.737,
133 and 220.739, Florida Statutes, designated as part VIII of
134 chapter 220, Florida Statutes, entitled "ADMINISTRATIVE
135 PROCEDURES AND JUDICIAL REVIEW"; sections 220.801, 220.803,
136 220.805, 220.807, 220.809, 220.813, 220.815, 220.819, 220.821,
137 220.823, 220.825, 220.827, and 220.829, Florida Statutes,
138 designated as part IX of chapter 220, Florida Statutes, entitled
139 "PENALTIES, INTEREST, AND ENFORCEMENT"; and sections 220.901,
140 220.903, and 220.905, Florida Statutes, designated as part X of
141 chapter 220, Florida Statutes, entitled "TAX CRIMES," are
142 repealed.

143 Section 5. Effective January 1, 2017, section 220.64,
144 Florida Statutes, is amended to read:

145 220.64 Other provisions applicable to franchise tax.—To the

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146 extent that they are not manifestly incompatible with the
147 provisions of this part, the following parts and sections apply
148 to the franchise tax imposed by this part:

149 (1) Part I, as it existed on December 31, 2016.

150 (2) Parts ~~I~~, III, IV, V, VI, VIII, IX, and X of this code
151 and ss.

152 (3) Sections 220.12, 220.13, 220.15, and 220.16, as they
153 existed on December 31, 2016 ~~apply to the franchise tax imposed~~
154 by this part.

155 (4) Under the rules prescribed in s. 220.131, as it existed
156 on December 31, 2016, a consolidated return may be filed by any
157 affiliated group of corporations composed of one or more banks
158 or savings associations, its or their Florida parent
159 corporation, and any nonbank or nonsavings subsidiaries of such
160 parent corporation.

161 Section 6. Effective January 1, 2019, section 220.64,
162 Florida Statutes, as amended by this act, is amended to read:

163 220.64 Other provisions applicable to franchise tax.—To the
164 extent that they are not manifestly incompatible with the
165 provisions of this part, the following parts and sections apply
166 to the franchise tax imposed by this part:

167 (1) Part I, as it existed on December 31, 2016.

168 (2) Parts III, IV, V, VI, VIII, IX, and X of this code, as
169 they existed on December 31, 2018.

170 (3) Sections 220.12, 220.13, 220.15, and 220.16, as they
171 existed on December 31, 2016.

172 (4) Under the rules prescribed in s. 220.131, as it existed
173 on December 31, 2016, a consolidated return may be filed by any
174 affiliated group of corporations composed of one or more banks

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175 or savings associations, its or their Florida parent
176 corporation, and any nonbank or nonsavings subsidiaries of such
177 parent corporation.

178 Section 7. In the interim between the 2016 Regular Session
179 and the 2017 Regular Session, the Division of Statutory Revision
180 shall provide the appropriate substantive committees of the
181 House of Representatives and the Senate with assistance, upon
182 request, to enable such committees to prepare draft legislation
183 to conform the Florida Statutes and any legislation enacted
184 during 2016 to the repeal of the provisions enumerated in
185 section 2 of this act for submission at the 2017 Regular Session
186 of the Legislature.

187 Section 8. In the interim between the 2018 Regular Session
188 and the 2019 Regular Session, the Division of Statutory Revision
189 shall provide the appropriate substantive committees of the
190 House of Representatives and the Senate with assistance, upon
191 request, to enable such committees to prepare draft legislation
192 to conform the Florida Statutes and any legislation enacted
193 during 2018 to the repeal of the provisions enumerated in
194 section 4 of this act for submission at the 2019 Regular Session
195 of the Legislature.

196 Section 9. Except as otherwise expressly provided in this
197 act, this act shall take effect July 1, 2011.