

FOR CONSIDERATION By the Committee on Budget Subcommittee on Finance and Tax

593-02121-11

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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; providing
8 for retroactive application; providing an effective
9 date.

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

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

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

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

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

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

29 (b) Any term used in any section of this code with respect

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30 to the application of, or in connection with, the provisions of
31 any other section of this code shall have the same meaning as in
32 such other section; and

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

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

42 220.13 "Adjusted federal income" defined.—

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

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

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

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

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88 hands of the taxpayer.

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

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

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

106 Section 3. This act shall take effect upon becoming a law,
107 and shall operate retroactively to January 1, 2011.