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LEGISLATIVE ACTION

Senate

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House

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Floor: WD/2R

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03/12/2020 05:00 PM

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Senator Gruters moved the following:

1 **Senate Amendment to Substitute Amendment (271678) (with**
2 **title amendment)**

3
4 Between lines 1782 and 1783
5 insert:

6 Section 37. Effective upon becoming a law, paragraph (e) of
7 subsection (1) of section 220.13, Florida Statutes, is amended
8 to read:

9 220.13 "Adjusted federal income" defined.—

10 (1) The term "adjusted federal income" means an amount
11 equal to the taxpayer's taxable income as defined in subsection



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12 (2), or such taxable income of more than one taxpayer as
13 provided in s. 220.131, for the taxable year, adjusted as
14 follows:

15 (e) *Adjustments related to federal acts.*—Taxpayers shall be
16 required to make the adjustments prescribed in this paragraph
17 for Florida tax purposes with respect to certain tax benefits
18 received pursuant to the Economic Stimulus Act of 2008, the
19 American Recovery and Reinvestment Act of 2009, the Small
20 Business Jobs Act of 2010, the Tax Relief, Unemployment
21 Insurance Reauthorization, and Job Creation Act of 2010, the
22 American Taxpayer Relief Act of 2012, the Tax Increase
23 Prevention Act of 2014, the Consolidated Appropriations Act,
24 2016, and the Tax Cuts and Jobs Act of 2017.

25 1.a. There shall be added to such taxable income an amount
26 equal to 100 percent of any amount deducted for federal income
27 tax purposes as bonus depreciation for the taxable year pursuant
28 to ss. 167 and 168(k) of the Internal Revenue Code of 1986, as
29 amended by s. 103 of Pub. L. No. 110-185, s. 1201 of Pub. L. No.
30 111-5, s. 2022 of Pub. L. No. 111-240, s. 401 of Pub. L. No.
31 111-312, s. 331 of Pub. L. No. 112-240, s. 125 of Pub. L. No.
32 113-295, s. 143 of Division Q of Pub. L. No. 114-113, and s.
33 13201 of Pub. L. No. 115-97, for property placed in service
34 after December 31, 2007, and before January 1, 2027. For the
35 taxable year and for each of the 6 subsequent taxable years,
36 there shall be subtracted from such taxable income an amount
37 equal to one-seventh of the amount by which taxable income was
38 increased pursuant to this sub-subparagraph ~~subparagraph~~,
39 notwithstanding any sale or other disposition of the property
40 that is the subject of the adjustments and regardless of whether



41 such property remains in service in the hands of the taxpayer.
42 b. An eligible taxpayer may subtract any remaining amount
43 of bonus depreciation on eligible property by which taxable
44 income was increased pursuant to this subparagraph in the
45 taxable year in which the eligible property is removed from
46 service and may not make any further subtractions under sub-
47 subparagraph a. for that property. As used in this sub-
48 subparagraph, the term "eligible taxpayer" means a taxpayer that
49 deferred gains on the exchange of tangible personal property
50 under s. 1031 of the Internal Revenue Code before January 1,
51 2018, and is classified under NAICS industry group 5321 or code
52 522220. An eligible taxpayer is not disqualified from this
53 treatment solely because it is part of an affiliated group that
54 files a consolidated return and the parent company or other
55 members of the group are not eligible taxpayers. As used in this
56 sub-subparagraph, the term "eligible property" means the same
57 type of tangible personal property on which an eligible taxpayer
58 would have been able to defer gains under s. 1031 of the
59 Internal Revenue Code before January 1, 2018, and which was
60 placed into service on or after January 1, 2019. Eligible
61 property does not include tangible personal property transferred
62 between members of an affiliated group that files a consolidated
63 return.

64 2. There shall be added to such taxable income an amount
65 equal to 100 percent of any amount in excess of \$128,000
66 deducted for federal income tax purposes for the taxable year
67 pursuant to s. 179 of the Internal Revenue Code of 1986, as
68 amended by s. 102 of Pub. L. No. 110-185, s. 1202 of Pub. L. No.
69 111-5, s. 2021 of Pub. L. No. 111-240, s. 402 of Pub. L. No.



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70 111-312, s. 315 of Pub. L. No. 112-240, and s. 127 of Pub. L.
71 No. 113-295, for taxable years beginning after December 31,
72 2007, and before January 1, 2015. For the taxable year and for
73 each of the 6 subsequent taxable years, there shall be
74 subtracted from such taxable income one-seventh of the amount by
75 which taxable income was increased pursuant to this
76 subparagraph, notwithstanding any sale or other disposition of
77 the property that is the subject of the adjustments and
78 regardless of whether such property remains in service in the
79 hands of the taxpayer.

80 3. There shall be added to such taxable income an amount
81 equal to the amount of deferred income not included in such
82 taxable income pursuant to s. 108(i)(1) of the Internal Revenue
83 Code of 1986, as amended by s. 1231 of Pub. L. No. 111-5. There
84 shall be subtracted from such taxable income an amount equal to
85 the amount of deferred income included in such taxable income
86 pursuant to s. 108(i)(1) of the Internal Revenue Code of 1986,
87 as amended by s. 1231 of Pub. L. No. 111-5.

88 4. Subtractions available under this paragraph may be
89 transferred to the surviving or acquiring entity following a
90 merger or acquisition and used in the same manner and with the
91 same limitations as specified by this paragraph.

92 5. The additions and subtractions specified in this
93 paragraph are intended to adjust taxable income for Florida tax
94 purposes, and, notwithstanding any other provision of this code,
95 such additions and subtractions shall be permitted to change a
96 taxpayer's net operating loss for Florida tax purposes.

97 Section 38. The amendment to s. 220.13(1)(e), Florida
98 Statutes, made by this act applies to taxable years beginning on



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99 or after January 1, 2019, and to tangible personal property put
100 into service on or after January 1, 2019.

101
102 ===== T I T L E A M E N D M E N T =====

103 And the title is amended as follows:

104 Delete line 1981

105 and insert:

106 providing an appropriation; amending s. 220.13, F.S.;

107 specifying the authority of certain corporate income

108 tax payers in the automotive equipment rental and

109 leasing and sales financing industries to subtract

110 bonus depreciation on certain tangible personal

111 property; defining the terms "eligible taxpayer" and

112 "eligible property"; providing construction and

113 retroactive applicability; authorizing the department