

FOR CONSIDERATION By the Committee on Finance and Tax

593-01055-15

20157014pb

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., to incorporate the amendment made to s. 220.03,
13 F.S., in a reference thereto; reenacting ss.
14 220.15(1), 220.191(1)(d), 220.192(2), 220.63(3), and
15 220.64, F.S., to incorporate the amendments made to s.
16 220.13, F.S., in references thereto; providing for
17 retroactive application; providing an effective date.

18
19 Be It Enacted by the Legislature of the State of Florida:

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

24 220.03 Definitions.—

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

29 (n) "Internal Revenue Code" means the United States

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30 Internal Revenue Code of 1986, as amended and in effect on
31 January 1, 2015 ~~2014~~, except as provided in subsection (3).

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

35 (c) Any term used in this code has the same meaning as when
36 used in a comparable context in the Internal Revenue Code and
37 other statutes of the United States relating to federal income
38 taxes, as such code and statutes are in effect on January 1,
39 2015 ~~2014~~. However, if subsection (3) is implemented, the
40 meaning of a term shall be taken at the time the term is applied
41 under this code.

42 Section 2. Paragraph (e) of subsection (1) of section
43 220.13, Florida Statutes, is amended to read:

44 220.13 "Adjusted federal income" defined.—

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

50 (e) *Adjustments related to federal acts.*—Taxpayers shall be
51 required to make the adjustments prescribed in this paragraph
52 for Florida tax purposes with respect to certain tax benefits
53 received pursuant to the Economic Stimulus Act of 2008, the
54 American Recovery and Reinvestment Act of 2009, the Small
55 Business Jobs Act of 2010, the Tax Relief, Unemployment
56 Insurance Reauthorization, and Job Creation Act of 2010, ~~and~~ the
57 American Taxpayer Relief Act of 2012, and the Tax Increase
58 Prevention Act of 2014.

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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, s. 1201 of Pub. L. No.
64 111-5, s. 2022 of Pub. L. No. 111-240, s. 401 of Pub. L. No.
65 111-312, ~~and~~ s. 331 of Pub. L. No. 112-240, and s. 125 of Pub.
66 L. No. 113-295, for property placed in service after December
67 31, 2007, and before January 1, 2015 ~~2014~~. For the taxable year
68 and 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, s. 1202 of Pub. L. No.
80 111-5, s. 2021 of Pub. L. No. 111-240, s. 402 of Pub. L. No.
81 111-312, ~~and~~ s. 315 of Pub. L. No. 112-240, and s. 127 of Pub.
82 L. No. 113-295, for taxable years beginning after December 31,
83 2007, and before January 1, 2015 ~~2014~~. For the taxable year and
84 for each of the 6 subsequent taxable years, there shall be
85 subtracted from such taxable income one-seventh of the amount by
86 which taxable income was increased pursuant to this
87 subparagraph, notwithstanding any sale or other disposition of

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88 the property that is the subject of the adjustments and
89 regardless of whether such property remains in service in the
90 hands of the taxpayer.

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

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

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

108 Section 3. (1) The Department of Revenue is authorized, and
109 all conditions are deemed to be met, to adopt emergency rules
110 pursuant to s. 120.54(4), Florida Statutes, for the purpose of
111 implementing this act.

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

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

118 Section 4. Paragraph (1) of subsection (3) of s. 1009.97,
119 Florida Statutes, is reenacted for the purpose of incorporating
120 the amendment made by this act to s. 220.03, Florida Statutes,
121 in a reference thereto.

122 Section 5. Subsection (1) of s. 220.15, paragraph (d) of
123 subsection (1) of s. 220.191, subsection (2) of s. 220.192,
124 subsection (3) of s. 220.63, and s. 220.64, Florida Statutes,
125 are reenacted for the purpose of incorporating the amendments
126 made by this act to s. 220.13, Florida Statutes, in references
127 thereto.

128 Section 6. This act shall take effect upon becoming a law
129 and shall operate retroactively to January 1, 2015.