

TAX: intangible tax
ISSUE: 0.5 mill reduction on the intangible tax
BILL NUMBER(S): SB 128
SPONSOR(S): Senator Lee
EFFECTIVE DATE: January 1, 2002
DATE OF ANALYSIS: March 14, 2001

SECTION 1: NARRATIVE

a. Current Law:

Under s. 199.185(2), F.S., every individual is granted an exemption of \$20,000 on the intangible tax. A husband and wife filing a joint return are entitled to claim a \$40,000. The tax rate is 1 mill and the minimum payment is \$60.

b. Proposed Change:

reduces the rate of the intangible tax from 1 mill to half mill

SECTION 2: DESCRIPTION OF DATA & SOURCES

Florida DOR 1998 intangible tax data, 1999 partial intangible tax data
 REC intangible tax growth rate

SECTION 3: ASSUMPTIONS & RATIONALE

Based on the 1999 partial intangible data, the proportion of accounts receivables is 74% of loans.

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

SECTION 4: METHODOLOGY

CASH 2001-02: -\$270.466M X 86.9% = -\$235.0M

CASH 2002-03: -\$270.466M X 1.031 = -\$278.8M

SECTION 5: IMPACT SUMMARY (DETAILS ATTACHED)

State Impact - All Funds	FY 2001-02 Annualized	FY 2001-02 Cash	FY 2002-03 Cash
High			
Middle	-\$270.5m	-\$235.0m	-\$278.8m
Low			

Consensus Estimate Adopted: 3/16/01	FY 2001-02 Annualized	FY 2001-02 Cash	FY 2002-03 Cash
General Revenue	(270.5)	(235.0)	(278.8)
Total State Impact	(270.5)	(235.0)	(278.8)
Total Local Impact			
Total Impact	(270.5)	(235.0)	(278.8)

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1998 intangible data returns

	individuals	#	total asset	total tax due	2001-2002	impact 2001-2002
i1	20/100k + >\$5.0	326,156	\$126,586,675,954	\$219,257,760		
i4	20k/1m/\$60	225,945	\$121,532,916,273	\$117,014,016	\$145,317,469	current law
SB128	20k/0.5m/\$60	163,843	\$114,881,843,935	\$55,802,492	\$69,300,048	(\$76,017,421)
SB1598	50k/1m/\$60	190,284	\$118,169,443,713	\$108,655,244	\$134,936,870	(\$10,380,599)
HB 21	250k/.75m/\$60	80,469	\$96,782,394,435	\$57,498,858	\$71,406,732	(\$73,910,737)
joint filers						
j1	40/200k+>\$5.00	333,357	\$195,681,370,518	\$326,152,200		
j4	40k/1m/\$60	255,388	\$190,088,917,789	\$179,873,398	\$223,381,334	current law
SB128	40k/0.5m/\$60	196,951	\$182,625,414,113	\$87,373,687	\$108,507,711	(\$114,873,623)
SB1598	100k/1m/\$60	196,951	\$182,625,414,113	\$162,930,314	\$202,340,042	(\$21,041,292)
HB 21	500k/.75m/\$60	66,046	\$142,642,091,556	\$82,214,319	\$102,100,391	(\$121,280,943)
business						
b1	> \$5.00	333,506	\$191,940,769,016	\$374,100,887		
	1m/\$60	162,377	\$124,247,984,824	\$124,247,985	\$154,301,197	current law
SB128	0.5m/\$60	117,226	\$120,344,149,924	\$60,172,075	\$74,726,549	(\$79,574,648)
HB 21	250k/.75m/\$60	60,226	\$108,744,227,965	\$70,265,796	\$87,261,749	(\$67,039,448)
current total		643,710	\$435,869,818,886	\$421,135,399	\$523,000,000	(\$270,465,691)
rec 3/2001						
rec 1997-98		8.07%	\$993,676,092			
rec 1998-99		-1.79%	\$975,847,364			
rec 1999-2000		-19.58%	\$784,749,938			
rec 2000-01		-35.43%	\$506,700,000			
rec 2001-02		3.22%	\$523,000,000			
rec 2002-03		3.10%	\$539,200,000			
	SB 128			FY 2001-02		(\$270,465,691)
	SB 128	20/40k/0.5m/\$60		FY 2002 cash	86.90%	(\$235,034,686)
	SB 128			FY 2002-03		(\$278,843,405)
	SB 1598			FY 2001-02		(\$31,421,891)
	SB 1598	50/100k/1m/\$60		FY 2002 cash	86.90%	(\$27,305,623)
	SB 1598			FY 2002-03		(\$32,395,189)
	HB 21			FY 2001-02		(\$262,231,128)
	HB 21	250/500k/.75m/\$60		FY 2002 cash	86.90%	(\$227,878,850)
	HB 21			FY 2002-03		(\$270,353,775)