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HB 7009

2015 Legislature

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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 allowed for federal income tax purposes;
10 authorizing the Department of Revenue to adopt
11 emergency rules; reenacting s. 1009.97(3)(1), F.S.,
12 relating to the definition of the term "Internal
13 Revenue Code" with respect to prepaid college
14 programs, to incorporate the amendment made by the act
15 to s. 220.03, F.S., in a reference thereto; providing
16 for retroactive applicability; providing an effective
17 date.

18
19 Be It Enacted by the Legislature of the State of Florida:
20

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

24 220.03 Definitions.—

25 (1) SPECIFIC TERMS.—When used in this code, and when not
26 otherwise distinctly expressed or manifestly incompatible with

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27 | the intent thereof, the following terms shall have the following
 28 | meanings:

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

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

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

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 provision of law, emergency
 113 | rules adopted pursuant to subsection (1) are effective for 6
 114 | months after adoption and may be renewed during the pendency of
 115 | procedures to adopt permanent rules addressing the subject of
 116 | the emergency 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 operates retroactively to January 1,
 129 | 2015.

130 | Section 6. This act shall take effect upon becoming a law.