

By Senator Gruters

22-01020-23

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1 A bill to be entitled
2 An act relating to 1031 exchange tax credits; creating
3 s. 220.197, F.S.; defining the term "NAICS"; providing
4 a specified corporate income tax credit for a
5 specified taxable year to a taxpayer classified in the
6 passenger car rental and leasing industry if certain
7 conditions were met; providing retroactive operation;
8 providing an effective date.

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

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12 Section 1. Section 220.197, Florida Statutes, is created to
13 read:

14 220.197 1031 exchange tax credit.-

15 (1) As used in this section, the term "NAICS" means those
16 classifications contained in the North American Industry
17 Classification System, as published in 2007 by the Office of
18 Management and Budget, Executive Office of the President.

19 (2) A taxpayer is eligible for a \$2 million credit against
20 the tax imposed by this chapter for its 2018 taxable year if:

21 (a) The taxpayer is classified under NAICS industry group
22 code 53211;

23 (b) The taxpayer deferred gains on the sale of personal
24 property assets for federal income purposes under s. 1031 of the
25 Internal Revenue Code during its taxable year beginning on or
26 after August 1, 2016, and before August 1, 2017; and

27 (c) The taxpayer's final tax liability for its taxable year
28 beginning on or after August 1, 2017, and before August 1, 2018,
29 before application of the credit authorized by this section, is

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30 greater than \$15 million and is at least 700 percent greater
31 than its final tax liability for its taxable year beginning on
32 or after August 1, 2016, and before August 1, 2017.

33 (3) This section operates retroactively to January 1, 2018.

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