

PCB FTC 15-01

2015

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 the definition of "Internal Revenue
 13 Code" used with respect to prepaid college programs,
 14 to incorporate the amendment made by the act to s.
 15 220.03, F.S., in a reference thereto; providing for
 16 retroactive application; providing an effective date.

17
 18 Be It Enacted by the Legislature of the State of Florida:
 19

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

23 220.03 Definitions.—

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

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27 meanings:

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

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

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

41
 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
 51 be required to make the adjustments prescribed in this paragraph
 52 for Florida tax purposes with respect to certain tax benefits

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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.

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

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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
 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

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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,
 109 and all conditions are deemed to be met, to adopt emergency
 110 rules pursuant to s. 120.54(4), Florida Statutes, for the
 111 purpose of 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.

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

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

122 1009.97 General provisions.—

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

125 (1) "Internal Revenue Code" means the Internal Revenue
 126 Code of 1986, as defined in s. 220.03(1), and regulations
 127 adopted pursuant thereto.

128 Section 5. This act shall take effect upon becoming law
 129 and shall operate retroactively to January 1, 2015.