

THE FLORIDA SENATE  
2026 SUMMARY OF LEGISLATION PASSED  
**Committee on Finance and Tax**

**HB 7031 — Internal Revenue Code**

by Ways & Means Committee and Rep. Duggan and others (CS/SB 7048 by Appropriations Committee and Finance and Tax Committee)

The bill updates Florida’s corporate income tax code by adopting the federal Internal Revenue Code in effect on January 1, 2026, except for several specified sections.

House Concurrent Resolution 1, H.R.1, popularly known as the One Big Beautiful Bill Act (OBBBA), amended the Internal Revenue Code and became law on July 4, 2026. A number of these changes will affect Florida’s corporate income tax collections:

- Accelerating depreciation of certain assets (“bonus depreciation”).
- Allowing immediate expensing for certain research and experimental expenditures.
- Increasing the deduction for business interest expenses.
- Increasing the amount of business meals eligible for deduction for certain employers.

The bill retains the current law treatment for the following issues by retaining an adoption of the Internal Revenue Code as of January 1, 2025:

- Provisions relating to bonus depreciation of assets.
- Provisions relating to amortization of certain research and experimental expenditures.
- Provisions relating to the deduction for interest paid by businesses.
- Provisions relating to deductions for certain business meals.

The bill does not adopt the following new sections created by federal law:

- Provisions related to a deduction for qualified production property, and
- Provisions related to a new deduction relating to domestic research and experimental expenditures.

The Revenue Estimating Conference determined that the bill would not affect revenue.

The bill operates retroactively to January 1, 2026.

If approved by the Governor, or allowed to become law without the Governor's signature, these provisions take effect upon becoming law.

*Vote: Senate 34-0; House 109-0*