

By the Committees on Budget Subcommittee on Finance and Tax; and
Budget Subcommittee on Finance and Tax

593-02613-11

20111998c1

1 A bill to be entitled

2 An act relating to the corporate income tax; amending
3 s. 220.03, F.S.; providing for the adoption of the
4 2011 version of the Internal Revenue Code; amending s.
5 220.13, F.S.; specifying the treatment by this state
6 of certain depreciation and expensing of assets that
7 are allowed for federal income tax purposes;
8 authorizing the executive director of the Department
9 of Revenue to adopt emergency rules; providing for
10 retroactive application; providing an effective date.

11
12 Be It Enacted by the Legislature of the State of Florida:

13
14 Section 1. Paragraph (n) of subsection (1) and subsection
15 (2) of section 220.03, Florida Statutes, are amended to read:
16 220.03 Definitions.—

17 (1) SPECIFIC TERMS.—When used in this code, and when not
18 otherwise distinctly expressed or manifestly incompatible with
19 the intent thereof, the following terms shall have the following
20 meanings:

21 (n) "Internal Revenue Code" means the United States
22 Internal Revenue Code of 1986, as amended and in effect on
23 January 1, 2011 ~~2010~~, except as provided in subsection (3).

24 (2) DEFINITIONAL RULES.—When used in this code and neither
25 otherwise distinctly expressed nor manifestly incompatible with
26 the intent thereof:

27 (a) The word "corporation" or "taxpayer" shall be deemed to
28 include the words "and its successors and assigns" as if these
29 words, or words of similar import, were expressed;

593-02613-11

20111998c1

30 (b) Any term used in any section of this code with respect
31 to the application of, or in connection with, the provisions of
32 any other section of this code shall have the same meaning as in
33 such other section; and

34 (c) Any term used in this code shall have the same meaning
35 as when used in a comparable context in the Internal Revenue
36 Code and other statutes of the United States relating to federal
37 income taxes, as such code and statutes are in effect on January
38 1, 2011 ~~2010~~. However, if subsection (3) is implemented, the
39 meaning of any term shall be taken at the time the term is
40 applied under this code.

41 Section 2. Paragraph (e) of subsection (1) of section
42 220.13, Florida Statutes, is amended to read:

43 220.13 "Adjusted federal income" defined.—

44 (1) The term "adjusted federal income" means an amount
45 equal to the taxpayer's taxable income as defined in subsection
46 (2), or such taxable income of more than one taxpayer as
47 provided in s. 220.131, for the taxable year, adjusted as
48 follows:

49 (e) *Adjustments related to the Federal Economic Stimulus*
50 *Act of 2008, ~~and~~ the American Recovery and Reinvestment Act of*
51 *2009, the Small Business Jobs Act of 2010, and the Tax Relief,*
52 *Unemployment Insurance Reauthorization, and Job Creation Act of*
53 *2010.—Taxpayers shall be required to make the adjustments*
54 *prescribed in this paragraph for Florida tax purposes in*
55 *relation to certain tax benefits received pursuant to the*
56 *Economic Stimulus Act of 2008, ~~and~~ the American Recovery and*
57 *Reinvestment Act of 2009, the Small Business Jobs Act of 2010,*
58 *and the Tax Relief, Unemployment Insurance Reauthorization, and*

593-02613-11

20111998c1

59 Job Creation Act of 2010.

60 1. There shall be added to such taxable income an amount
61 equal to 100 percent of any amount deducted for federal income
62 tax purposes as bonus depreciation for the taxable year pursuant
63 to ss. 167 and 168(k) of the Internal Revenue Code of 1986, as
64 amended by s. 103 of Pub. L. No. 110-185, ~~and~~ s. 1201 of Pub. L.
65 No. 111-5, s. 2022 of Pub. L. No. 111-240, and s. 401 of Pub. L.
66 No. 111-312, for property placed in service after December 31,
67 2007, and before January 1, 2013 ~~2010~~. For the taxable year and
68 for each of the 6 subsequent taxable years, there shall be
69 subtracted from such taxable income an amount equal to one-
70 seventh of the amount by which taxable income was increased
71 pursuant to this subparagraph, notwithstanding any sale or other
72 disposition of the property that is the subject of the
73 adjustments and regardless of whether such property remains in
74 service in the hands of the taxpayer.

75 2. There shall be added to such taxable income an amount
76 equal to 100 percent of any amount in excess of \$128,000
77 deducted for federal income tax purposes for the taxable year
78 pursuant to s. 179 of the Internal Revenue Code of 1986, as
79 amended by s. 102 of Pub. L. No. 110-185, ~~and~~ s. 1202 of Pub. L.
80 No. 111-5, s. 2021 of Pub. L. No. 111-240, and s. 402 of Pub. L.
81 No. 111-312, for taxable years beginning after December 31,
82 2007, and before January 1, 2013 ~~2010~~. For the taxable year and
83 for each of the 6 subsequent taxable years, there shall be
84 subtracted from such taxable income one-seventh of the amount by
85 which taxable income was increased pursuant to this
86 subparagraph, notwithstanding any sale or other disposition of
87 the property that is the subject of the adjustments and

593-02613-11

20111998c1

88 regardless of whether such property remains in service in the
89 hands of the taxpayer.

90 3. There shall be added to such taxable income an amount
91 equal to the amount of deferred income not included in such
92 taxable income pursuant to s. 108(i)(1) of the Internal Revenue
93 Code of 1986, as amended by s. 1231 of Pub. L. No. 111-5. There
94 shall be subtracted from such taxable income an amount equal to
95 the amount of deferred income included in such taxable income
96 pursuant to s. 108(i)(1) of the Internal Revenue Code of 1986,
97 as amended by s. 1231 of Pub. L. No. 111-5.

98 4. Subtractions available under this paragraph may be
99 transferred to the surviving or acquiring entity following a
100 merger or acquisition and used in the same manner and with the
101 same limitations as specified by this paragraph.

102 5. The additions and subtractions specified in this
103 paragraph are intended to adjust taxable income for Florida tax
104 purposes, and, notwithstanding any other provision of this code,
105 such additions and subtractions shall be permitted to change a
106 taxpayer's net operating loss for Florida tax purposes.

107 Section 3. (1) The executive director of the Department of
108 Revenue is authorized, and all conditions are deemed met, to
109 adopt emergency rules under ss. 120.536(1) and 120.54(4),
110 Florida Statutes, for the purpose of implementing this act.

111 (2) Notwithstanding any other provision of law, the
112 emergency rules shall remain in effect for 6 months after they
113 are adopted and may be renewed during the pendency of procedures
114 to adopt permanent rules addressing the subject of the emergency
115 rules.

116 Section 4. This act shall take effect upon becoming a law,

593-02613-11

20111998c1

117

and shall operate retroactively to January 1, 2011.