



140726

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
04/02/2013	.	
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The Committee on Rules (Margolis) recommended the following:

Senate Amendment (with title amendment)

Delete lines 320 - 345

and insert:

Section 4. Subsections (3) and (5) of section 220.63, Florida Statutes, are amended to read:

220.63 Franchise tax imposed on banks and savings associations.—

(3) For purposes of this part, the franchise tax base shall be equal to:

(a) Adjusted federal income, as defined in s. 220.13, apportioned to this state, plus;

(b) Nonbusiness income allocated to this state pursuant to



14 s. 220.16, less;

15 (c) The deduction allowed in subsection (5); and

16 (d) Less \$50,000.

17 (5) There shall be allowed as a deduction from adjusted
18 federal income apportioned to this state, to the extent not
19 deductible in determining federal taxable income or subtracted
20 pursuant to s. 220.13(1)(b)2., the eligible net income of an
21 international banking facility determined as follows:

22 (a) The "eligible net income of an international banking
23 facility" is the amount remaining after subtracting from the
24 eligible gross income the applicable expenses.

25 (b) The "eligible gross income" is the gross income derived
26 in this state by an international banking facility from:

27 1. Making, arranging for, placing, or servicing loans to
28 foreign persons, provided, however, that in the case of a
29 foreign person which is an individual, a foreign branch of a
30 domestic corporation (other than a bank or savings association),
31 or a foreign corporation or a foreign partnership which is 80
32 percent or more owned or controlled, either directly or
33 indirectly, by one or more domestic corporations (other than
34 banks or savings associations), domestic partnerships, or
35 resident individuals, substantially all the proceeds of the loan
36 are for use outside the United States;

37 2. Making or placing deposits with foreign persons which
38 are banks or savings associations or foreign branches of banks
39 or savings associations, including foreign subsidiaries or
40 foreign branches of the taxpayer, or with other international
41 banking facilities; or

42 3. Entering into foreign exchange trading or hedging



43 transactions in connection with the activities described in this
44 paragraph.

45
46 However, the term "eligible gross income" does not include any
47 amount derived by an international banking facility from making,
48 arranging for, placing, or servicing loans or making or placing
49 deposits if the loans or deposits of funds are secured by
50 mortgages, deeds of trust, or other liens upon real property
51 located in this state.

52 (c) The "applicable expenses" are any expenses or other
53 deductions attributable, directly or indirectly, to the eligible
54 gross income described in paragraph (b).

55 Section 5. Section 4 of this act is effective with respect
56 to taxable years beginning on or after January 1, 2013.

57
58 ===== T I T L E A M E N D M E N T =====

59 And the title is amended as follows:

60 Delete lines 36 - 41

61 and insert:

62 a cross-reference; amending s. 220.63, F.S.; applying
63 the revisions to specified taxable years; revising the
64 calculation of the franchise tax base; providing that
65 the deduction from adjusted federal income be
66 apportioned to the state; specifying that eligible
67 gross income be gross income derived in this state;
68 providing retroactive