

By the Committee on Finance and Tax

593-02342-15

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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.; adopting the 2015 version of the
4 Internal Revenue Code; amending s. 220.13, F.S.;
5 incorporating a reference to a recent federal act into
6 state law for the purpose of defining the term
7 "adjusted federal income"; revising the treatment by
8 this state of certain depreciation and expensing of
9 assets that are allowed for federal income tax
10 purposes; authorizing the Department of Revenue to
11 adopt emergency rules; reenacting s. 1009.97(3)(1),
12 F.S., relating to prepaid college board programs, to
13 incorporate the amendment made to s. 220.03, F.S., in
14 a reference thereto; providing for retroactive
15 application; providing an effective date.

16
17 Be It Enacted by the Legislature of the State of Florida:

18
19 Section 1. Paragraph (n) of subsection (1) and paragraph
20 (c) of subsection (2) of section 220.03, Florida Statutes, are
21 amended to read:

22 220.03 Definitions.—

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

27 (n) "Internal Revenue Code" means the United States
28 Internal Revenue Code of 1986, as amended and in effect on
29 January 1, 2015 ~~2014~~, except as provided in subsection (3).

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

33 (c) Any term used in this code has the same meaning as when
34 used in a comparable context in the Internal Revenue Code and
35 other statutes of the United States relating to federal income
36 taxes, as such code and statutes are in effect on January 1,
37 2015 ~~2014~~. However, if subsection (3) is implemented, the
38 meaning of a term shall be taken at the time the term is applied
39 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 federal acts.*—Taxpayers shall be
49 required to make the adjustments prescribed in this paragraph
50 for Florida tax purposes with respect to certain tax benefits
51 received pursuant to the Economic Stimulus Act of 2008, the
52 American Recovery and Reinvestment Act of 2009, the Small
53 Business Jobs Act of 2010, the Tax Relief, Unemployment
54 Insurance Reauthorization, and Job Creation Act of 2010, ~~and~~ the
55 American Taxpayer Relief Act of 2012, and the Tax Increase
56 Prevention Act of 2014.

57 1. There shall be added to such taxable income an amount
58 equal to 100 percent of any amount deducted for federal income

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59 tax purposes as bonus depreciation for the taxable year pursuant
60 to ss. 167 and 168(k) of the Internal Revenue Code of 1986, as
61 amended by s. 103 of Pub. L. No. 110-185, s. 1201 of Pub. L. No.
62 111-5, s. 2022 of Pub. L. No. 111-240, s. 401 of Pub. L. No.
63 111-312, ~~and~~ s. 331 of Pub. L. No. 112-240, and s. 125 of Pub.
64 L. No. 113-295, for property placed in service after December
65 31, 2007, and before January 1, 2015 ~~2014~~. For the taxable year
66 and for each of the 6 subsequent taxable years, there shall be
67 subtracted from such taxable income an amount equal to one-
68 seventh of the amount by which taxable income was increased
69 pursuant to this subparagraph, notwithstanding any sale or other
70 disposition of the property that is the subject of the
71 adjustments and regardless of whether such property remains in
72 service in the hands of the taxpayer.

73 2. There shall be added to such taxable income an amount
74 equal to 100 percent of any amount in excess of \$128,000
75 deducted for federal income tax purposes for the taxable year
76 pursuant to s. 179 of the Internal Revenue Code of 1986, as
77 amended by s. 102 of Pub. L. No. 110-185, s. 1202 of Pub. L. No.
78 111-5, s. 2021 of Pub. L. No. 111-240, s. 402 of Pub. L. No.
79 111-312, ~~and~~ s. 315 of Pub. L. No. 112-240, and s. 127 of Pub.
80 L. No. 113-295, for taxable years beginning after December 31,
81 2007, and before January 1, 2015 ~~2014~~. 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. (1) The Department of Revenue is authorized, and
107 all conditions are deemed to be met, to adopt emergency rules
108 pursuant to s. 120.54(4), Florida Statutes, for the purpose of
109 implementing this act.

110 (2) Notwithstanding any other law, emergency rules adopted
111 pursuant to subsection (1) are effective for 6 months after
112 adoption and may be renewed during the pendency of procedures to
113 adopt permanent rules addressing the subject of the emergency
114 rules.

115 (3) This section expires January 1, 2018.

116 Section 4. For the purpose of incorporating the amendment

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117 made by this act to section 220.03, Florida Statutes, in a
118 reference thereto, paragraph (1) of subsection (3) of section
119 1009.97, Florida Statutes, is reenacted to read:

120 1009.97 General provisions.—

121 (3) DEFINITIONS.—As used in ss. 1009.97-1009.984, the term:

122 (1) "Internal Revenue Code" means the Internal Revenue Code
123 of 1986, as defined in s. 220.03(1), and regulations adopted
124 pursuant thereto.

125 Section 5. This act shall take effect upon becoming a law
126 and shall operate retroactively to January 1, 2015.