

By Senator Polsky

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1 A bill to be entitled
2 An act relating to the corporate income tax; amending
3 s. 220.13, F.S.; requiring the subtraction from
4 adjusted federal income certain expenditures of a
5 taxpayer that is a medical marijuana treatment center;
6 providing an effective date.

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

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10 Section 1. Paragraph (b) of subsection (1) of section
11 220.13, Florida Statutes, is amended to read:

12 220.13 "Adjusted federal income" defined.—

13 (1) The term "adjusted federal income" means an amount
14 equal to the taxpayer's taxable income as defined in subsection
15 (2), or such taxable income of more than one taxpayer as
16 provided in s. 220.131, for the taxable year, adjusted as
17 follows:

18 (b) *Subtractions.*—

19 1. There shall be subtracted from such taxable income:

20 a. The net operating loss deduction allowable for federal
21 income tax purposes under s. 172 of the Internal Revenue Code
22 for the taxable year, except that any net operating loss that is
23 transferred pursuant to s. 220.194(6) may not be deducted by the
24 seller,

25 b. The net capital loss allowable for federal income tax
26 purposes under s. 1212 of the Internal Revenue Code for the
27 taxable year,

28 c. The excess charitable contribution deduction allowable
29 for federal income tax purposes under s. 170(d)(2) of the

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30 Internal Revenue Code for the taxable year, ~~and~~

31 d. The excess contributions deductions allowable for
32 federal income tax purposes under s. 404 of the Internal Revenue
33 Code for the taxable year, and

34 e. For a taxpayer that is a medical marijuana treatment
35 center under s. 381.986, an amount equal to any expenditure that
36 is eligible to be claimed as a federal income tax deduction but
37 is disallowed because marijuana is a controlled substance under
38 federal law.

39
40 However, a net operating loss and a capital loss shall never be
41 carried back as a deduction to a prior taxable year, but all
42 deductions attributable to such losses shall be deemed net
43 operating loss carryovers and capital loss carryovers,
44 respectively, and treated in the same manner, to the same
45 extent, and for the same time periods as are prescribed for such
46 carryovers in ss. 172 and 1212, respectively, of the Internal
47 Revenue Code.

48 2. There shall be subtracted from such taxable income any
49 amount to the extent included therein the following:

50 a. Dividends treated as received from sources without the
51 United States, as determined under s. 862 of the Internal
52 Revenue Code.

53 b. All amounts included in taxable income under s. 78, s.
54 951, or s. 951A of the Internal Revenue Code.

55
56 However, any amount subtracted under this subparagraph is
57 allowed only to the extent such amount is not deductible in
58 determining federal taxable income. As to any amount subtracted

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59 under this subparagraph, there shall be added to such taxable
60 income all expenses deducted on the taxpayer's return for the
61 taxable year which are attributable, directly or indirectly, to
62 such subtracted amount. Further, no amount shall be subtracted
63 with respect to dividends paid or deemed paid by a Domestic
64 International Sales Corporation.

65 3. In computing "adjusted federal income" for taxable years
66 beginning after December 31, 1976, there shall be allowed as a
67 deduction the amount of wages and salaries paid or incurred
68 within this state for the taxable year for which no deduction is
69 allowed pursuant to s. 280C(a) of the Internal Revenue Code
70 (relating to credit for employment of certain new employees).

71 4. There shall be subtracted from such taxable income any
72 amount of nonbusiness income included therein.

73 5. There shall be subtracted any amount of taxes of foreign
74 countries allowable as credits for taxable years beginning on or
75 after September 1, 1985, under s. 901 of the Internal Revenue
76 Code to any corporation which derived less than 20 percent of
77 its gross income or loss for its taxable year ended in 1984 from
78 sources within the United States, as described in s.

79 861(a)(2)(A) of the Internal Revenue Code, not including credits
80 allowed under ss. 902 and 960 of the Internal Revenue Code,
81 withholding taxes on dividends within the meaning of sub-
82 subparagraph 2.a., and withholding taxes on royalties, interest,
83 technical service fees, and capital gains.

84 6. Notwithstanding any other provision of this code, except
85 with respect to amounts subtracted pursuant to subparagraphs 1.
86 and 3., any increment of any apportionment factor which is
87 directly related to an increment of gross receipts or income

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88 which is deducted, subtracted, or otherwise excluded in
89 determining adjusted federal income shall be excluded from both
90 the numerator and denominator of such apportionment factor.
91 Further, all valuations made for apportionment factor purposes
92 shall be made on a basis consistent with the taxpayer's method
93 of accounting for federal income tax purposes.

94 Section 2. This act shall take effect July 1, 2023.