

TAX: intangible tax

ISSUE: increase the exemption to \$250,000 and \$500,000 for individual and joint filers.

BILL NUMBER(S): SB204, HB67

SPONSOR(S): Senator Clary, Rep. Fasano

EFFECTIVE DATE: January 1, 2001

DATE OF ANALYSIS: March 13, 2000

SECTION 1: NARRATIVE

a. Current Law:

Under s. 199.185(2), F.S., every individual is granted an exemption of \$20,000 on the 1st mill of tax, and \$100,000 on the additional 0.5 mill of tax. A husband and wife filing a joint return are entitled to claim a \$40,000 and a \$200,000 exemption respectively.

b. Proposed Change:

increase the exemption to \$250,000 and \$500,000 for individual and joint filers..

SECTION 2: DESCRIPTION OF DATA & SOURCES

Florida DOR 1998 intangible tax data

REC intangible tax growth rate, REC intangible tax accounts receivable numbers

SECTION 3: ASSUMPTIONS & RATIONALE

Assume 5% growth rate for 2001-2002

Cash = 86.9% (\$629.5/\$724.4) [(Feb-June)/FY total]

SECTION 4: METHODOLOGY

CASH 2000-01: $-\$163.5 \times 86.9\% = -\142.08

CASH 2001-02: $-\$163.5 \times 1.05 = -\171.68

SECTION 5: IMPACT SUMMARY (DETAILS ATTACHED)

State Impact - All Funds	FY 2000-01 Annualized	FY 2000-01 Cash	FY 2001-02 Cash
High			
Middle	-\$163.5m	-\$142.1m	-\$171.7m
Low			

Consensus Estimate Adopted: 3/13/00	FY 2000-01 Annualized	FY 2000-01 Cash	FY 2001-02 Cash
General Revenue	(101.9)	(88.5)	(107.0)
Total State Impact			
Total Local Impact	(61.6)	(53.6)	(64.7)
Total Impact	(163.5)	(142.1)	(171.7)

01/10/00

file: 00YC0010.wb2

1998 intangible data returns

individuals	#	total asset	total tax due	2000-2001	impact 2000-2001
20/100k + >\$5.0	326,156	\$126,586,675,954	\$219,257,760		
1.5mill +\$60.00	225,945	\$121,532,916,273	\$166,611,119	\$198,044,520	
250k/1.5m/\$60.	91,415	\$100,168,645,416	\$115,972,343	\$137,852,066	(\$60,192,454)
joint filers					
40/200k+>\$5.00	333,357	\$195,681,370,518	\$326,152,200		
1.5mill+>\$60.00	255,388	\$190,088,917,789	\$251,775,953	\$299,276,832	
500k/1.5m/\$60	70,903	\$145,360,498,708	\$164,863,498	\$195,967,187	(\$103,309,644)
business					
> \$5.00	333,506	\$191,940,769,016	\$374,100,887		
ex 1.5mill+>\$60	210,777	\$173,729,037,657	\$191,036,983	\$227,078,648	
minus \$66.4m for AR from tax due					
			\$919,510,847	\$724,400,000	(\$163,502,098)
			\$609,424,055		

rec 1997-98	8.07%	\$993,676,092
rec 1998-99	-1.79%	\$975,847,364
rec 1999-2000	-28.81%	\$694,700,000
rec 2000-01	4.28%	\$724,400,000
rec 2001-02 *	5.00%	\$760,620,000